



RON DESANTIS
GOVERNOR

MARY C. MAYHEW
SECRETARY

April 1, 2019

Prospective Vendor(s):

Subject: AHCA RFP 011-18/19

Title: Medicaid Nursing Home Cost Report Examination and Reporting Services

This solicitation is being issued by the State of Florida, Agency for Health Care Administration, hereinafter referred to as “**AHCA**” or “**Agency**”, to select a vendor to provide Medicaid Nursing Home Cost Report Examination and Reporting Services. The solicitation package consists of this transmittal letter and the following attachments and exhibits:

Attachment A	Instructions and Special Conditions
Exhibit A-1	Questions Template
Exhibit A-2	Transmittal Letter
Exhibit A-3	Required Certifications and Statements
Exhibit A-3-a	Additional Required Certifications and Statements
Exhibit A-4	Submission Requirements and Evaluation Criteria Components (Technical Response)
Exhibit A-5	Cost Proposal
Exhibit A-5-a	Detailed Budget
Exhibit A-6	Certification of Drug-Free Workplace Program
Exhibit A-7	Standard Contract
Attachment B	Scope of Services

Your response must comply fully with the instructions that stipulate what is to be included in the response. Respondents shall identify the solicitation number, date and time of opening on the package transmitting their response. This information is used only to put the Agency mailroom on notice that the package received is a response to an Agency solicitation and therefore should not be opened, but delivered directly to the Procurement Officer.



The designated Agency Procurement Officer for this solicitation is the undersigned. All communications from respondents shall be made in writing and directed to my attention at the address provided in **Attachment A**, Instructions and Special Conditions, **Section A.1.**, Instructions, **Sub-Section A.**, Overview, **Item 5.**, Procurement Officer unless otherwise instructed in this solicitation.

The term "Proposal", "Response" or "Reply" may be used interchangeably and mean the respondent's submission to this solicitation.

Section 120.57(3)(b), Florida Statutes and Section 28-110.003, Florida Administrative Code require that a Notice of Protest of the solicitation documents shall be made within seventy-two hours after the posting of the solicitation. Failure to file a protest within the time prescribed in Section 120.57(3), Florida Statutes, shall constitute a waiver of proceedings under Chapter 120, Florida Statutes.

Sincerely,
LeAnn Clayton
Operations Review Specialist
Bureau of Support Services

ATTACHMENT A INSTRUCTIONS AND SPECIAL CONDITIONS

Table of Contents

A.1. Instructions.....	3
A. Overview	3
1. Solicitation Number.....	3
2. Solicitation Type	3
3. Solicitation Title.....	3
4. Date of Issuance.....	3
5. Procurement Officer.....	3
6. Solicitation Timeline.....	3
7. PUR 1000, General Contract Conditions.....	4
8. PUR 1001, General Instructions to Respondents.....	4
9. Restriction on Communications	4
10. Respondent Questions	5
11. Solicitation Addenda	5
12. Public Opening of Responses	5
13. Type and Amount of Contract Contemplated	6
14. Term of Contract.....	6
B. Response Preparation and Content	7
1. General Instructions.....	7
2. Mandatory Response Content.....	8
a. Exhibit A-2, Transmittal Letter.....	8
b. Exhibit A-3, Required Certifications and Statements	8
c. Exhibit A-3-a, Additional Required Certifications and Statements	8
d. Original Proposal Guarantee	8
e. Financial Information.....	9
f. Exhibit A-4, Submission Requirements and Evaluation Criteria (Technical Response).....	10
g. Exhibit A-5, Cost Proposal	10
h. Exhibit A-5-a, Detailed Budget.....	11
3. Additional Response Content	11
C. Response Submission Requirements	11
1. Hardcopy and Electronic Submission Requirements.....	11
a. General Provision	11

**ATTACHMENT A
INSTRUCTIONS AND SPECIAL CONDITIONS**

b.	Hardcopies of the Response.....	11
c.	Electronic Copy of the Response.....	13
2.	Confidential or Exempt Information	14
D.	Response Evaluation and Contract Award	16
1.	Response Clarification.....	16
2.	Responsive Reply Determination	16
3.	Non-Scored Requirements	16
a.	Transmittal (Cover) Letter	16
b.	Required Certifications and Statements	16
c.	Additional Required Certifications and Statements.....	16
d.	Original Proposal Guarantee	17
e.	Financial Statements	17
4.	Scored Requirements – Evaluation Criteria.....	17
a.	Technical Response Evaluation.....	17
b.	Cost Proposal Evaluation.....	18
5.	Ranking of Responses.....	19
6.	Number of Awards	19
7.	Posting of Notice of Intent to Award	19
8.	Performance Bond.....	19
9.	Federal Approval	20
10.	Contract Execution	20
A.2	Special Terms and Conditions.....	21
A.	Venue.....	21
B.	General Definitions	22

REMAINDER OF PAGE INTENTIONALLY LEFT BLANK

ATTACHMENT A INSTRUCTIONS AND SPECIAL CONDITIONS

A.1. Instructions

A. Overview

1. Solicitation Number

AHCA RFP 011 – 18/19

2. Solicitation Type

Request for Proposal

3. Solicitation Title

Medicaid Nursing Home Cost Report Examination and Reporting Services

4. Date of Issuance

April 1, 2019

5. Procurement Officer

LeAnn Clayton
 Agency for Health Care Administration
 2727 Mahan Drive
 Mail Stop #15
 Tallahassee, FL 32308-5403
 Email: solicitation.questions@ahca.myflorida.com

6. Solicitation Timeline

The projected solicitation timeline is shown in **Table 1**, Solicitation Timeline, below (all times are Eastern Time). The Agency for Health Care Administration (Agency) reserves the right to amend the timeline in the State’s best interest. If the Agency finds it necessary to change any of the activities/dates/times listed, all interested parties will be notified by addenda to the original solicitation document posted on the Vendor Bid System (VBS) ([http://myflorida.com/apps/vbs/vbs www.main menu](http://myflorida.com/apps/vbs/vbs_main_menu)).

TABLE 1

SOLICITATION TIMELINE

ACTIVITY	DATE/TIME	LOCATION
Solicitation Issued by Agency	April 1, 2019	Electronically Posted http://myflorida.com/apps/vbs/vbs www.main menu
Deadline for Receipt of Written Questions	April 8, 2019 2:00 p.m.	solicitation.questions@ahca.myflorida.com

ATTACHMENT A INSTRUCTIONS AND SPECIAL CONDITIONS

TABLE 1

SOLICITATION TIMELINE

ACTIVITY	DATE/TIME	LOCATION
Anticipated Date for Agency Responses to Written Questions	April 15, 2019	Electronically Posted http://myflorida.com/apps/vbs/vbs_main_menu
Deadline for Receipt of Responses	April 30, 2019 2:00 p.m.	Agency for Health Care Administration Mailroom Building 2, 1 st Floor, Suite 1500 2727 Mahan Drive Tallahassee, FL 32308-5403
Public Opening of Responses	April 30, 2019 2:30 p.m.	2727 Mahan Drive, Building 2 2nd Floor, Suite 203 Tallahassee, FL 32308-5403
Anticipated Posting of Notice of Intent to Award	May 28, 2019	Electronically Posted http://myflorida.com/apps/vbs/vbs_main_menu

7. PUR 1000, General Contract Conditions

PUR 1000, General Contract Conditions, is incorporated by reference and is available for prospective respondents to download at:

https://www.dms.myflorida.com/content/download/2933/11777/PUR_1000_General_Contract_Conditions.pdf

8. PUR 1001, General Instructions to Respondents

PUR 1001, General Instructions to Respondents, is incorporated by reference and is available for prospective respondents to download at:

https://www.dms.myflorida.com/content/download/2934/11780/PUR_1001_General_Instructions_to_Respondents.pdf

Unless otherwise noted, instructions in this **Attachment A** shall take precedence over the **PUR 1001**, General Instructions to Respondents.

9. Restriction on Communications

Respondents to this solicitation or persons acting on their behalf may not contact, between the release of this solicitation and the end of the seventy-two (72) hour period following the Agency posting the notice of intended award, excluding Saturdays, Sundays, and State holidays, any employee or officer of the executive or legislative branch concerning any aspect of this solicitation, except in writing to the Procurement Officer or as provided in this solicitation. **Violation of this provision may be grounds for rejecting a response. See Section 287.057(23), Florida Statutes (F.S.).**

ATTACHMENT A

INSTRUCTIONS AND SPECIAL CONDITIONS

10. Respondent Questions

- a. The Agency will receive all questions pertaining to this solicitation no later than the date and time specified for written questions in **Section A.1.**, Instructions, **Sub-Section A.**, Overview, **Item 6.**, Solicitation Timeline, **Table 1**, Solicitation Timeline.
- b. Prospective respondents must submit all questions by email at solicitation.questions@ahca.myflorida.com, utilizing **Exhibit A-1**, Questions Template. **Exhibit A-1**, Questions Template, is a Microsoft excel document and is available for prospective respondents to download at:

<http://ahca.myflorida.com/procurements/index.shtml>.
- c. The Agency will not accept questions by telephone, postal mail, hand delivery or fax.
- d. The Agency's response to questions received will be posted as an addendum to this solicitation as specified in **Section A.1.**, Instructions, **Sub-Section A.**, Overview, **Item 6.**, Solicitation Timeline, **Table 1**, Solicitation Timeline, and may be grouped as to not repeat the same answer multiple times.
- e. The Agency reserves the right to post an addendum to this solicitation in order to address questions received after the written question submission deadline. It is the sole discretion of the Agency to consider questions received after the written questions submission deadline.

11. Solicitation Addenda

If the Agency finds it necessary to supplement, modify, or interpret any portion of this solicitation during this solicitation period, a written addendum will be posted on the VBS as addenda to this solicitation. **It is the respondent's responsibility to check the VBS periodically for any information or updates to this solicitation. The Agency bears no responsibility for any resulting impacts associated with a prospective respondent's failure to obtain the information made available through the VBS.**

12. Public Opening of Responses

Responses shall be opened on the date, time and at the location indicated in **Section A.1.**, Instructions, **Sub-Section A.**, Overview, **Item 6.**, Solicitation Timeline, **Table 1**, Solicitation Timeline. Respondents may, but are not required to, attend. The Agency will only announce the respondent(s) name at the public opening. Pursuant to Section 119.071(1)(b), F.S., no other materials will be released. Any person

ATTACHMENT A INSTRUCTIONS AND SPECIAL CONDITIONS

requiring a special accommodation because of a disability should contact the Procurement Officer at least five (5) business days prior to this solicitation opening. If you are hearing or speech impaired, please contact the Agency by using the Florida Relay Service at (800) 955-8771 (TDD).

13. Type and Amount of Contract Contemplated

- a.** The Contract resulting from this solicitation will be a Fixed Price (Unit Cost) contract and shall not exceed **\$5,370,244.00**.
- b.** The Agency shall pay the Vendor monthly in arrears for each completed phase of an examination in accordance with the terms of this solicitation and the resulting Contract.
- c.** The State of Florida's performance and obligation to pay under the Contract resulting from this solicitation is contingent upon an annual appropriation by the Legislature.

14. Term of Contract

- a.** The anticipated term of the resulting Contract is July 1, 2019 through June 30, 2022. The term of the resulting Contract is subject to change based on the actual execution date of the resulting Contract.
- b.** In accordance with Section 287.057(13), F.S., the Contract resulting from this solicitation may be renewed for a period that may not exceed three (3) years or the term of the resulting original Contract period whichever is longer. Renewal of the resulting Contract shall be in writing and subject to the same terms and conditions set forth in the resulting original Contract. A renewal Contract may not include any compensation for costs associated with the renewal. Renewals are contingent upon satisfactory performance evaluations by the Agency, are subject to the availability of funds, and optional to the Agency.
- c.** Respondents shall offer renewal year pricing in its response. The Agency will not evaluate renewal year proposals as part of the evaluation and scoring process, however proposed cost, as provided in **Exhibit A-5**, Cost Proposal, will be applied in the event the resulting Contract is renewed.
- d.** If the resulting Contract is renewed, it is the Agency's policy to reduce the overall payment amount by the Agency to the successful respondent by at least five percent (5%) during the period of the Contract renewal, unless it would affect the level and quality of services.

ATTACHMENT A

INSTRUCTIONS AND SPECIAL CONDITIONS

B. Response Preparation and Content

1. General Instructions

- a. The instructions for this solicitation have been designed to help ensure that all responses are reviewed and evaluated in a consistent manner, as well as to minimize costs and response time. Information submitted in variance with these instructions may not be reviewed or evaluated.
- b. The Agency has established certain requirements with respect to responses submitted to competitive solicitations. The use of “shall”, “must”, or “will” (except to indicate futurity) in this solicitation, indicates a requirement or condition from which a material deviation may not be waived by the Agency. A deviation is material if, in the Agency’s sole discretion, the deficient response is not in substantial accord with this solicitation’s requirements, provides a significant advantage to one respondent over another, or has a potentially significant effect on the quality of the response or on the cost to the Agency. Material deviations cannot be waived. The words “should” or “may” in this solicitation indicate desirable attributes or conditions, but are permissive in nature. Deviation from, or omission of, such desirable features will not in and of itself cause rejection of a response.
- c. Respondents shall not retype and/or modify required forms and must submit required forms in the original format. Required forms are available for respondents to download at:

<http://ahca.myflorida.com/procurements/index.shtml>.
- d. A respondent shall not, directly or indirectly, collude, consult, communicate or agree with any other respondent as to any matter related to the response each is submitting. Additionally, a respondent shall not induce any other respondent to submit or not to submit a response.
- e. The costs related to the development and submission of a response to this solicitation is the full responsibility of the respondent and is not chargeable to the Agency.
- f. Joint ventures and legal partnerships shall be viewed as one (1) respondent. However, all parties to the joint venture/legal partnership shall submit all mandatory attachments and documentation required by this solicitation from respondents, unless otherwise stated. **Failure to submit all required documentation from all parties included in a joint venture/legal partnership, signed by an authorized official, if applicable, may result in the rejection of a prospective vendor’s response.**

ATTACHMENT A INSTRUCTIONS AND SPECIAL CONDITIONS

- g.** Pursuant to Section 287.133(2)(a), F.S., a person or affiliate who has been placed on the convicted Vendor list following a conviction for a public entity crime may not submit a Bid, Proposal, or Reply on a contract to provide any goods or services to a public entity; may not submit a Bid, Proposal, or Reply on a contract with a public entity for the construction or repair of a public building or public work; may not submit Bids, Proposals, or Replies on leases of real property to a public entity; may not be awarded or perform work as a contractor, supplier, subcontractor, or consultant under a contract with any public entity; and may not transact business with any public entity in excess of the threshold amount provided in Section 287.017, F.S. for category two for a period of thirty-six (36) months following the date of being placed on the convicted Vendor list.

2. Mandatory Response Content

The respondent shall include the documents listed in this Item with the submission of the Original Response. Violation of this provision may result in the rejection of a response.

- a. Exhibit A-2, Transmittal Letter**

The respondent shall complete and submit **Exhibit A-2**, Transmittal Letter, as part of its response in accordance with the instructions contained therein.

- b. Exhibit A-3, Required Certifications and Statements**

The respondent shall complete and submit **Exhibit A-3**, Required Certifications and Statements, as part of its response in accordance with the instructions contained therein.

- c. Exhibit A-3-a, Additional Required Certifications and Statements**

The respondent shall complete and submit, **Exhibit A-3-a**, Additional Required Certifications and Statements, as part of its response in accordance with the instructions contained therein.

- d. Original Proposal Guarantee**

- 1)** The respondent's Original Response must be accompanied by an Original Proposal Guarantee payable to the State of Florida in the amount of **\$268,512.20**. The proposal guarantee is a firm commitment the respondent shall, upon the Agency's acceptance of its response, execute such contractual documents as may be required within the time specified.

ATTACHMENT A INSTRUCTIONS AND SPECIAL CONDITIONS

- 2) The respondent must be the guarantor. If responding as a joint venture/legal partnership, at least one party of the joint venture/legal partnership shall be the guarantor.
- 3) The proposal guarantee shall be in the form of a bond, cashier's check, treasurer's check, bank draft or certified check. The Agency will not accept a letter of credit in lieu of the Proposal Guarantee.
- 4) The Agency will not accept a copy of the Proposal Guarantee.
- 5) Proposal Guarantees will be returned upon execution of the legal Contract with the successful respondent and receipt of the performance bond required under this solicitation (See **Section A.1.**, Instructions, **Sub-Section D.**, Response Evaluation and Contract Award, **Item 9.**, Performance Bond).
- 6) Proposal Guarantees may be returned to respondents not considered responsive and responsible prior to execution of the legal Contract if the respondent is not participating in an administrative challenge regarding this solicitation.
- 7) Proposal Guarantees will be returned to the Official Contact Person at the address listed in **Exhibit A-2**, Transmittal Letter.
- 8) If the successful respondent fails to execute a contract within ten (10) consecutive calendar days after a contract has been presented to the successful respondent for signature, the proposal guarantee shall be forfeited to the State.
- 9) The proposal guarantee must not contain any provisions that shorten the time from bringing an action to a time less than that provided by the applicable Florida Statute of Limitations (see Section 95.03, F.S.).

e. Financial Information

The respondent shall submit its most recent audited financial statements. If audited financial statements are not available, the respondent shall submit its most recent financial information, which shall include at a minimum:

- 1) Income Statement(s) or Revenue and Expense Statement(s) – Which are statement(s) of profit or loss (for not-for-profits it is the excess of revenues over expenses)

ATTACHMENT A INSTRUCTIONS AND SPECIAL CONDITIONS

during a particular period including all items of revenue income and expenditure.

- 2) Balance Sheet(s) – Which are statement(s) of total assets, liabilities, and net worth at a given point in time.
- 3) Cash Flow Statement(s) – Which are statement(s) that reflects the inflow of revenue versus the outflow of expenses resulting from operating, investing, and financing activities during a specific time period.
- 4) Notes to the financial statements which shall include: a description of the reporting entity, major asset categories, debt, contingency liabilities, transactions with related parties, subsequent events, and a list of significant accounting policies and estimates used.

Financial information will be reviewed by an Agency Certified Public Accountant (CPA) to determine the respondent's financial stability. **Information more than twelve (12) months old will not be accepted.**

The financial information Items 1 - 4 as requested above shall be labeled and tabbed separately.

FAILURE TO SUBMIT FINANCIAL INFORMATION AS REQUIRED WILL RESULT IN REJECTION OF THE RESPONSE.

f. Exhibit A-4, Submission Requirements and Evaluation Criteria (Technical Response)

- 1) Respondents shall complete and submit **Exhibit A-4, Submission Requirements and Evaluation Criteria Components (Technical Response)**, and applicable attachments/exhibits as part of its response.
- 2) Respondents shall comply with the instructions for completing **Exhibit A-4, Submission Requirements and Evaluation Criteria Components (Technical Response)**, which are contained therein.

g. Exhibit A-5, Cost Proposal

The respondent shall complete and submit **Exhibit A-5, Cost Proposal**, as part of its response in accordance with the instructions contained therein.

REMAINDER OF PAGE INTENTIONALLY LEFT BLANK

ATTACHMENT A INSTRUCTIONS AND SPECIAL CONDITIONS

h. Exhibit A-5-a, Detailed Budget

The respondent shall complete and submit **Exhibit A-5-a, Detailed Budget**, as part of its response in accordance with the instructions contained therein.

3. Additional Response Content

a. Exhibit A-6, Certification of Drug-Free Workplace Program

The State supports and encourages initiatives to keep the workplace of Florida's suppliers and contractors drug free. Section 287.087, F.S. provides that, where identical tie Proposals are received, preference shall be given to a Proposal received from a respondent that certifies it has implemented a drug-free workplace program. If applicable, the respondent shall sign and submit **Exhibit A-6, Certification of Drug-Free Workplace Program**, to certify that the respondent has a drug-free workplace program.

C. Response Submission Requirements

1. Hardcopy and Electronic Submission Requirements

a. General Provision

Electronic submissions via MyFloridaMarketPlace will not be accepted for this solicitation.

b. Hardcopies of the Response

1) Original Response

The respondent shall submit **one (1) Original Response**. The Original Response shall be marked as the "Original" and contain the Transmittal Letter (**Exhibit A-2**) that bears the original signature of the binding authority. The box that contains the Original Response shall be marked "**Contains Original**". All forms requiring signature shall bear an original signature with the original response.

2) Duplicate Copy of the Original Response

The respondent shall submit **one (1) duplicate copy** of the Original Response.

3) Packaging and Delivery

a) Hard copy responses shall be bound individually and submitted in one (1), three-inch, three-ring binder or

ATTACHMENT A INSTRUCTIONS AND SPECIAL CONDITIONS

secured in a similar fashion to contain pages that turn easily for review.

- b) Each component of the hard copy response shall be clearly labeled and tabbed in the order specified below:
 - (1) **Exhibit A-2**, Transmittal Letter;
 - (2) **Exhibit A-3**, Required Certifications and Statements;
 - (3) **Exhibit A-3-a**, Additional Required Certifications and Statements;
 - (4) Original Proposal Guarantee **Note:** The Original Proposal Guarantee must be provided in the Original Response;
 - (5) Financial Information;
 - (6) **Exhibit A-4**, Submission Requirements and Evaluation Criteria Components (Technical Response);
 - (7) **Exhibit A-5**, Cost Proposal;
 - (8) **Exhibit A-5-a**, Detailed Budget; and
 - (9) **Exhibit A-6**, Certification of Drug-Free Workplace Program (if applicable).
- c) Hard copy responses shall be double sided.
- d) Hard copy responses must be submitted in a sealed package (i.e., outer boxes must be sealed, individual binders within the box do not require individual sealing), to the Procurement Officer identified in **Section A.1.**, Instructions, **Sub-Section A.**, Overview, **Item 5.**, Procurement Officer, no later than the time indicated in **Section A.1.**, Instructions, **Sub-Section A.**, Overview, **Item 6.**, Solicitation Timeline, **Table 1**, Solicitation Timeline.
- e) Hard copy responses shall be submitted via United States (U.S.) mail, courier, or hand delivery. Responses sent by fax or email will not be accepted.
- f) The Agency will not consider responses received after the date and time specified in **Section A.1.**,

ATTACHMENT A

INSTRUCTIONS AND SPECIAL CONDITIONS

Instructions, **Sub-Section A.**, Overview, **Item 6.**, Solicitation Timeline, **Table 1**, Solicitation Timeline, and any such responses will be returned to the respondent unopened.

c. **Electronic Copy of the Response**

- 1) The respondent shall submit one (1) electronic copy of the entire response on a USB flash drive.
- 2) The electronic copy of the response, including all attachments, shall be submitted as Portable Document Format (PDF) documents. The PDF documents must be searchable, allow printing and must not be password protected (unlocked).
- 3) The electronic copy of the PDF documents shall be saved on the USB flash drive, with each component listed below saved separately in individual file folders:
 - (a) **Exhibit A-2**, Transmittal Letter;
 - (b) **Exhibit A-3**, Required Certifications and Statements;
 - (c) **Exhibit A-3-a**, Additional Required Certifications and Statements;
 - (d) Financial Information;
 - (e) **Exhibit A-4**, Submission Requirements and Evaluation Criteria Components (Technical Response) and applicable attachments/exhibits;
 - (f) **Exhibit A-5**, Cost Proposal;
 - (g) **Exhibit A-5-a**, Detailed Budget; and
 - (h) **Exhibit A-6**, Certification of Drug-Free Workplace Program (if applicable).
- 4) In addition to the PDF submission, the following exhibits shall also be submitted in Microsoft Excel 2016, utilizing the Agency provided templates and shall be saved on the USB flash drive:
 - (a) **Exhibit A-5**, Cost Proposal; and
 - (b) **Exhibit A-5-a**, Detailed Budget.

ATTACHMENT A

INSTRUCTIONS AND SPECIAL CONDITIONS

5) Electronic Redacted Copies

- (a) The respondent shall submit an electronic redacted copy of the response suitable for release to the public in one (1) PDF document on the USB flash drive. The electronic copy shall be saved in a separate file folder on the USB flash drive from the rest of the response. The file folder shall be identified as “Redacted Version Suitable for Public Release”.
- (b) The PDF document must be searchable, allow printing, and must not be password protected (unlocked).
- (c) Any confidential or trade secret information covered under Section 812.081, F.S., should be redacted as described below. The redacted response shall be marked as the “redacted” copy.

2. Confidential or Exempt Information

- a. All submittals received by the date and time specified in **Section A.1.**, Instructions, **Sub-Section A.**, Overview, **Item 6.**, Solicitation Timeline, **Table 1**, Solicitation Timeline, become the property of the State of Florida and are public records subject to the provisions of Chapter 119, F.S. The State of Florida shall have the right to use all ideas, or adaptations of the ideas, contained in any response received in relation to this solicitation. Selection or rejection of the response shall not affect this right.
- b. A respondent that asserts that any portion of the response is confidential or exempt from disclosure under Chapter 119, Florida Statutes., shall clearly mark each page of such portion as follows:
 - 1) Pages containing trade secret shall be marked “Trade secret as defined in Section 812.081, Florida Statutes”. Respondents who fail to identify trade secret as directed herein acknowledge and agree that they waive any right or cause of action, civil or criminal, against the Agency, its employees, and its representatives, for the release or disclosure of trade secret information not so identified. Respondents shall not mark their entire response as trade secret. The Agency may reject a response that is so marked.
 - 2) Pages that do not contain trade secret but are otherwise exempt or confidential shall be marked “exempt” or “confidential,” followed by the statutory basis for such claim.

ATTACHMENT A INSTRUCTIONS AND SPECIAL CONDITIONS

For example: "The information on this page is exempt from disclosure pursuant to Section 119.071(3)(b), Florida Statutes."

- 3)** Failure to identify and mark such portions as directed above shall constitute a waiver of any claimed exemption and the Agency will provide any unmarked records in response to public records requests for those records without notifying the respondent. Designating material simply as "proprietary" will not necessarily protect it from disclosure under Chapter 119, Florida Statutes.
- c.** All information included in the response (including, without limitation, technical and cost information) and any resulting Contract that incorporates the successful response (fully, in part, or by reference) shall be a matter of public record regardless of copyright status. Submission of a response to this solicitation that contains material for which the respondent holds a copyright shall constitute permission for the Agency to reproduce and disclose such material for the Agency's internal use, and to make such material available for inspection pursuant to a public records request.
- d.** If a public records request is submitted to the Agency for responses submitted to this solicitation, the respondent agrees that the Agency may release the redacted response without conducting any pre-release review of the redacted response.
- e.** Unless otherwise prohibited by law, the Agency will notify the respondent if a requestor contests the respondent's determination that information is confidential or exempt and asserts a right to the information under Chapter 119, F.S. or other law. The respondent bears sole responsibility for supporting and defending its determination. If an action is brought against the Agency in any appropriate judicial forum contesting the respondent's determination of confidentiality or the redactions made by the respondent to its response, the respondent agrees that the Agency has no duty to defend against such claims and may elect not to do so, and may elect to release an un-redacted version of the response. By submitting a response, the respondent agrees to protect, defend, hold harmless and indemnify the Agency for any and all claims arising from or relating to the respondent's determinations of confidentiality or redaction, including the payment of any attorneys' fees or costs assessed against the Agency.

REMAINDER OF PAGE INTENTIONALLY LEFT BLANK

ATTACHMENT A INSTRUCTIONS AND SPECIAL CONDITIONS

D. Response Evaluation and Contract Award

1. Response Clarification

The Agency reserves the right to seek written clarification from a respondent of any information contained in the response or to request missing items from a response. However, it is a respondent's obligation to submit an adequately written reply for the Agency to evaluate.

2. Responsive Reply Determination

A "responsive reply" means a reply submitted by a **responsive and responsible vendor**, which conforms in all material aspects to the solicitation [Section 287.012(26), F.S.]. A "responsible vendor" means a vendor who has the capacity in all respects to fully perform the Contract requirements and the integrity and reliability that will assure good faith performance [287.012(25), F.S.]. The Procurement Officer may rely on any facts available to make a determination at any time prior to award as to whether a vendor is a responsible vendor. The Agency reserves the right to contact sources outside the reply to obtain information regarding past performance or other matters relevant to responsibility.

3. Non-Scored Requirements

a. Transmittal (Cover) Letter

The Agency will review responses to this solicitation to determine if the respondent included in its response, **Exhibit A-2**, Transmittal Letter, from each required party.

b. Required Certifications and Statements

The Agency will review responses to this solicitation to determine if the respondent included in its response, **Exhibit A-3**, Required Certifications and Statements.

c. Additional Required Certifications and Statements

The Procurement Office and/or other Agency staff will review responses to this solicitation to determine if the respondent included in its response, **Exhibit A-3-a**, Additional Required Certifications and Statements.

REMAINDER OF PAGE INTENTIONALLY LEFT BLANK

ATTACHMENT A

INSTRUCTIONS AND SPECIAL CONDITIONS

d. Original Proposal Guarantee

The Agency will review responses to this solicitation to determine if the respondent included in its response, an original proposal guarantee in the appropriate amount, as specified in **Section B.**, Response Preparation and Content, **Sub-Section 2.**, Mandatory Response Content, **Item d.**

e. Financial Statements

An Agency Certified Public Accountant will evaluate each respondent's financial information. A rating will be assigned for financial responsibility based on the following scale:

Rating Scale

20	Financial stability is excellent.
15	Financial stability is above average.
10	Financial stability is average.
5	Financial stability is below average.
0	Financial stability is inadequate.

Respondents determined to have a rating of five (5) or less is determined to have insufficient financial resources to fully perform the Contract requirements outlined in this solicitation will be disqualified.

4. Scored Requirements – Evaluation Criteria

a. Technical Response Evaluation

- 1) Each evaluator will evaluate responses independently of the other evaluators and award points based on the criteria and points scale indicated in **Exhibit A-4**, Submission Requirements and Evaluation Criteria Components (Technical Response), for the detailed evaluation criteria components.
- 2) Each response will be individually scored by at least three (3) evaluators, who collectively have experience and knowledge in the program areas and service requirements for which contractual services are sought by this solicitation. The Agency reserves the right to have specific Sections of the responses evaluated by less than three (3) individuals.
- 3) The scores of independent evaluators will be computed to determine a total score based on the detailed evaluation criteria components indicated in **Exhibit A-4**, Submission Requirements and Evaluation Criteria Components (Technical Response), and the weight factor specified in **Table 3**, Summary Score Sheet, below.

ATTACHMENT A INSTRUCTIONS AND SPECIAL CONDITIONS

b. Cost Proposal Evaluation

The Agency will evaluate each Cost Proposal (**Exhibit A-5**, Cost Proposal) and award points. The respondent with the lowest proposed fixed cost (**Exhibit A-5**, Cost Proposal) will receive the maximum allowable points in accordance with **Table 2**, Summary Score Sheet, below. The remaining respondents will receive a percentage of the maximum points, rounded to the nearest whole number.

TABLE 2					
SUMMARY SCORE SHEET					
	Maximum Raw Score Possible		Weight Factor		Maximum Points Possible
A. Technical Response					
SRC# 3	10	X	1	=	10
SRC# 4	20	X	3	=	60
SRC# 5	25	X	3	=	75
SRC# 6	10	X	3	=	30
SRC# 7	25	X	3	=	75
SRC# 8	15	X	2	=	30
SRC# 9	20	X	2	=	40
B. Cost Proposal					
1. Full Scope Examination	5	X	3	=	15
2. Limited Scope Examination	5	X	3	=	15
3. Full Scope Home Office Examination	5	X	3	=	15
4. Limited Scope Home Office Examination	5	X	3	=	15
5. Cancelled Examinations	5	X	3	=	15
				TOTAL	395

REMAINDER OF PAGE INTENTIONALLY LEFT BLANK

ATTACHMENT A

INSTRUCTIONS AND SPECIAL CONDITIONS

5. Ranking of Responses

- a. A total score will be calculated for each response based on the total maximum points available as included in **Table 2**, Summary Score Sheet, above.
- b. The total point scores will be used to rank the responses.

6. Number of Awards

The Agency anticipates the issuance of two (2) contract(s) as a result of this solicitation for all services included within the Scope of Services. The Agency, at its sole discretion, shall make this determination.

7. Posting of Notice of Intent to Award

Tabulation of Results, with the recommended Contract award, will be posted and will be available for review by interested parties at the time and location specified in **Section A.1.**, Instructions, **Sub-Section A.** Overview, **Item 6.**, Solicitation Timeline, **Table 1**, Solicitation Timeline, and will remain posted for a period of seventy-two (72) hours, not including weekends or State observed holidays. Any respondent desiring to protest the recommended Contract award must file a notice of protest to the Procurement Officer identified in **Section A.1.**, Instructions, **Sub-Section A.** Overview, **Item 5.**, Procurement Officer, and any formal protest with the Agency for Health Care Administration, Agency Clerk, 2727 Mahan Drive, Mail Stop 3, Building 3, Room 3407C, Tallahassee, Florida 32308, within the time prescribed in Section 120.57(3) F.S. and Rule 28-110, F.A.C. Failure to file a protest within the time prescribed in Section 120.57(3), F.S., or failure to post the bond or other security required by law, shall constitute a waiver of proceedings under Chapter 120, Florida Statutes.

8. Performance Bond

- a. A performance bond in the amount of ten percent (10%) of the total annual amount of the resulting Contract shall be furnished to the Agency by the successful respondent. The bond must be furnished to the Procurement Officer identified in **Section A.1.**, Instructions, **Sub-Section A.**, Overview, **Item 5.**, Procurement Officer, within thirty (30) calendar days after execution of the resulting Contract and prior to commencement of any work under the resulting Contract. Thereafter, the bond shall be furnished on an annual basis, thirty (30) calendar days prior to the new Contract year and be in the amount of ten percent (10%) of the current annual Contract amount. A copy of all performance bonds shall be submitted to the Agency's Contract Manager. The performance bond must not contain any provisions that shorten the time for bringing an action to a time less than that provided by the applicable Florida Statute of Limitations. See Section 95.03, F.S.

ATTACHMENT A INSTRUCTIONS AND SPECIAL CONDITIONS

- b.** No payments will be made to the successful respondent until an acceptable performance bond is furnished to the Agency. The performance bond shall remain in effect for the full term of the resulting Contract, including any renewal period. The Agency shall be named as the beneficiary of the successful respondent's bond. The bond shall provide that the insurer or bonding company(s) pay losses suffered by the Agency directly to the Agency.
- c.** The cost of the performance bond will be borne by the successful respondent.
- d.** Should the successful respondent terminate the resulting Contract prior to the end of the resulting Contract period, an assessment against the bond will be made by the Agency to cover the costs of issuing a new solicitation and selecting a new Vendor. The successful respondent agrees that the Agency's damages in the event of termination by the successful respondent shall be considered to be for the full amount of the bond. The Agency need not prove the damage amount in exercising its right of recourse against the bond.

9. Federal Approval

Approval from the Centers for Medicare and Medicaid Services (CMS) is required before the Agency will execute a contract resulting from this solicitation. Every effort will be made by the Agency both before and after award to facilitate rapid approval.

10. Contract Execution

- a.** This solicitation, including all its addenda, the Agency's written response to written questions, and the successful respondent's response shall be incorporated by reference in the final Contract document.
- b.** The successful respondent shall perform its contracted duties in accordance with the resulting Contract, this solicitation, including all addenda, the successful respondent's response to this solicitation. In the event of conflict among resulting contract documents, any identified inconsistency in the resulting Contract shall be resolved by giving precedence in the following order:
 - 1)** The resulting Contract, including all attachments, exhibits and any subsequent amendments;
 - 2)** This solicitation, including all addenda; and
 - 3)** The successful respondent's response to this solicitation.

ATTACHMENT A

INSTRUCTIONS AND SPECIAL CONDITIONS

- c. The successful respondent shall be registered with the Florida Department of State as an entity authorized to transact business in the State of Florida by the effective date of the resulting Contract.
- d. The Agency reserves the right to amend the resulting Contract within the scope set forth in this solicitation (to include the original Contract and all attachments) in order to clarify requirements.

A.2 Special Terms and Conditions

A. Venue

1. By responding to this solicitation, in the event of any legal challenges to this procurement, respondents agree and will consent that hearings and depositions for any administrative or other litigation related to this procurement shall be held in Leon County, Florida. The Agency, in its sole discretion, may waive this venue for depositions.
2. Respondents (and their successors, including but not limited to their parent(s), affiliates, subsidiaries, subcontractors, assigns, heirs, administrators, representatives and trustees) acknowledge that this solicitation (including but not limited to the resulting Contract, exhibits, attachments, or amendments) is not a rule nor subject to rulemaking under Chapter 120 (or its successor) of the Florida Statutes and is not subject to challenge as a rule or non-rule policy under any provision of Chapter 120, F.S.
3. The Contract resulting from this solicitation shall be delivered in the State of Florida and shall be construed in accordance with the laws of Florida. Wherever possible, each provision of the resulting Contract shall be interpreted in such a manner as to be effective and valid under applicable law, but if any provision shall be found ineffective, then to the extent of such prohibition or invalidity, that provision shall be severed without invalidating the remainder of such provision or the remaining provisions of the resulting Contract.
4. The exclusive venue and jurisdiction for any action in law or in equity to adjudicate rights or obligations arising pursuant to or out of this procurement or the resulting Contract for which there is no administrative remedy shall be the Second Judicial Circuit Court in and for Leon County, Florida, or, on appeal, the First District Court of Appeal (and, if applicable, the Florida Supreme Court). Any administrative hearings hereon or in connection herewith shall be held in Leon County, Florida.
5. **Attorney's Fees**

In the event of a dispute, each party to the Contract resulting from this solicitation shall be responsible for its own attorneys' fees, except as otherwise provided by law.

ATTACHMENT A INSTRUCTIONS AND SPECIAL CONDITIONS

6. Legal Action Notification

The successful respondent shall give the Agency, by certified mail, immediate written notification (no later than thirty (30) calendar days after service of process) of any action or suit filed or of any claim made against the successful respondent by any subcontractor, vendor, or other party that results in litigation related to the Contract resulting from this solicitation for disputes or damages exceeding the amount of **\$50,000.00**. In addition, the successful respondent shall immediately advise the Agency of the insolvency of a subcontractor or of the filing of a petition in bankruptcy by or against a principal subcontractor.

7. Damages for Failure to Meet Contract Requirements

In addition to remedies available through the Contract resulting from this solicitation, in law or equity, the successful respondent shall reimburse the Agency for any Federal disallowances or sanctions imposed on the Agency as a result of the successful respondent's failure.

B. General Definitions

AHCA or AGENCY – State of Florida, Agency for Health Care Administration (AHCA), its employees acting in their official capacity, or its designee.

BUSINESS DAY – Also called Work Day. A day scheduled for regular State of Florida employees to work; Monday through Friday except holidays observed by regular State of Florida employees. Timeframes in this solicitation requiring completion within a number of business days shall mean by 5:00 P.M. Eastern Standard Time on the last work day.

CALENDAR DAY – A twenty-four (24) hour period between midnight and midnight, regardless of whether or not it occurs on a weekend or holiday.

CALENDAR YEAR – A twelve (12) month period of time beginning on January 1 and ending on December 31.

CAN – Used to express non-mandatory provisions; words denote the permissive.

CONTRACT – The written, signed agreement resulting from, and inclusion of, this solicitation, any subsequent amendments thereto and the respondent's Proposal.

CONTRACT MANAGER – The Agency individual responsible for safeguarding state and federal funds, deriving maximum return from those funds, and monitoring Vendor compliance with applicable laws and contract terms.

DAY – Calendar day, unless specified as a business day.

EST - Eastern Standard Time

ATTACHMENT A INSTRUCTIONS AND SPECIAL CONDITIONS

DISASTER RECOVERY PLAN – A plan to ensure continued business processing through adequate alternative facilities, equipment, backup files, documentation and procedures in the event that the primary processing site is lost to the successful respondent.

FISCAL YEAR (FY) – The period used to calculate an annual budget or financial statements for a year. The State of Florida fiscal year is the twelve (12) month period beginning July 1 and ending June 30.

HIPAA (THE HEALTH INSURANCE PORTABILITY AND ACCOUNTABILITY ACT OF 1996) – A Federal law that includes requirements to protect patient privacy, to protect security of electronic medical records, to prescribe methods and formats for exchange of electronic medical information, and to uniformly identify providers.

RECIPIENT - A person who has been determined to be eligible for Medicaid assistance in accordance with the State plan(s) under Title XIV and Title XIX of the Social Security Act, Title V of the Refugee Education Assistance Act, and/or Title IV of the immigration and Nationality Act.

SOC 2 TYPE II AUDIT – Service Organization Control (SOC) 2 Type II is an audit of the internal controls of a service organization according to specifications defined by the American Institute of Certified Public Accountants.

STATE – State of Florida.

SUBCONTRACT – An agreement entered into for provision of services on behalf of the successful respondent as related to this solicitation.

SUBCONTRACTOR – Any entity contracting with the successful respondent to perform the services or to fulfill any of the requirements requested in this solicitation or any entity that is a subsidiary of the successful respondent that performs the services or fulfills the requirements requested in this solicitation.

WORK DAY – see *Business Day*.

VENDOR – the respondent awarded a contract resulting from this solicitation.

REMAINDER OF PAGE INTENTIONALLY LEFT BLANK

EXHIBIT A-2 TRANSMITTAL LETTER

All respondents to this solicitation shall utilize **Exhibit A-2**, Transmittal Letter, for submission of its response. **Exhibit A-2** is available for respondents to download at:
<http://ahca.myflorida.com/procurements/index.shtml>.

DATE: Click or tap to enter a date.

RESPONDENT NAME:

RESPONDENT ADDRESS:

RESPONDENT FEDERAL EMPLOYER IDENTIFICATION NUMBER (FEID):

The respondent shall provide an official and an alternate contact. Both the official contact person and the alternate contact person must have the authority to bind the respondent to a contract. Both person's signatures must be included.

OFFICIAL CONTACT PERSON:

NAME:

TITLE:

ADDRESS:

EMAIL ADDRESS:

TELEPHONE NUMBER:

SIGNATURE: _____

ALTERNATE CONTACT PERSON:

NAME:

TITLE:

ADDRESS:

EMAIL ADDRESS:

TELEPHONE NUMBER:

SIGNATURE: _____

Failure to submit, Exhibit A-2, Transmittal Letter, signed by authorized officials who each have the authority to bind the respondent to a contract, may result in the rejection of response.

**EXHIBIT A-3
REQUIRED CERTIFICATIONS AND STATEMENTS**

RESPONDENT NAME: _____

1. ACCEPTANCE OF SOLICITATION REQUIREMENTS

I hereby certify that I understand and agree that my organization has read all requirements and Agency specifications provided in this solicitation, accepts said requirements, and that this response is made in accordance with the provisions of such requirements and specifications. By my written signature below, I guarantee and certify that all items included in this response shall meet or exceed any and all such requirements and Agency specifications. I further agree, if awarded a contract resulting from this solicitation, to deliver services that meet or exceed the requirements and specifications provided in this solicitation.

AND

2. ACCEPTANCE OF CONTRACT TERMS AND CONDITIONS

I hereby certify that should my organization be awarded a contract resulting from this solicitation, it will comply with all terms and conditions as specified in this solicitation and in the Agency Standard Contract (**Exhibit A-7, including its Attachments**).

AND

3. RELEASE OF REDACTED RESPONSE

I hereby authorize release of the redacted version of the response required by **Attachment A**, Instructions and Special Conditions, **Section A.1.**, Instructions, **Sub-Section C.**, Response Submission Requirements, **Item 1.**, Hardcopy and Electronic Submission Requirements, **Sub-Item c.**, Electronic Copy of the Response, **Sub-Item 5**), Electronic Redacted Copies of this solicitation in the event the Agency receives a public records request.

AND

4. STATEMENT OF NO INVOLVEMENT

I hereby certify that neither my organization nor any person with an interest in the organization had any prior involvement in performing a feasibility study of the implementation of the subject Contract, in drafting of this solicitation or in developing the subject program.

AND

5. PROHIBITION OF GRATUITIES

I hereby certify that no elected official or employee of the State of Florida has or shall benefit financially or materially from such response or subsequent contract in violation of the provisions of Chapter 112, Florida Statutes. I understand that any contract issued as a result of this solicitation may be terminated if it is determined that gratuities of any kind were either offered or received by any of the aforementioned parties.

EXHIBIT A-3 REQUIRED CERTIFICATIONS AND STATEMENTS

AND

6. NON-COLLUSION CERTIFICATION

I hereby certify that all persons, companies, or parties interested in the response as principals are named therein, that the response is made without collusion with any other person, persons, organization, or parties submitting a response; that it is in all respects made in good faith; and as the signer of the response, I have full authority to legally bind the respondent to the provisions of this solicitation.

AND

7. PERFORMANCE OF SERVICES

I hereby certify my organization shall make a documented good faith effort to ensure all services, provided directly or indirectly under the Contract resulting from this solicitation, will be performed within the State of Florida.

AND

8. PERFORMANCE OF SERVICES

I hereby certify my organization shall ensure all services under the Contract resulting from this solicitation, will be performed within the borders of the United States and its territories and protectorates.

AND

9. ORGANIZATIONAL CONFLICT OF INTEREST CERTIFICATION

The standards on organizational conflicts of interest in Chapter 48, Code of Federal Regulations (CFR) and Section 287.057(17), F.S. apply to this solicitation. A respondent with an actual or potential organizational conflict of interest shall disclose the conflict. If the respondent believes the conflict of interest can be mitigated, neutralized or avoided, the respondent shall include with its response a Conflict of Interest Mitigation Plan. The plan shall, at a minimum:

- a) Identify any relationship, financial interest or other activity which may create an actual or potential organizational conflict of interest.
- b) Describe the actions the respondent intends to take to mitigate, neutralize, or avoid the identified organizational conflicts of interest.
- c) Identify the official within the respondent's organization responsible for making conflict of interest determinations.

The Conflict of Interest Mitigation Plan will be evaluated as acceptable or not acceptable and will be used to determine respondent responsibility, as defined in Section 287.012(25), F.S. The Agency reserves the right to request additional information from the respondent or other sources, as deemed necessary, to determine whether or not the plan adequately neutralizes, mitigates, or avoids the identified conflicts.

EXHIBIT A-3 REQUIRED CERTIFICATIONS AND STATEMENTS

Pursuant to the aforementioned requirements, I hereby certify that, to the best of my knowledge, my organization (including its subcontractors, subsidiaries and partners):

Please check the applicable paragraph below:

- Has no existing relationship, financial interest or other activity which creates any actual or potential organizational conflicts of interest relating to the award of a contract resulting from this solicitation.
- Has included information in its response to this solicitation detailing the existence of actual or potential organizational conflicts of interest and has provided a "Conflict of Interest Mitigation Plan", as outlined above.

AND

10. RESPONDENT ATTESTATION FOR EXHIBIT A-4

I hereby certify that no modification and/or alteration has been made to the template, narrative and/or instructions contained in **Exhibit A-4** Submission Requirements and Evaluation Criteria Components (Technical Response).

I understand the Agency will not consider supplemental response narrative for evaluation which is not contained within the response sections contained in **Exhibit A-4**, Submission Requirements and Evaluation Criteria Components (Technical Response).

AND

11. RESPONDENT ATTESTATION REGARDING SCRUTINIZED COMPANIES LIST

Pursuant to Section 287.135, F.S. I certify that:

- a)** If the resulting Contract reaches or exceeds **\$1,000,000.00**, my organization has not been placed on the Scrutinized Companies with Activities in Sudan List or the Scrutinized Companies with Activities in the Iran Petroleum Energy Sector List and does not have business operations in Cuba or Syria; and
- b)** For the resulting Contract in any amount, it has not been placed on the Scrutinized Companies that Boycott Israel List and is not engaged in a boycott of Israel.

The respondent agrees that the Agency may immediately terminate the resulting Contract if the respondent is found to have submitted a false certification or is placed on the lists defined in Sections 215.473 or 215.4725, F.S., or engages in a boycott of Israel, during the term of the resulting Contract.

REMAINDER OF PAGE INTENTIONALLY LEFT BLANK

**EXHIBIT A-3
REQUIRED CERTIFICATIONS AND STATEMENTS**

AND

12. JOINT VENTURE OR PARTNERSHIPS

This response is made as a joint venture or partnership. The members of the joint venture or partnership are listed below.

AND

13. NAMES OF OPERATION

I hereby certify the following is a list of all names under which my organization has operated during the past five (5) years (03-29-2014).

AND

14. CERTIFICATION REGARDING TERMINATED CONTRACTS

I hereby certify that my organization (including its subsidiaries and affiliates) has not unilaterally or willfully terminated any previous contract prior to the end of the Contract with a State or the Federal government and has not had a contract terminated by a State or the Federal government for cause, prior to the end of the Contract, within the past five (5) years (03-29-2014), other than those listed on **Page 5** of this Exhibit.

REMAINDER OF PAGE INTENTIONALLY LEFT BLANK

**EXHIBIT A-3
REQUIRED CERTIFICATIONS AND STATEMENTS**

AND

15. LIST OF TERMINATED CONTRACTS

List the terminated Contracts in chronological order and provide a brief description (half-page or less) of the reason(s) for the termination. Additional pages may be submitted; however, no more than five (5) additional pages should be submitted in total.

The Agency is not responsible for confirming the accuracy of the information provided.

The Agency reserves the right within its sole discretion, to determine the respondent to be an irresponsible bidder based on any or all of the listed Contracts and therefore may reject the response.

Respondent Name: _____

Client's Name: _____

Term of Terminated Contract: _____

Description of Services: _____

Brief Summary of Reason(s) for Contract Termination: _____

Respondent Name: _____

Client's Name: _____

Term of Terminated Contract: _____

Description of Services: _____

Brief Summary of Reason(s) for Contract Termination: _____

REMAINDER OF PAGE INTENTIONALLY LEFT BLANK

**EXHIBIT A-3
REQUIRED CERTIFICATIONS AND STATEMENTS**

Signature below indicates the respondent's full acknowledgement of; understanding of; and agreement with all of the certifications and statements identified above in Items 1 through 15 as written and without caveat.

Respondent Name

Authorized Official Signature

Date

Authorized Official Printed Name

Authorized Official Title

Failure to submit, Exhibit A-3, Required Certifications and Statements, signed by an authorized official may result in the rejection of response.

REMAINDER OF PAGE INTENTIONALLY LEFT BLANK

**ATTACHMENT A
EXHIBIT A-3-a
ADDITIONAL REQUIRED CERTIFICATIONS AND STATEMENTS**

RESPONDENT NAME: _____

1. PUBLIC ACCOUNTING LICENSE

I hereby certify that my company is licensed to practice public accounting in the State of Florida.

AND

2. MEDICAID AUDIT EXPERIENCE

I hereby certify that my company has at least three (3) years of experience auditing Medicaid cost reports within the last five (5) years (03-29-2014).

AND

3. LITIGATION

I hereby certify that my company is not a party to any present litigation against the Agency.

Signature below indicates the respondent's full acknowledgement of; understanding of; and agreement with all of the certifications and statements identified above in Items 1 through 3 as written and without caveat.

Respondent Name

Authorized Official Signature

Date

Authorized Official Printed Name

Authorized Official Title

Failure to submit, Exhibit A-3-a, Additional Required Certifications and Statements, signed by an authorized official may result in the rejection of response.

EXHIBIT A-4 SUBMISSION REQUIREMENTS AND EVALUATION CRITERIA COMPONENTS (TECHNICAL RESPONSE)

Instructions to respondents for the completion of Exhibit A-4:

All respondents to this solicitation shall utilize **Exhibit A-4**, Submission Requirements and Evaluation Criteria Components (Technical Response), for submission of its response and shall adhere to the instructions below for each Submission Requirement Component (SRC).

Respondents **shall not** include website links, embedded links and/or cross references between SRCs.

Each SRC contains form fields. Population of the form fields with text will allow the form field to expand and cross pages. There is no character limit.

Attachments are acceptable for any SRC but must be referenced in the form field for the respective SRC and located behind each respective SRC response. Respondents shall name and label attachments to refer to respective SRCs by SRC identifier number.

Agency evaluators will be instructed to evaluate the responses based on the narrative contained in the SRC form fields and the associated attachment(s), if applicable.

Each response will be independently evaluated and awarded points based on the criteria and points scale using the Standard Evaluation Criteria Scale below unless otherwise identified in each SRC contained within **Exhibit A-4**.

STANDARD EVALUATION CRITERIA SCALE	
Point Score	Evaluation
0	The component was not addressed.
1	The component contained significant deficiencies.
2	The component is below average.
3	The component is average.
4	The component is above average.
5	The component is excellent.

The SRCs in **Exhibit A-4** may not be retyped and/or modified and must be submitted in the original format.

Failure to submit, **Exhibit A-4**, may result in the rejection of response.

Exhibit A-4 is available for respondents to download at:

<http://ahca.myflorida.com/procurements/index.shtml>.

**EXHIBIT A-4
SUBMISSION REQUIREMENTS AND EVALUATION CRITERIA
COMPONENTS (TECHNICAL RESPONSE)**

Respondent Name:

CATEGORY 1: TABLE OF CONTENTS

SRC# 1

The respondent shall include a Table of Contents in its response. The Table of Contents shall contain section headings and sub-headings along with corresponding page numbers.

Evaluation Criteria:

No points will be awarded for the Table of Contents.

EXHIBIT A-4
SUBMISSION REQUIREMENTS AND EVALUATION CRITERIA
COMPONENTS (TECHNICAL RESPONSE)

CATEGORY 2: EXECUTIVE SUMMARY

SRC# 2:

The respondent shall include an executive summary that indicates a thorough understanding of the overall need for and purpose of the services described in this solicitation, and adequately summarizes its approach to delivering these services according to the specifications of this solicitation.

Response:

Evaluation Criteria:

No points will be awarded for the Executive Summary.

EXHIBIT A-4
SUBMISSION REQUIREMENTS AND EVALUATION CRITERIA
COMPONENTS (TECHNICAL RESPONSE)

CATEGORY 3: Organizational Structure and History

SRC# 3:

The respondent shall describe its organizational structure and history. The description shall include, at a minimum:

- a. A detailed description of the respondent's organizational structure, history, legal structure, ownership, affiliations, and location(s); and
- b. A copy of the respondent's organizational chart, including the total number of employees.

Response:

Evaluation Criteria:

The respondent shall demonstrate its capability to provide the services described in this solicitation by describing its organizational structure and history.

- a. The adequacy of the respondent's ability to provide the services described in this solicitation based on its organizational structure, history, legal structure, ownership, affiliations, and location(s).
- b. The adequacy of the respondent's organizational chart, including the total number of employees.

Score: This Section is worth a maximum of **10** raw points with each of the above components being worth a maximum of 5 points.

EXHIBIT A-4
SUBMISSION REQUIREMENTS AND EVALUATION CRITERIA
COMPONENTS (TECHNICAL RESPONSE)

Category 4: Experience and Qualifications

SRC# 4:

The respondent shall demonstrate its capability to successfully meet the requirements of this solicitation by describing its experience, in auditing or examining Medicaid cost reports within the last five (5) years (since 03-29-14), per the Centers for Medicare and Medicaid Services (CMS) publication 15-1 and Reimbursement Plans.

- a. Respondents shall submit a list of current or previous contracts for which it provided services within the last five (5) years (since 03-29-14) that are similar in nature to those described in this solicitation.
- b. For each identified contract, at a minimum, the following information shall be provided:
 - 1) The name and address of the client;
 - 2) The title of the project;
 - 3) The start and end date of the Contract;
 - 4) A brief narrative describing the role of the respondent and scope of the work performed, under the Contract;
 - 5) The annual number of audits completed, and/or required number to be completed;
 - 6) Services provided by subcontractors, if applicable; and
 - 7) A disclosure of liquidated or punitive damages imposed or sought against the respondent, including the circumstances and amounts involved.

Response:

Evaluation Criteria:

The respondent shall demonstrate its capability to successfully meet the requirements of this solicitation, by describing its experience, in auditing or examining Medicaid cost reports within the last five (5) years (since 03-29-14), per CMS' publication 15-1 and Reimbursement Plans. This component shall be evaluated based on the following:

- a. The adequacy of the respondent's experience for auditing or examining cost reports as described above. (Preference will be given to respondents having Florida Medicaid experience.)
- b. The adequacy of the respondent's experience based on the number of audits completed or scheduled to be completed as specified in the respondent's list of current or previous contracts for which it provided similar services.
- c. The adequacy of the respondent's experience and capability to perform this type of service based on the number and nature of instances in which liquidated or punitive damages have been imposed or sought against the respondent.

EXHIBIT A-4 SUBMISSION REQUIREMENTS AND EVALUATION CRITERIA COMPONENTS (TECHNICAL RESPONSE)

Score: This Section is worth a maximum of **20** raw points, as described below.

For Items a – c, each component is worth a maximum of five (5) points each for a total cumulative score of 15 points.

Respondents who demonstrate experience with Florida Medicaid shall receive up to five (5) additional points as follows:

- If the cumulative score for items a – c above is 1 – 5, the respondent shall receive 1 additional point.
- If the cumulative score for items a – c above is 6 – 10, the respondent shall receive 3 additional points.
- If the cumulative score for items a – c above is 11 – 15, the respondent shall receive 5 additional points.

EXHIBIT A-4
SUBMISSION REQUIREMENTS AND EVALUATION CRITERIA
COMPONENTS (TECHNICAL RESPONSE)

Category 5: Examinations

SRC# 5:

The respondent shall describe its ability and proposed approach to performing the full scope examinations and home office examinations as described in **Attachment B**, Scope of Services. At a minimum, the description shall:

- a. Demonstrate the respondent's understanding of the Medicaid Nursing Home Examination Program;
- b. Demonstrate the respondent's understanding of the Florida Medicaid Nursing Home Cost Reporting Requirement, both State and Federal;
- c. Demonstrate the respondent's plan to adhere to State and Federal Program requirements in accordance with Title XIX Reimbursement Plan, cost reporting instructions and CMS Publication 15-1; and
- d. Describe the data systems and software that will be used to submit electronic work papers, permanent files and the final report.

Response:

Evaluation Criteria:

The respondent shall describe, in detail, how it intends to perform the full scope examinations and home office examinations as described in **Attachment B**, Scope of Services. The description shall be evaluated based on the following:

- a. The adequacy and viability of the respondent's plan to adhere to the Medicaid Nursing Home Examination Program as described in **Attachment B**, Scope of Services;
- b. The adequacy and viability of the respondent's plan to adhere to requirements as described in **Attachment B**, Scope of Services;
- c. The adequacy of the respondent's demonstrated understanding of the Florida Medicaid Nursing Home Cost Reporting Requirement, both State and Federal in accordance with Title XIX Long-term Care Reimbursement Plan cost reporting instructions and CMS Publication 15-1;
- d. The adequacy and viability of the respondent's plan to adhere to the Florida Medicaid Nursing Home Cost Reporting Requirement, both State and Federal in accordance with Title XIX Long-term Care Reimbursement Plan cost reporting instructions and CMS Publication 15-1; and

EXHIBIT A-4
SUBMISSION REQUIREMENTS AND EVALUATION CRITERIA
COMPONENTS (TECHNICAL RESPONSE)

- e. The adequacy of the respondent's data system and software that will be used to submit the electronic work papers, permanent files and final reports.

Score: This Section is worth a maximum of **25** raw points with each of the above components being worth a maximum of 5 points.

EXHIBIT A-4
SUBMISSION REQUIREMENTS AND EVALUATION CRITERIA
COMPONENTS (TECHNICAL RESPONSE)

CATEGORY 6: Reporting

SRC# 6

The respondent shall describe its ability and approach to ensuring timely and accurate reporting to the Agency as described in **Attachment B**, Scope of Services. At a minimum, the description shall include:

- a. The respondent's approach to compiling information to include in its monthly status report of all incomplete examinations; and
- b. How the respondent shall ensure accurate and timely reporting of all incomplete examinations to the Agency.

Response:

Evaluation Criteria:

The response shall describe the respondent's ability and approach to ensuring timely and accurate reporting to the Agency as specified in **Attachment B**, Scope of Services. The description shall be evaluated based on the following:

- a. The adequacy of the respondent's approach to compiling information to include in its monthly status report of all incomplete examinations; and
- b. The adequacy of the respondent's approach to ensuring accurate and timely reporting to the Agency.

Score: This Section is worth a maximum of **10** raw points with each of the above components being worth a maximum of 5 points.

EXHIBIT A-4
SUBMISSION REQUIREMENTS AND EVALUATION CRITERIA
COMPONENTS (TECHNICAL RESPONSE)

CATEGORY 7: Staffing

SRC# 7

The respondent shall demonstrate its capability to provide staffing levels as described in **Attachment B**, Scope of Services, by describing the qualifications and experience of its proposed staff. The description shall include, at a minimum:

- a. A staff organization chart that identifies reporting relationships and all positions to be assigned to the resulting Contract, including position titles. A description of dedicated staff and applicable variable staff if needed, assigned to the resulting Contract, including their qualifications, licenses, credentials and time assigned/dedicated to the resulting Contract. The respondent shall describe the decision making authority of these staff within the organization;
- b. The respondent shall propose a Contract Manager at the Partner, Shareholder, Member Manager or Principal level, who has at least three (3) years managerial experience with Medicaid cost report examinations. A resume shall be included for the proposed Contract Manager, including documentation of current Florida Certified Public Accountant licensure as described in **Attachment B**, Scope of Services and identifying Florida Medicaid experience, if applicable;
- c. Recruitment plan for ensuring adequate examination staff will be available within thirty (30) calendar days of the execution of the resulting Contract; and
- d. A description indicating which positions will be filled by a current employee of the respondent, and which positions will need to be filled.

Response:

Evaluation Criteria:

The respondent shall demonstrate its capability to provide staffing levels as described in **Attachment B**, Scope of Services, by describing the qualifications and experience of its proposed staff. This component will be evaluated based on the following:

- a. The adequacy of the respondent's proposed staff organization chart that identifies reporting relationships and all positions to be assigned to the resulting Contract, and their titles. The adequacy of the respondent's proposed dedicated staff and applicable variable staff if needed, assigned to the resulting Contract, including their qualifications, licenses, credentials and time assigned/dedicated to the resulting Contract and the decision making authority of these staff within the organization;
- b. The adequacy of the respondent's proposed Contract Manager in meeting the requirements described in **Attachment B**, Scope of Services;

EXHIBIT A-4
SUBMISSION REQUIREMENTS AND EVALUATION CRITERIA
COMPONENTS (TECHNICAL RESPONSE)

- c. The adequacy of the respondent's proposed Contract Manager in regards to experience with Florida Medicaid;
- d. The adequacy of the respondent's proposed staff recruitment plan for ensuring adequate examination staff will be available within thirty (30) calendar days of the execution of the resulting Contract; and
- e. The adequacy of the respondent's proposed staffing plan for utilizing filled positions (current employees) and positions which will need to be filled.

Score: This Section is worth a maximum of **25** raw points with each of the above components being worth a maximum of 5 points.

EXHIBIT A-4
SUBMISSION REQUIREMENTS AND EVALUATION CRITERIA
COMPONENTS (TECHNICAL RESPONSE)

CATEGORY 8: Internal Quality Assurance

SRC# 8

The respondent shall describe its proposed written internal quality assurance policies and procedures for meeting the requirements as described in **Attachment B**, Scope of Services. The description shall include, at a minimum:

- a. A copy of the respondent's existing or proposed Standard Operating Procedures including but not limited to: Quality Assurance and Disaster Recovery Plans; written internal quality control policies and procedures; and a description of any existing or proposed quality control committees or staff, and their responsibilities; and
- b. An overview of how the respondent's existing or proposed quality assurance policies and procedures will ensure oversight of staff and resources, quality assessment, internal review of work performed by employees, and performance improvement.

Response:

Evaluation Criteria:

The response shall describe the respondent's written internal quality assurance policies and procedures for meeting the requirements described in **Attachment B**, Scope of Services. The description shall be evaluated based on the following:

- a. The adequacy of the respondent's existing or proposed Standard Operating Procedures including but not limited to: Quality Assurance and Disaster Recovery Plans and written internal quality control policies and procedures;
- b. The adequacy of the respondent's existing or proposed description of quality control committees or staff and their responsibilities; and
- c. The adequacy of the respondent's existing or proposed quality assurance policies and procedures will ensure oversight of staff and resources, quality assessment, internal review of work performed by employees, and performance improvement.

Score: This Section is worth a maximum of **15** raw points with each of the above components being worth a maximum of 5 points.

EXHIBIT A-4
SUBMISSION REQUIREMENTS AND EVALUATION CRITERIA
COMPONENTS (TECHNICAL RESPONSE)

CATEGORY 9: Business Associate Agreement

SRC# 9

The respondent shall describe its ability to ensure security of Medicaid data and Protected Health Information (PHI) as described in **Attachment A**, Instructions and Special Conditions, **Exhibit A-7**, Standard Contract – Business Associate Agreement. The description shall include, at a minimum:

- a. How the respondent shall ensure proper security of Medicaid data and how the respondent will restrict access in compliance with the Health Insurance Portability and Accountability Act of 1996 (HIPAA) standards;
- b. How the respondent shall retrieve medical records in compliance with HIPAA standards;
- c. How the respondent shall ensure HIPAA standards for data and document management will be met and ensure that any protected health information (PHI) released is done so in accordance with HIPAA requirements; and
- d. The respondent's approach to ensuring all incidents whereby PHI may have been released inappropriately are reported to the Agency without unreasonable delay, within ten (10) business days of discovery if the disclosure of PHI is to an unauthorized party, within twenty-four (24) hours of discovery if the disclosure is due to a security incident, and at least on a monthly basis, including if no breaches occurred during that period.

Response:

Evaluation Criteria:

The response shall describe the respondent's ability and approach to ensuring proper security of Medicaid data and Protected Health Information (PHI), as described in **Attachment A**, Instructions and Special Conditions, **Exhibit A-7**, Standard Contract – Business Associate Agreement. The description shall be evaluated based on the following:

- a. The adequacy of the respondent's approach to ensuring proper security of Medicaid data and to restrict access in compliance with the Health Insurance Portability and Accountability Act of 1996 (HIPAA) standards;
- b. The adequacy of the respondent's ability to retrieve medical records in compliance with HIPAA standards;
- c. The adequacy of the respondent's approach to ensuring HIPAA standards for data and document management will be met and that any protected health information (PHI) released is done so in accordance with HIPAA requirements; and

EXHIBIT A-4
SUBMISSION REQUIREMENTS AND EVALUATION CRITERIA
COMPONENTS (TECHNICAL RESPONSE)

- d. The adequacy of the respondent to ensure all incidents whereby PHI may have been released inappropriately are reported to the Agency without unreasonable delay, within ten (10) business days of discovery if the disclosure of PHI is to an unauthorized party, within twenty-four (24) hours of discovery if the disclosure is due to a security incident, and at least on a monthly basis including if no breaches occurred during that period.

Score: This Section is worth a maximum of **20** raw points with each of the above components being worth a maximum of 5 points.

EXHIBIT A-5 COST PROPOSAL

MEDICAID NURSING HOME COST REPORT EXAMINATION AND REPORTING SERVICES

Instructions:

- A. Where indicated in **Section A.**, Full Scope Examination, below, the respondent shall propose a fixed unit cost to complete each of the required Full Scope examinations as described in **Attachment B**, Scope of Services, **Section III.**, Services Provided by the Vendor, Sub-Sections A. through F.
- B. Where indicated in **Section B.**, Limited Scope Examination below, the respondent shall propose a fixed unit cost to complete each of the required Limited Scope examinations as described in **Attachment B**, Scope of Services, **Section III.**, Services Provided by the Vendor, Sub-Sections A. through F.
- C. Where indicated in **Section C.**, Full Scope Home Office Examination, below, the respondent shall propose a fixed unit cost to complete each of the required Home Office examinations as described in **Attachment B**, Scope of Services, **Section III.**, Services Provided by the Vendor, Sub-Sections A. through F.
- D. Where indicated in **Section D.**, Limited Scope Home Office Examination, below, the respondent shall propose a fixed unit cost to complete each of the required Limited Scope Home Office examinations as described in **Attachment B**, Scope of Services, **Section III.**, Services Provided by the Vendor, Sub-Sections A. through F.
- E. Where indicated in **Section E.**, Hourly Rate for Cancelled Examinations, below, the respondent shall propose an hourly rate for compensation in the event of a cancelled examination as described in **Attachment B**, Scope of Services, **Section VI.**, Method of Payment, Sub-Section A.
- F. Where indicated in **Section F.**, Full Scope Examination; **Section G.**, Limited Scope Examination; **Section H.**, Full Scope Home Office Examination; **Section I.**, Limited Scope Home Office Examination; and **Section J.**, Hourly Rate for Cancelled Examinations, below, the respondent shall propose a fixed unit cost to complete each of the required Full Scope, Limited Scope and Home Office examinations during the renewal period(s) and shall propose an hourly rate for compensation in the event of a cancelled examination during the renewal period(s).
- G. The Respondent must include the required Detailed Budget (**Exhibit A-5-a**) with this Cost Proposal (**Exhibit A-5**), to justify and explain each of its proposed unit costs.

REMAINDER OF PAGE INTENTIONALLY LEFT BLANK

EXHIBIT A-5 COST PROPOSAL

SECTION A. Full Scope Examination	
Proposed Fixed Cost	\$ per examination
SECTION B. Limited Scope Examination	
Proposed Fixed Cost	\$ per examination
SECTION C. Full Scope Home Office Examination	
Proposed Fixed Cost	\$ per examination
SECTION D. Limited Scope Home Office Examination	
Proposed Fixed Cost	\$ per examination
SECTION E. Hourly Rate for Cancelled Examinations	
Proposed Hourly Rate	\$ per hour

If the resulting Contract is renewed, it is the Agency's policy to reduce the overall payment amount by the Agency to the successful Vendor by at least five percent (5%) during the period of the Contract renewal, unless it would affect the level and quality of services.

The Agency will not evaluate renewal year proposals as part of the evaluation and scoring process, however proposed cost will be applied in the event the resulting Contract is renewed.

SECTION F. Full Scope Examination	
Proposed Fixed Cost	\$ per examination
SECTION G. Limited Scope Examination	
Proposed Fixed Cost	\$ per examination
SECTION H. Full Scope Home Office Examination	
Proposed Fixed Cost	\$ per examination
SECTION I. Limited Scope Home Office Examination	
Proposed Fixed Cost	\$ per hour
SECTION J. Hourly Rate for Cancelled Examinations	
Proposed Hourly Rate	\$ per hour

REMAINDER OF PAGE INTENTIONALLY LEFT BLANK

EXHIBIT A-5 COST PROPOSAL

Respondent Name

Authorized Official Signature

Date

Authorized Official Printed Name

Authorized Official Title

Exhibit A-5, Cost Proposal, shall not include a cost that exceeds the maximum Contract amount listed in Attachment A, Instructions and Special Conditions, Section A.1., Instructions, Sub-Section A., Overview, Item 13., Type and Amount of Contract Contemplated. A response which contains a cost proposal that exceeds the Agency's maximum contract amount will be rejected.

The intent of this solicitation is to solicit fixed costs to complete a full scope examination, limited scope examination, full home office examination, limited scope home office examination, and an hourly rate for cancelled examinations for the original term of the resulting Contract. Additionally, this solicitation is to solicit fixed costs to complete a full scope examination, limited scope examination, full home office examination, limited scope home office examination, and an hourly rate for cancelled examinations for any renewal period. The Agency will not agree to caveats in the proposed prices within Exhibit A-5 and Exhibit A-5-a. Responses which include caveat language for pricing will be viewed as a conditional response and the Agency may reject the response at its sole discretion.

**EXHIBIT A-5-a
DETAILED BUDGET**

The following proposed detailed budget shall include costs required for providing the services specified in this solicitation, and shall support and justify the costs as provided in Exhibit A-5, Cost Proposal.

DESCRIPTION OF EXPENSES	IMPLEMENTATION PERIOD	YEAR ONE OPERATIONS	YEAR TWO OPERATIONS	YEAR THREE OPERATIONS
DIRECT PERSONNEL				
Salaries:	\$0.00	\$0.00	\$0.00	\$0.00
Fringe Benefits:	\$0.00	\$0.00	\$0.00	\$0.00
Total Salaries Expense:	\$0.00	\$0.00	\$0.00	\$0.00
Temporary Personnel Services:	\$0.00	\$0.00	\$0.00	\$0.00
Contracted Personnel:	\$0.00	\$0.00	\$0.00	\$0.00
Other Personnel:	\$0.00	\$0.00	\$0.00	\$0.00
Other Personnel:	\$0.00	\$0.00	\$0.00	\$0.00
Other Personnel:	\$0.00	\$0.00	\$0.00	\$0.00
TOTAL DIRECT PERSONNEL:	\$0.00	\$0.00	\$0.00	\$0.00
OTHER DIRECT				
Office Supplies:	\$0.00	\$0.00	\$0.00	\$0.00
Postage, Shipping, Fulfillment:	\$0.00	\$0.00	\$0.00	\$0.00
Software, Hardware:	\$0.00	\$0.00	\$0.00	\$0.00
Equipment Rental/Purchase:	\$0.00	\$0.00	\$0.00	\$0.00
Office Rent (Occupancy):	\$0.00	\$0.00	\$0.00	\$0.00
Printing/Graphics (Materials):	\$0.00	\$0.00	\$0.00	\$0.00
Travel – Training:	\$0.00	\$0.00	\$0.00	\$0.00
Travel – Other:	\$0.00	\$0.00	\$0.00	\$0.00
Telephone Charges:	\$0.00	\$0.00	\$0.00	\$0.00
Professional Services:	\$0.00	\$0.00	\$0.00	\$0.00
Advertising:	\$0.00	\$0.00	\$0.00	\$0.00
Training, Licensing, Recruiting:	\$0.00	\$0.00	\$0.00	\$0.00
Legal, Taxes, Miscellaneous:	\$0.00	\$0.00	\$0.00	\$0.00
Other Direct:	\$0.00	\$0.00	\$0.00	\$0.00
Other Direct:	\$0.00	\$0.00	\$0.00	\$0.00
Other Direct:	\$0.00	\$0.00	\$0.00	\$0.00
TOTAL OTHER DIRECT*:	\$0.00	\$0.00	\$0.00	\$0.00

**EXHIBIT A-5-a
DETAILED BUDGET**

DESCRIPTION OF EXPENSES	IMPLEMENTATION PERIOD	YEAR ONE OPERATIONS	YEAR TWO OPERATIONS	YEAR THREE OPERATIONS
CAPITAL				
Telecommunications Equipment:	\$0.00	\$0.00	\$0.00	\$0.00
Computer Equipment:	\$0.00	\$0.00	\$0.00	\$0.00
Furniture:	\$0.00	\$0.00	\$0.00	\$0.00
Installation/Construction:	\$0.00	\$0.00	\$0.00	\$0.00
Other Capital:	\$0.00	\$0.00	\$0.00	\$0.00
Other Capital:	\$0.00	\$0.00	\$0.00	\$0.00
Other Capital:	\$0.00	\$0.00	\$0.00	\$0.00
TOTAL CAPITAL*:	\$0.00	\$0.00	\$0.00	\$0.00
TOTAL DIRECT PERSONNEL:				
TOTAL DIRECT PERSONNEL:	\$0.00	\$0.00	\$0.00	\$0.00
TOTAL OTHER DIRECT:	\$0.00	\$0.00	\$0.00	\$0.00
TOTAL CAPITAL:	\$0.00	\$0.00	\$0.00	\$0.00
TOTAL CONTRACT EXPENSES*:	\$0.00	\$0.00	\$0.00	\$0.00

**EXHIBIT A-5-a
DETAILED BUDGET**

DESCRIPTION OF EXPENSES	RENEWAL YEAR ONE OPERATIONS	RENEWAL YEAR TWO OPERATIONS	RENEWAL YEAR THREE OPERATIONS
DIRECT PERSONNEL			
Salaries:	\$0.00	\$0.00	\$0.00
Fringe Benefits:	\$0.00	\$0.00	\$0.00
Total Salaries Expense:	\$0.00	\$0.00	\$0.00
Temporary Personnel Services:	\$0.00	\$0.00	\$0.00
Contracted Personnel:	\$0.00	\$0.00	\$0.00
Other Personnel:	\$0.00	\$0.00	\$0.00
Other Personnel:	\$0.00	\$0.00	\$0.00
Other Personnel:	\$0.00	\$0.00	\$0.00
TOTAL DIRECT PERSONNEL:	\$0.00	\$0.00	\$0.00
OTHER DIRECT			
Office Supplies:	\$0.00	\$0.00	\$0.00
Postage, Shipping, Fulfillment:	\$0.00	\$0.00	\$0.00
Software, Hardware:	\$0.00	\$0.00	\$0.00
Equipment Rental/Purchase:	\$0.00	\$0.00	\$0.00
Office Rent (Occupancy):	\$0.00	\$0.00	\$0.00
Printing/Graphics (Materials):	\$0.00	\$0.00	\$0.00
Travel – Training:	\$0.00	\$0.00	\$0.00
Travel – Other:	\$0.00	\$0.00	\$0.00
Telephone Charges:	\$0.00	\$0.00	\$0.00
Professional Services:	\$0.00	\$0.00	\$0.00
Advertising:	\$0.00	\$0.00	\$0.00
Training, Licensing, Recruiting:	\$0.00	\$0.00	\$0.00
Legal, Taxes, Miscellaneous:	\$0.00	\$0.00	\$0.00
Other Direct:	\$0.00	\$0.00	\$0.00
Other Direct:	\$0.00	\$0.00	\$0.00
Other Direct:	\$0.00	\$0.00	\$0.00
TOTAL OTHER DIRECT*:	\$0.00	\$0.00	\$0.00

**EXHIBIT A-5-a
DETAILED BUDGET**

DESCRIPTION OF EXPENSES	RENEWAL YEAR ONE OPERATIONS	RENEWAL YEAR TWO OPERATIONS	RENEWAL YEAR THREE OPERATIONS
CAPITAL			
Telecommunications Equipment:	\$0.00	\$0.00	\$0.00
Computer Equipment:	\$0.00	\$0.00	\$0.00
Furniture:	\$0.00	\$0.00	\$0.00
Installation/Construction:	\$0.00	\$0.00	\$0.00
Other Capital:	\$0.00	\$0.00	\$0.00
Other Capital:	\$0.00	\$0.00	\$0.00
Other Capital:	\$0.00	\$0.00	\$0.00
TOTAL CAPITAL*:	\$0.00	\$0.00	\$0.00
TOTAL DIRECT PERSONNEL:	\$0.00	\$0.00	\$0.00
TOTAL OTHER DIRECT:	\$0.00	\$0.00	\$0.00
TOTAL CAPITAL:	\$0.00	\$0.00	\$0.00
TOTAL CONTRACT EXPENSES*:	\$0.00	\$0.00	\$0.00

*The Agency reserves the right to request the return of any hardware, software, equipment and furniture purchased by the successful Vendor using funds from the resulting Contract. In the event the Agency does not desire to have the hardware, software, equipment and furniture returned, the successful Vendor may retain said ownership.

Respondent Name

Authorized Official Signature

Date

Authorized Official Printed Name

Authorized Official Title

EXHIBIT A-5-a DETAILED BUDGET

The Agency will not evaluate renewal year proposals as part of the evaluation and scoring process, however proposed cost will be applied in the event the resulting contract is renewed.

Exhibit A-5-a, Detailed Budget, shall not include a cost that exceeds the maximum contract amount listed in Attachment A, Instructions and Special Conditions, Section A.1., Instructions, Sub-Section A., Overview, Item 13., Type and Amount of Contract Contemplated. A response which contains a cost proposal that exceeds the Agency's maximum contract amount will be rejected.

Failure to submit, Exhibit A-5-a, Detailed Budget, signed by an authorized official may result in the rejection of response.

EXHIBIT A-6
CERTIFICATION OF DRUG-FREE WORKPLACE PROGRAM

In the event of Identical or Tie Bids/Proposals: Preference shall be given to businesses with drug-free workplace programs. Whenever two or more bids which are equal with respect to price, quality, and service are received by the State or by any political subdivision for the procurement of commodities or contractual services, a bid received from a business that certifies that it has implemented a drug-free work place program shall be given preference in the award process. Established procedures for processing tied awards will be followed if none of the tied vendors have a drug-free workplace program. In order to have a drug-free workplace program, a business shall:

- 1) Publish a statement notifying employees that the unlawful manufacture, distribution, dispensing, possession, or use of a controlled substance is prohibited in the workplace and specifying the actions that will be taken against employees for violations of such prohibition.
- 2) Inform employees about the dangers of drug abuse in the workplace, the business's policy of maintaining a drug-free workplace, any available drug counseling, rehabilitation, and employee assistance programs, and the penalties that may be imposed upon employees for drug abuse violations.
- 3) Give each employee engaged in providing the commodities or contractual services that are under bid a copy of the statement specified in subsection (1).
- 4) In the statement specified in subsection (1), notify the employees that, as a condition of working on the commodities or contractual services that are under bid, the employee will abide by the terms of the statement and will notify the employer of any conviction of, or plea of guilty or nolo contendere to, any violation of chapter 893 or of any controlled substance law of the United States or any state, for a violation occurring in the workplace no later than five (5) days after such conviction.
- 5) Impose a sanction on, or require the satisfactory participation in a drug abuse assistance or rehabilitation program if such is available in the employee's community by, any employee who is so convicted.
- 6) Make a good faith effort to continue to maintain a drug-free workplace through implementation of this section.

As the person authorized to sign the statement, I certify that this firm complies fully with the above requirements.

Respondent Name

Authorized Official Signature

Date

Authorized Official Printed Name

Authorized Official Title

**EXHIBIT A-7
STANDARD CONTRACT**

**STATE OF FLORIDA
AGENCY FOR HEALTH CARE ADMINISTRATION
STANDARD CONTRACT**

All respondents should review the contract language contained below. In responding to this solicitation, a respondent has agreed to accept the terms and conditions of the Contract contained in this Exhibit. Note: If the resulting Contract is funded with Federal funds, additional terms and conditions may be included at the time of contract award based on the specific Federal requirements.

THIS CONTRACT is entered into between the State of Florida, **AGENCY FOR HEALTH CARE ADMINISTRATION**, hereinafter referred to as the "**Agency**", whose address is 2727 Mahan Drive, Tallahassee, Florida 32308, and **VENDOR NAME** hereinafter referred to as the "**Vendor**", whose address is **VENDOR ADDRESS**, a (type of entity), to provide **service description**.

Table of Contents

I.	THE VENDOR HEREBY AGREES:	3
A.	General Provisions	3
B.	Florida Department of State	3
C.	MyFloridaMarketPlace.....	3
D.	Federal Laws and Regulations.....	3
E.	Prohibition of Gratuities	4
F.	Audits/Monitoring	4
G.	Inspection of Records and Work Performed.....	5
H.	Accounting	6
I.	Public Records Requests	6
J.	Communications	7
K.	Background Screening	8
L.	Monitoring	9
M.	Indemnification	9
N.	Insurance	11
O.	Assignments and Subcontracts.....	11
P.	Subcontracting	12
Q.	Return of Funds	13
R.	Purchasing	13
S.	Procurement of Products or Materials with Recycled Content	14
T.	Civil Rights Requirements/Vendor Assurance.....	14

**EXHIBIT A-7
STANDARD CONTRACT**

U.	Equal Employment Opportunity (EEO) Compliance	15
V.	Discrimination.....	15
W.	Requirements of Section 287.058, Florida Statutes	15
X.	Sponsorship	18
Y.	Final Invoice	19
Z.	Use of Funds for Lobbying Prohibited	19
AA.	Public Entity Crime	19
BB.	Health Insurance Portability and Accountability Act.....	19
CC.	Confidentiality of Information.....	20
DD.	Employment	20
EE.	Work Authorization Program	21
FF.	Scrutinized Companies Lists	21
GG.	Performance of Services	21
HH.	Venue.....	21
II.	THE AGENCY HEREBY AGREES:	22
A.	Contract Amount	22
B.	Contract Payment	22
III.	THE VENDOR AND AGENCY HEREBY MUTUALLY AGREE:	23
A.	Termination	23
B.	Contract Managers.....	23
C.	Renegotiation or Modification.....	24
D.	Name, Mailing and Street Address of Payee.....	24
E.	All Terms and Conditions	25

REMAINDER OF PAGE INTENTIONALLY LEFT BLANK

EXHIBIT A-7 STANDARD CONTRACT

I. THE VENDOR HEREBY AGREES:

A. General Provisions

1. To provide services according to the terms and conditions set forth in this Contract, **Attachment I**, Scope of Services, and all other attachments named herein which are attached hereto and incorporated by reference (collectively referred to herein as this "Contract").
2. To perform as an independent vendor and not as an agent, representative or employee of the Agency.
3. To recognize that the State of Florida, by virtue of its sovereignty, is not required to pay any taxes on the services or goods purchased under the terms of this Contract.

B. Florida Department of State

To be registered with the Florida Department of State as an entity authorized to transact business in the State of Florida by the effective date of this Contract.

C. MyFloridaMarketPlace

1. Each Vendor doing business with the State of Florida for the sale of commodities or contractual services as defined in Section 287.012, Florida Statutes (F.S.), shall register in MyFloridaMarketPlace, in compliance with Rule 60A-1.033, Florida Administrative Code (F.A.C.), unless exempt under Rule 60A-1.033(3), F.A.C.
2. This Contract has been exempted by the Florida Department of Management Services from paying the transaction fee per Rule 60A-1.031(4)(a and b), F.A.C.

D. Federal Laws and Regulations

1. This Contract contains Federal funds, therefore, the Vendor shall comply with all applicable Federal requirements pertaining to procurement, including but not limited to Chapter 2 of the Code of Federal Regulations (CFR) and any other final or interim rules.
2. This Contract contains Federal funding in excess of **\$100,000.00**, therefore, the Vendor must, upon Contract execution, complete the Certification Regarding Lobbying Form, **Attachment III**. If a Disclosure of Lobbying Activities Form, Standard Form LLL, is required, it may be obtained from the Agency's Contract Manager. All disclosure forms as required by the Certification Regarding Lobbying Form must be completed and returned to the Agency's Procurement Office.
3. Pursuant to 2 CFR 376, the Vendor must, upon Contract execution, complete the Certification Regarding Debarment, Suspension, Ineligibility, and Voluntary Exclusion Contracts/Subcontracts Form, **Attachment IV**.

EXHIBIT A-7 STANDARD CONTRACT

E. Prohibition of Gratuities

To certify that no elected official or employee of the State of Florida has or shall benefit financially or materially from this Contract in violation of the provisions of Chapter 112, F.S. This Contract may be terminated if it is determined that gratuities of any kind were either offered or received by any of the aforementioned parties.

F. Audits/Monitoring

1. The Agency may conduct, or have conducted, performance and/or compliance reviews, reviews of specific records or other data as determined by the Agency. The Agency may conduct a review of a sample of analyses performed by the Vendor to verify the quality of the Vendor's analyses. Reasonable notice shall be provided for reviews conducted at the Vendor's place of business.
2. Reviews may include, but shall not be limited to, reviews of procedures, computer systems, recipient records, accounting records, and internal quality control reviews. The Vendor shall work with any reviewing entity selected by the Agency.
3. During this Contract period, these records shall be available at the Vendor's office at all reasonable times. After this Contract period and for ten (10) years following, the records shall be available at the Vendor's chosen location subject to the approval of the Agency. If the records need to be sent to the Agency, the Vendor shall bear the expense of delivery. Prior approval of the disposition of the Vendor and subcontractor records must be requested and approved by the Agency. This obligation survives termination of this Contract.
4. The Vendor shall comply with all applicable Federal requirements pertaining to procurement, including but not limited to Chapter 2 of the CFR and any other final or interim rules with respect to audit requirements of Federal contracts administered through State and local public agencies.
5. The Vendor shall maintain and file with the Agency such progress, fiscal and inventory reports as specified in **Attachment I**, Scope of Services, and other reports as the Agency may require within the period of this Contract. In addition, access to relevant computer data and applications which generated such reports should be made available upon request.
6. The Vendor shall ensure that all related party transactions are disclosed to the Agency Contract Manager.
7. The Vendor shall include these aforementioned audit and record keeping requirements in all approved subcontracts and assignments.
8. The Vendor shall submit a SSAE 16 SOC 2 report on a yearly basis to the Agency Contract Manager.

EXHIBIT A-7 STANDARD CONTRACT

G. Inspection of Records and Work Performed

1. The Agency and its authorized representatives shall, at all reasonable times, have the right to enter the successful Vendor's premises, or other places where duties under this Contract are performed. All inspections and evaluations shall be performed in such a manner as not to unduly delay work. Persons duly authorized by the Agency and federal auditors, pursuant to 45 CFR, Part 74 and/or 45 CFR, Part 92, shall have full access to and the right to examine any of said records and documents.
2. The Vendor shall retain all financial records, medical records, supporting documents, statistical records, and any other documents (including electronic storage media) pertinent to performance under this Contract for a period of ten (10) years after termination of this Contract, or if an audit has been initiated and audit findings have not been resolved at the end of ten (10) years, the records shall be retained until resolution of the audit findings.
4. Refusal by the Vendor to allow access to all records, documents, papers, letters, other materials or on-site activities related to this Contract performance shall constitute a breach of this Contract.
5. The right of the Agency and its authorized representatives to perform inspections shall continue for as long as the Vendor is required to maintain records.
6. The Vendor shall be responsible for all storage fees associated with all records maintained under this Contract. The Vendor is also responsible for the destruction of all records that meet the retention schedule noted above.
7. Failure to retain all records as required may result in cancellation of this Contract. The Agency shall give the Vendor advance notice of cancellation pursuant to this provision and shall pay the Vendor only those amounts that are earned prior to the date of cancellation in accordance with the terms and conditions of this Contract. Performance by the Agency of any of its obligations under this Contract shall be subject to the successful Vendor's compliance with this provision.
8. In accordance with Section 20.055, F.S., the Vendor and its subcontractors shall cooperate with the Office of the Inspector General in any investigation, audit, inspection, review or hearing; and shall grant access to any records, data or other information the Office of the Inspector General deems necessary to carry out its official duties.
9. The rights of access in this Section must not be limited to the required retention period but shall last as long as the records are retained.

EXHIBIT A-7 STANDARD CONTRACT

H. Accounting

1. To maintain an accounting system and employ accounting procedures and practices that conform to generally accepted accounting principles and standards or other comprehensive basis of accounting principles as acceptable to the Agency. For costs associated with specific contracts under which the Agency must account to the federal government for actual costs incurred, the costs and charges for that contract will be determined in accordance with generally accepted accounting principles.
2. To submit annual financial audits (or parent organization's annual financial audits with organizational chart) to the Agency within thirty (30) calendar days of receipt.

I. Public Records Requests

1. To comply with Section 119.0701, F.S., if applicable, and all other applicable parts of the Florida Public Records Act.
2. To keep and maintain public records that ordinarily and necessarily would be required in order to perform services under this Contract.
3. To provide the public with access to public records on the same terms and conditions that the Agency would provide the records and at a cost that does not exceed the cost provided in Section 119.07, F.S., or as otherwise provided by law.
4. To upon request from the appropriate Agency custodian of public records, provide the Agency with a copy of the requested records or allow the records to be inspected or copied within a reasonable time at a cost that does not exceed the cost in Section 119.07, F.S., or as otherwise provided by law.
5. To ensure that public records that are exempt or confidential and exempt from public records disclosure requirements are not disclosed except as authorized by law for the duration of this Contract term and following completion of this Contract if the Vendor does not transfer the records to the Agency.
6. To not collect an individual's social security number unless the Vendor has stated in writing the purpose for its collection. The Vendor collecting an individual's social security number shall provide a copy of the written statement to the Agency and otherwise comply with applicable portions of Section 119.071(5), F.S.
7. To meet all requirements for retaining public records and transfer, at no cost, to the Agency all public records in possession of the Vendor upon termination of this Contract and destroy any duplicate public records that are exempt or confidential and exempt from public records disclosure requirements. All records stored electronically must be provided to the Agency in a format that is compatible with the information technology systems of the Agency.

EXHIBIT A-7 STANDARD CONTRACT

8. If the Vendor does not comply with a public records request, the Agency shall enforce Contract provisions in accordance with this Contract.
9. **IF THE VENDOR HAS QUESTIONS REGARDING THE APPLICATION OF CHAPTER 119, FLORIDA STATUTES, TO THE VENDOR'S DUTY TO PROVIDE PUBLIC RECORDS RELATING TO THIS CONTRACT, CONTACT THE AGENCY CUSTODIAN OF PUBLIC RECORDS FOR THIS CONTRACT. THE AGENCY CUSTODIAN OF PUBLIC RECORDS FOR THIS CONTRACT IS THE CONTRACT MANAGER.**

J. Communications

1. Notwithstanding any term or condition of this Contract to the contrary, the Vendor bears sole responsibility for ensuring that its performance of this Contract fully complies with all State and Federal law governing the monitoring, interception, recording, use or disclosure of wire, oral or electronic communications, including but not limited to the Florida Security of Communications Act, Section 934.01, et seq., F.S.; and the Electronic Communications Privacy Act, 18 U.S.C. Section 2510 et seq. (hereafter, collectively, "Communication Privacy Laws").
2. Prior to intercepting, recording or monitoring any communications which are subject to Communication Privacy Laws, the Vendor must:
 - a. Submit a plan which specifies in detail the manner in which the Vendor will ensure that such actions are in full compliance with Communication Privacy Laws (the "Privacy Compliance Plan"); and
 - b. Obtain written approval, signed and notarized by the Agency Contract Manager, approving the Privacy Compliance Plan.
3. No modifications to an approved Privacy Compliance Plan may be implemented by the Vendor unless an amended Privacy Compliance Plan is submitted to the Agency, and written approval of the amended Privacy Compliance Plan is signed and notarized by the Agency Contract Manager. Agency approval of the Vendor's Privacy Compliance Plan in no way constitutes a representation by the Agency that the Privacy Compliance Plan is in full compliance with applicable Communication Privacy Laws, or otherwise shifts or diminishes the Vendor's sole burden to ensure full compliance with applicable Communication Privacy Laws in all aspects of the Vendor's performance of this Contract. Violation of this term may result in sanctions to include termination of this Contract and/or liquidated damages.
4. The Vendor agrees that it is the custodian of any and all recordings for purposes of the Public Records Act, Chapter 119, F.S., and is solely responsible for responding to any public records requests for recordings. This responsibility includes gathering, redaction, duplication and provision of the recordings as well

EXHIBIT A-7 STANDARD CONTRACT

as defense of any actions for enforcement brought pursuant to Section 119.11, F.S.

K. Background Screening

1. To ensure that all Vendor employees including managing employees that have direct access to personally identifiable information (PII), protected health information (PHI), or financial information have a County, State, and Federal criminal background screening comparable to a level 2 background screening as described in Section 435.04, F.S., completed with results prior to employment.
2. Per Section 435.04(1)(a), F.S., level 2 screening standards include, but need not be limited to, fingerprinting for statewide criminal history records checks through the Department of Law Enforcement, and national criminal history records checks through the Federal Bureau of Investigation, and may include local criminal records checks through local law enforcement agencies.
3. If the Vendor employee or managing employee was employed prior to the execution of this Contract, the Vendor shall ensure that the County, State, and Federal criminal background screening comparable to a level 2 background screening is completed with results prior to the employee accessing any PII, PHI, or financial information.
4. Any Vendor employee or managing employee with background results that are unacceptable to the State as described in Section 435.04, F.S., or related to the criminal use of PII as described in Section 817, F.S., or has been subject to criminal penalties for the misuse of PHI under 42 U.S.C. 1320d-5, or has been subject to criminal penalties for the offenses described in Section 812.0195, F.S., Section 815, F.S., Section 815.04, F.S., or Section 815.06, F.S., shall be denied employment or be immediately dismissed from performing services under this Contract by the Vendor unless an exemption is granted.
5. Direct access is defined as having, or expected to have, duties that involve access to PII, PHI, or financial information by any means including, but not limited to, network shared drives, email, telephone, mail, computer systems, and electronic or printed reports.
6. To ensure that all Vendor employees including managing employees that have direct access to any PII, PHI or financial information have a County, State, and Federal criminal background screening comparable to a level 2 background screening completed with results every five (5) years.
7. To develop and submit policies and procedures related to this criminal background screening requirement to the Agency for review and approval within thirty (30) calendar days of this Contract execution. The Vendor's policies and procedures shall include a procedure to grant an exemption from disqualification for disqualifying offenses revealed by the background screening, as described in Section 435.07, F.S.

EXHIBIT A-7 STANDARD CONTRACT

8. To keep a record of all background screening records to be available for Agency review upon request.
9. Failure to comply with background screening requirements shall subject the Vendor to liquidated damages as described **Attachment I**, Scope of Services.

L. Monitoring

1. To provide reports as specified in **Attachment I**, Scope of Services. These reports will be used for monitoring progress or performance of the contractual services as specified in **Attachment I**, Scope of Services.
2. To permit persons duly authorized by the Agency to inspect any records, papers, documents, facilities, goods and services of the Vendor which are relevant to this Contract.
3. To ensure that each of its employees or subcontractors who performs activities related to the services associated with this Contract will report to the Agency any health care facility that is the subject of these services that may have violated the law. To report concerns pertaining to a health care facility, the Vendor employee or subcontractor may contact the Agency Complaint Hotline by calling 1-888-419-3456 or by completing the online complaint form found at <https://apps.ahca.myflorida.com/hcfc>.
4. To ensure that each of its employees or subcontractors who performs activities related to the services associated with this Contract, will report to the Agency areas of concern relative to the operation of any entity covered by this Contract. To report concerns, the Vendor employee or subcontractor may contact the Agency Complaint Hotline by calling 1-877-254-1055 or by completing the online complaint form found at https://apps.ahca.myflorida.com/smmc_cirts/.
5. Reports which represent individuals receiving services are at risk for, or have suffered serious harm, impairment, or death shall be reported to the Agency immediately and no later than twenty four (24) clock hours after the observation is made. Reports that reflect noncompliance that does not rise to the level of concern noted above shall be reported to the Agency within ten (10) calendar days of the observation.

M. Indemnification

The Vendor agrees to indemnify, defend, and hold harmless the Agency, as provided in this Clause.

1. Scope. The Duty to Indemnify and the Duty to Defend, as described herein (collectively known as the "Duty to Indemnify and Defend"), extend to any completed, actual, pending or threatened action, suit, claim or proceeding, whether civil, criminal, administrative or investigative (including any action by or in the right of the Vendor), and whether formal or informal, in which the Agency is, was or becomes involved and which in any way arises from, relates to or concerns the Vendor's acts or omissions related to this Contract (inclusive of all attachments, etc.) (collectively "Proceeding").

EXHIBIT A-7 STANDARD CONTRACT

- a. Duty to Indemnify. The Vendor agrees to hold harmless and indemnify the Agency to the full extent permitted by law against any and all liability, claims, actions, suits, judgments, damages and costs of whatsoever name and description, including attorneys' fees, arising from or relating to any Proceeding.
 - b. Duty to Defend. With respect to any Proceeding, the Vendor agrees to fully defend the Agency and shall timely reimburse all of the Agency's legal fees and costs; provided, however, that the amount of such payment for attorneys' fees and costs is reasonable pursuant to rule 4-1.5, Rules Regulating The Florida Bar. The Agency retains the exclusive right to select, retain and direct its defense through defense counsel funded by the Vendor pursuant to the Duty to Indemnify and Defend the Agency.
2. Expense Advance. The presumptive right to indemnification of damages shall include the right to have the Vendor pay the Agency's expenses in any Proceeding as such expenses are incurred and in advance of the final disposition of such Proceeding.
3. Enforcement Action. In the event that any claim for indemnity, whether an Expense Advance or otherwise, is made hereunder and is not paid in full within sixty (60) calendar days after written notice of such claim is delivered to the Vendor, the Agency may, but need not, at any time thereafter, bring suit against the Vendor to recover the unpaid amount of the claim (hereinafter "Enforcement Action"). In the event the Agency brings an Enforcement Action, the Vendor shall pay all of the Agency's attorneys' fees and expenses incurred in bringing and pursuing the Enforcement Action.
4. Contribution. In any Proceeding in which the Vendor is held to be jointly liable with the Agency for payment of any claim of any kind (whether for damages, attorneys' fees, costs or otherwise), if the Duty to Indemnify provision is for any reason deemed to be inapplicable, the Vendor shall contribute toward satisfaction of the claim whatever portion is or would be payable by the Agency in addition to that portion which is or would be payable by the Vendor, including payment of damages, attorneys' fees and costs, without recourse against the Agency. No provision of this part or of any other section of this Contract (inclusive of all attachments, etc.), whether read separately or in conjunction with any other provision, shall be construed to: (i) waive the State or the Agency's immunity to suit or limitations on liability; (ii) obligate the State or the Agency to indemnify the Vendor for the Vendor's own negligence or otherwise assume any liability for the Vendor's own negligence; or (iii) create any rights enforceable by third parties, as third party beneficiaries or otherwise, in law or in equity.

EXHIBIT A-7 STANDARD CONTRACT

N. Insurance

1. To the extent required by law, the Vendor shall be self-insured against, or shall secure and maintain during the life of this Contract, Worker's Compensation Insurance for all its employees connected with the work of this Contract and, in case any work is subcontracted, the Vendor shall require the subcontractor similarly to provide Worker's Compensation Insurance for all of the latter's employees unless such employees engaged in work under this Contract are covered by the Vendor's self-insurance program. Such self-insurance or insurance coverage shall comply with the Florida Worker's Compensation law. In the event hazardous work is being performed by the Vendor under this Contract and any class of employees performing the hazardous work is not protected under Worker's Compensation statutes, the Vendor shall provide, and cause each subcontractor to provide, adequate insurance satisfactory to the Agency, for the protection of its employees not otherwise protected.
2. The Vendor shall secure and maintain Commercial General Liability insurance including bodily injury, property damage, personal and advertising injury and products and completed operations. This insurance will provide coverage for all claims that may arise from the services and/or operations completed under this Contract, whether such services and/or operations are by the Vendor or anyone directly, or indirectly employed by it. Such insurance shall include a Hold Harmless Agreement in favor of the State of Florida and also include the State of Florida as an Additional Named Insured for the entire length of this Contract and hold the State of Florida harmless from subrogation. The Vendor shall set the limits of liability necessary to provide reasonable financial protections to the Vendor and the State of Florida under this Contract.
3. All insurance policies shall be with insurers licensed or eligible to transact business in the State of Florida. The Vendor's current insurance policy(ies) shall contain a provision that the insurance will not be canceled for any reason except after thirty (30) calendar days written notice. The Vendor shall provide thirty (30) calendar days written notice of cancellation to the Agency's Contract Manager.
4. The Vendor shall submit insurance certificates evidencing such insurance coverage prior to execution of this Contract.

O. Assignments and Subcontracts

To neither assign the responsibility of this Contract to another party nor subcontract for any of the work contemplated under this Contract without prior written approval of the Agency. No such approval by the Agency of any assignment or subcontract shall be deemed in any event or in any manner to provide for the incurrence of any obligation of the Agency in addition to the total dollar amount agreed upon in this Contract. All such assignments or subcontracts shall be subject to the conditions of this Contract and to any conditions of approval that the Agency shall deem necessary.

EXHIBIT A-7 STANDARD CONTRACT

P. Subcontracting

1. To not subcontract, assign, or transfer any work identified under this Contract, without prior written consent of the Agency.
2. To not subcontract with any provider that would be in conflict of interest to the Vendor during the term of this Contract in accordance with applicable Federal and/or State laws.
3. Changes to approved subcontracts and/or subcontractors require approval in writing by the Agency's Contract Manager prior to the effective date of any subcontract.
4. The Agency encourages Vendors to partner with subcontractors who can provide best value and the best in class solutions. However, the Vendor is responsible for all work performed under this Contract. No subcontract that the Vendor enters into with respect to performance under this Contract shall in any way relieve the Vendor of any responsibility for performance of its duties. The Vendor shall assure that all tasks related to the subcontract are performed in accordance with the terms of this Contract. If the Agency determines, at any time, that a subcontract is not in compliance with a Contract requirement, the Vendor shall promptly revise the subcontract to bring it into compliance. In addition, the Vendor may be subject to sanctions and/or liquidated damages pursuant to this Contract and Section 409.912(6), F.S. (related to sanctions).
5. All payments to subcontractors will be made by the Vendor.
6. To be responsible for monitoring the subcontractor's performance. The results of the monitoring shall be provided to the Agency's Contract Manager, fourteen (14) business days after the end of each month or as specified by the Agency. If the subcontractor's performance does not meet the Agency's performance standard according to the Agency's monitoring report or the Vendor's monitoring report, an improvement plan must be submitted to the Vendor and the Agency within fourteen (14) business days of the deficient report.
7. The State supports and encourages supplier diversity and the participation of small and minority business enterprises in State contracting, both as Vendors and subcontractors. The Agency supports diversity in its Procurement Program and requests that all subcontracting opportunities afforded by this Contract enthusiastically embrace diversity. The award of subcontracts should reflect the full diversity of the citizens of the State of Florida. Vendors can contact the Office of Supplier Diversity at (850) 487-0915 or online at <http://osd.dms.state.fl.us/> for information on minority Vendors who may be considered for subcontracting opportunities.
8. A minority owned business is defined as any business enterprise owned and operated by the following ethnic groups: African American (Certified Minority Code H or Non-Certified Minority Code N); Hispanic American (Certified Minority Code I or Non-Certified Minority Code O); Asian American (Certified Minority Code J or Non-Certified Minority Code P); Native American (Certified Minority Code K

EXHIBIT A-7 STANDARD CONTRACT

or Non-Certified Minority Code Q); or American Woman (Certified Minority Code M or Non-Certified Minority Code R).

Q. Return of Funds

To return to the Agency any overpayments due to unearned funds or funds disallowed pursuant to the terms of this Contract that were disbursed to the Vendor by the Agency. The Vendor shall return any overpayment to the Agency within forty (40) calendar days after either discovery by the Vendor, its independent auditor, or notification by the Agency, of the overpayment.

R. Purchasing

1. P.R.I.D.E.

It is expressly understood and agreed that any articles which are the subject of, or required to carry out, this Contract shall be purchased from the corporation identified under Chapter 946, F.S., if available, in the same manner and under the same procedures set forth in Section 946.515(2) and (4), F.S.; and for purposes of this Contract the person, firm, or other business entity carrying out the provisions of this Contract shall be deemed to be substituted for this Agency insofar as dealings with such corporation are concerned.

The "Corporation identified" is PRISON REHABILITATIVE INDUSTRIES AND DIVERSIFIED ENTERPRISES, INC. (P.R.I.D.E.) which may be contacted at:

P.R.I.D.E.
12425 28th Street North, Suite 300
St. Petersburg, FL 33716
info@pride-enterprises.org
(727) 556-3300
Toll Free: 1-800-643-8459
Fax: (727) 570-3366

2. RESPECT of Florida

It is expressly understood and agreed that any articles that are the subject of, or required to carry out, this Contract shall be purchased from a nonprofit agency for the blind or for the severely handicapped that is qualified pursuant to Chapter 413, F.S., in the same manner and under the same procedures set forth in Section 413.036(1) and (2), F.S.; and, for purposes of this Contract the person, firm, or other business entity carrying out the provisions of this Contract shall be deemed to be substituted for this Agency insofar as dealings with such qualified nonprofit agency are concerned.

The "nonprofit agency" identified is RESPECT of Florida which may be contacted at:

EXHIBIT A-7 STANDARD CONTRACT

RESPECT of Florida
2475 Apalachee Parkway, Suite 205
Tallahassee, Florida 32301-4946
(850) 487-1471
www.respectofflorida.org

S. Procurement of Products or Materials with Recycled Content

It is expressly understood and agreed that any products which are required to carry out this Contract shall be procured in accordance with the provisions of Section 403.7065, F.S.

T. Civil Rights Requirements/Vendor Assurance

The Vendor assures that it will comply with:

1. Title VI of the Civil Rights Act of 1964, as amended, 42 United States Code (U.S.C.) 2000d et seq., which prohibits discrimination on the basis of race, color, or national origin.
2. Section 504 of the Rehabilitation Act of 1973, as amended, 29 U.S.C. 794, which prohibits discrimination on the basis of handicap.
3. Title IX of the Education Amendments of 1972, as amended, 20 U.S.C. 1681 et seq., which prohibits discrimination on the basis of sex.
4. The Age Discrimination Act of 1975, as amended, 42 U.S.C. 6101 et seq., which prohibits discrimination on the basis of age.
5. Section 654 of the Omnibus Budget Reconciliation Act of 1981, as amended, 42 U.S.C. 9849, which prohibits discrimination on the basis of race, creed, color, national origin, sex, handicap, political affiliation or beliefs.
6. The Americans with Disabilities Act of 1990, Public Law (P.L.) 101-336, which prohibits discrimination on the basis of disability and requires reasonable accommodation for persons with disabilities.
7. Chapter 409, F.S.
8. Rule 62-730.160, F.A.C. pertaining to standards applicable to generators of hazardous waste.
9. All applicable standards, orders or regulations issued pursuant to the Clean Air Act, 42 United States Code (U.S.C.) 7401 et seq.
10. The Medicare-Medicaid Fraud and Abuse Act of 1978.
11. Other Federal omnibus budget reconciliation acts.

EXHIBIT A-7 STANDARD CONTRACT

12. The Balanced Budget Act of 1997.
13. All regulations, guidelines, and standards as are now or may be lawfully adopted under the above statutes.

The Vendor agrees that compliance with this assurance constitutes a condition of continued receipt of or benefit from funds provided through this Contract, and that it is binding upon the Vendor, its successors, transferees, and assignees for the period during which services are provided. The Vendor further assures that all contractors, subcontractors, subgrantees, or others with whom it arranges to provide services or benefits to participants or employees in connection with any of its programs and activities are not discriminating against those participants or employees in violation of the above statutes, regulations, guidelines, and standards.

U. Equal Employment Opportunity (EEO) Compliance

To not discriminate in its employment practices with respect to race, color, religion, age, sex, marital status, political affiliation, national origin, or handicap.

V. Discrimination

Pursuant to Section 287.134(2)(a), F.S., an entity or affiliate who has been placed on the discriminatory vendor list may not submit a Bid, Proposal, or Reply on a contract to provide any goods or services to a public entity; may not submit a Bid, Proposal, or Reply on a contract with a public entity for the construction or repair of a public building or public work; may not submit Bids, Proposals, or Replies on leases of real property to a public entity; may not be awarded or perform work as a contractor, supplier, subcontractor, or consultant under a contract with any public entity; and may not transact business with any public entity. The Florida Department of Management Services is responsible for maintaining the discriminatory vendor list. Questions regarding the discriminatory vendor list may be directed to the Florida Department of Management Services, Office of Supplier Diversity at (850) 487-0915.

W. Requirements of Section 287.058, Florida Statutes

1. To submit bills for fees or other compensation for services or expenses in detail sufficient for a proper pre-audit and post-audit thereof.
2. Where applicable, to submit bills for any travel expenses in accordance with Section 112.061, F.S. The Agency may establish rates lower than the maximum provided in Section 112.061, F.S.
3. To provide units of deliverables, including reports, findings, and drafts, in writing and/or in an electronic format agreeable to both Parties, as specified in **Attachment I**, Scope of Services, to be received and accepted by the Contract Manager prior to payment.
4. To comply with the criteria and final date, as specified herein, by which such criteria must be met for completion of this Contract.

EXHIBIT A-7 STANDARD CONTRACT

5. This Contract shall begin upon execution by both Parties or **BEGIN DATE**, (whichever is later) and end on **END DATE**, inclusive.
6. In accordance with Section 287.057(13), F.S., this Contract may be renewed for a period that may not exceed three (3) years or the term of the original Contract, whichever period is longer. Renewal of this Contract shall be in writing and subject to the same terms and conditions set forth in the initial Contract. A renewal Contract may not include any compensation for costs associated with the renewal. Renewals are contingent upon satisfactory performance evaluations by the Agency, are subject to the availability of funds, and optional to the Agency.
7. If this Contract is renewed, it is the Agency's policy to reduce the overall payment amount by the Agency to the Vendor by at least five percent (5%) during the period of this Contract renewal, unless it would affect the level and quality of services.
8. The Vendor agrees that the Agency may unilaterally cancel this Contract for refusal by the Vendor to allow public access to all documents, papers, letters, or other material made or received by the Vendor in conjunction with this Contract, unless the records are exempt from Section 24(a) of Article I of the State Constitution and the Florida Public Records Act, Chapter 119, F.S.
9. To comply with Patents, Royalties, Copyrights, Right to Data, and Works for Hire/Software requirements as follows:
 - a. The Vendor, without exception, shall indemnify and hold harmless the Agency and its employees from liability of any nature or kind, including cost and expenses for or on account of any copyrighted, patented, or unattended invention, process, or article manufactured or supplied by the Vendor. The Vendor has no liability when such claim is solely and exclusively due to the combination, operation or use of any article supplied hereunder with equipment or data not supplied by the Vendor or is based solely and exclusively upon the Agency's alteration of the article.
 - b. The Agency will provide prompt written notification of a claim of copyright or patent infringement and shall afford the Vendor full opportunity to defend the action and control the defense. Further, if such a claim is made or is pending, the Vendor may, at its option and expense procure for the Agency the right to continue the use of, replace or modify the article to render it non-infringing (if none of the alternatives is reasonably available, the Agency agrees to return the article on request to the Vendor and receive reimbursement, if any, as may be determined by a court of competent jurisdiction).
 - c. If the Vendor brings to the performance of this Contract a pre-existing patent, patent-pending and/or copyright, at the time of Contract execution, the Vendor shall retain all rights and entitlements to that pre-existing patent, patent-pending and/or copyright, unless this Contract provides otherwise.

EXHIBIT A-7 STANDARD CONTRACT

- d.** If the Vendor uses any design, device, or materials covered by letter, patent, or copyright, it is mutually agreed and understood without exception that the proposed prices shall include all royalties or cost arising from the use of such design, device, or materials in any way involved in the work. Prior to the initiation of services under this Contract, the Vendor shall disclose, in writing, all intellectual properties relevant to the performance of this Contract which the Vendor knows, or should know, could give rise to a patent or copyright. The Vendor shall retain all rights and entitlements to any pre-existing intellectual property which is so disclosed. Failure to disclose will indicate that no such property exists. The Agency will then have the right to all patents and copyrights which arise as a result of performance under this Contract as provided in this Sub-Section.
- e.** If any discovery or invention arises or is developed in the course of, or as a result of, work or services performed under this Contract, or in any way connected herewith, the Vendor shall refer the discovery or invention to the Agency for a determination whether patent protection will be sought in the name of the State of Florida. Any and all patent rights accruing under or in connection with the performance of this Contract are hereby reserved to the State of Florida. All materials to which the Agency is to have patent rights or copyrights shall be marked and dated by the Vendor in such a manner as to preserve and protect the legal rights of the Agency.
- f.** Where activities supported by this Contract produce original writing, sound recordings, pictorial reproductions, drawings or other graphic representation and works of any similar nature, the Agency has the right to use, duplicate and disclose such materials in whole or in part, in any manner, for any purpose whatsoever and to have others acting on behalf of the Agency to do so. If the materials so developed are subject to copyright, trademark, or patent, legal title and every right, interest, claim, or demand of any kind in and to any patent, trademark or copyright, or application for the same, shall vest in the State of Florida, Department of State for the exclusive use and benefit of the State. Pursuant to Section 286.021, F.S., no person, firm, corporation, including parties to this Contract shall be entitled to use the copyright, patent, or trademark without the prior written consent of the Florida Department of State.
- g.** The Agency will have unlimited rights to use, disclose, or duplicate, for any purpose whatsoever, all information and data developed, derived, documented, or furnished by the Vendor under this Contract.
- h.** All rights and title to works for hire under this Contract, whether patentable or copyrightable or not, shall belong to the Agency and shall be subject to the terms and conditions of this Contract.

EXHIBIT A-7 STANDARD CONTRACT

- i. The computer programs, data, materials and other information furnished by the Agency to the Vendor hereunder shall be and remain the sole and exclusive property of the Agency, free from any claim or right of retention by or on behalf of the Vendor. The services and products listed in this Contract shall become the property of the Agency upon the Vendor's performance and delivery thereof. The Vendor hereby acknowledges that said computer programs, materials and other information provided by the Agency to the Vendor hereunder, together with the products delivered and services performed by the Vendor hereunder, shall be and remain confidential and proprietary in nature to the extent provided by Chapter 119, F.S., and that the Vendor shall not disclose, publish or use same for any purpose other than the purposes provided in this Contract; however, upon the Vendor first demonstrating to the Agency's satisfaction that such information, in part or in whole, (1) was already known to the Vendor prior to its receipt from the Agency; (2) became known to the Vendor from a source other than the Agency; or (3) has been disclosed by the Agency to third parties without restriction, the Vendor shall be free to use and disclose same without restriction. Upon completion of the Vendor's performance or otherwise cancellation or termination of this Contract, the Vendor shall surrender and deliver to the Agency, freely and voluntarily, all of the above-described information remaining in the Vendor's possession.
 - j. The Vendor warrants that all materials produced hereunder shall be of original development by the Vendor and shall be specifically developed for the fulfillment of this Contract and shall not knowingly infringe upon or violate any patent, copyright, trade secret or other property right of any third party, and the Vendor shall indemnify and hold the Agency harmless from and against any loss, cost, liability or expense arising out of any breach or claimed breach of this warranty.
 - k. The terms and conditions specified in this Sub-Section shall also apply to any subcontract made under this Contract. The Vendor shall be responsible for informing the subcontractor of the provisions of this Sub-Section and obtaining disclosures.
10. The financial consequences that the Agency must apply if the Vendor fails to perform in accordance with this Contract are outlined in **Attachment I**, Scope of Services.

X. Sponsorship

Pursuant to Section 286.25, F.S., all non-governmental Vendors must assure that all notices, information pamphlets, press releases, advertisements, descriptions of the sponsorship of the program, research reports, and similar public notices prepared and released by the Vendor shall include the Statement: "Sponsored by (name of Vendor) and the State of Florida, Agency for Health Care Administration." If the sponsorship reference is in written material, the words, "State of Florida, Agency for Health Care Administration" shall appear in the same size letters or type as the name of the organization.

EXHIBIT A-7 STANDARD CONTRACT

Y. Final Invoice

The Vendor must submit the final invoice for payment to the Agency no more than **NUMBER** calendar days after this Contract ends or is terminated. If the Vendor fails to do so, all right to payment is forfeited and the Agency will not honor any requests submitted after the aforesaid time period. Any payment due under the terms of this Contract may be withheld until all reports due from the Vendor and necessary adjustments thereto have been approved by the Agency.

Z. Use of Funds for Lobbying Prohibited

To comply with the provisions of Section 216.347, F.S., which prohibits the expenditure of Contract funds for the purpose of lobbying the Legislature, the judicial branch or a State agency.

AA. Public Entity Crime

A person or affiliate who has been placed on the convicted vendor list following a conviction for a public entity crime may not be awarded or perform work as a contractor, supplier, subcontractor, or consultant under a contract with any public entity, and may not transact business with any public entity in excess of the threshold amount provided in Section 287.017, F.S., for category two, for a period of thirty six (36) months from the date of being placed on the convicted vendor list.

BB. Health Insurance Portability and Accountability Act

1. To comply with the Department of Health and Human Services Privacy Regulations in the CFR, Title 45, Sections 160 and 164, regarding disclosure of protected health information as specified in **Attachment II**, Business Associate Agreement.
2. The Vendor must ensure it meets all Federal regulations regarding required standard electronic transactions and standards for privacy and individually identifiable health information as identified in the Health Insurance Portability and Accountability Act (HIPAA) of 1996 and the Health Information Technology for Economic and Clinical Health Act (HITECH) of 2009 and associated regulations.
3. The Vendor shall conduct all activities in compliance with 45 CFR 164 Subpart C to ensure data security, including, but not limited to encryption of all information that is confidential under Florida or Federal law, while in transmission and while resident on portable electronic media storage devices. Encryption is required and shall be consistent with Federal Information Processing Standards (FIPS), and/or the National Institute of Standards and Technology (NIST) publications regarding cryptographic standards.

EXHIBIT A-7 STANDARD CONTRACT

CC. Confidentiality of Information

1. The Vendor shall not use or disclose any confidential information, including social security numbers that may be supplied under this Contract pursuant to law, and also including the identity or identifying information concerning a Medicaid recipient or services under this Contract for any purpose not in conformity with State and Federal laws, except upon written consent of the recipient, or his/her guardian.
2. All personally identifiable information, including Medicaid information, obtained by the Vendor shall be treated as privileged and confidential information and shall be used only as authorized for purposes directly related to the administration of this Contract. The Vendor must have a process that specifies that patient-specific information remains confidential, is used solely for the purposes of data analysis or other Vendor responsibilities under this Contract, and is exchanged only for the purpose of conducting a review or other duties outlined in this Contract.
3. Any patient-specific information received by the Vendor can be shared only with those agencies that have legal authority to receive such information and cannot be otherwise transmitted for any purpose other than those for which the Vendor is retained by the Agency. The Vendor must have in place written confidentiality policies and procedures to ensure confidentiality and to comply with all Federal and State laws (including the HIPAA and HITECH Acts) governing confidentiality, including electronic treatment records, facsimile mail, and electronic mail).
4. The Vendor's subcontracts must explicitly state expectations about the confidentiality of information, and the subcontractor is held to the same confidentiality requirements as the Vendor. If provider-specific data are released to the public, the Vendor shall have policies and procedures for exercising due care in compiling and releasing such data that address statutory protections of quality assurance and confidentiality while assuring that open records requirements of Chapter 119, F.S., are met.
5. The Vendor and its subcontractors shall comply with the requirements of Section 501.171, F.S. and shall, in addition to the reporting requirements therein, report to the Agency any breach of personal information.
6. Any releases of information to the media, the public, or other entities require prior approval from the Agency.

DD. Employment

The Vendor shall comply with Section 274A of the Immigration and Nationality Act. The Agency will consider the employment by any contractor of unauthorized aliens a violation of this Act. If the Vendor knowingly employs unauthorized aliens, such violation shall be cause for unilateral cancellation of this Contract. The Vendor shall be responsible for including this provision in all subcontracts with private organizations issued as a result of this Contract.

EXHIBIT A-7 STANDARD CONTRACT

EE. Work Authorization Program

The Immigration Reform and Control Act of 1986 prohibits employers from knowingly hiring illegal workers. The Vendor shall only employ individuals who may legally work in the United States (U.S.) – either U.S. citizens or foreign citizens who are authorized to work in the U.S. The Vendor shall use the U.S. Department of Homeland Security's E-Verify Employment Eligibility Verification system, <https://e-verify.uscis.gov/emp>, to verify the employment eligibility of all new employees hired by the Vendor during the term of this Contract and shall also include a requirement in its subcontracts that the subcontractor utilize the E-Verify system to verify the employment eligibility of all new employees hired by the subcontractor performing work or providing services pursuant to this Contract.

FF. Scrutinized Companies Lists

Pursuant to Section 287.135, F.S. the Vendor certifies that:

1. If this Contract reaches or exceeds **\$1,000,000.00**, it has not been placed on the Scrutinized Companies with Activities in Sudan List or the Scrutinized Companies with Activities in the Iran Petroleum Energy Sector List and does not have business operations in Cuba or Syria; and
2. For contracts of any amount, it has not been placed on the Scrutinized Companies that Boycott Israel List and is not engaged in a boycott of Israel.

The Vendor agrees that the Agency may immediately terminate this Contract if the Vendor is found to have submitted a false certification or is placed on the lists defined in Sections 215.473 or 215.4725, F.S., or engages in a boycott of Israel, during the term of this Contract.

GG. Performance of Services

The Vendor shall ensure all services provided under this Contract will be performed within the borders of the United States and its territories and protectorates. State-owned Data will be processed and stored in data centers that are located only in the forty eight (48) contiguous United States.

HH. Venue

1. In the event of any legal challenges to this Contract, the Vendor agrees and will consent that hearings and depositions for any administrative or other litigation related to this Contract shall be held in Leon County, Florida. The Agency, in its sole discretion, may waive this venue for depositions.
2. Respondents (and their successors, including but not limited to their parent(s), affiliates, subsidiaries, subcontractors, assigns, heirs, administrators, representatives and trustees) acknowledge that this Contract (including but not limited to exhibits, attachments, or amendments) is not a rule nor subject to rulemaking under Chapter 120

EXHIBIT A-7 STANDARD CONTRACT

(or its successor) of the Florida Statutes and is not subject to challenge as a rule or non-rule policy under any provision of Chapter 120, F.S.

3. This Contract shall be delivered in the State of Florida and shall be construed in accordance with the laws of Florida. Wherever possible, each provision of this Contract shall be interpreted in such a manner as to be effective and valid under applicable law, but if any provision shall be found ineffective, then to the extent of such prohibition or invalidity, that provision shall be severed without invalidating the remainder of such provision or the remaining provisions of this Contract.
4. The exclusive venue and jurisdiction for any action in law or in equity to adjudicate rights or obligations arising pursuant to or out of this Contract for which there is no administrative remedy shall be the Second Judicial Circuit Court in and for Leon County, Florida, or, on appeal, the First District Court of Appeal (and, if applicable, the Florida Supreme Court). Any administrative hearings hereon or in connection herewith shall be held in Leon County, Florida.

II. THE AGENCY HEREBY AGREES:

A. Contract Amount

To pay for contracted services according to the conditions of **Attachment I**, Scope of Services, in an amount not to exceed **\$AMOUNT**, subject to the availability of funds. The State of Florida's performance and obligation to pay under this Contract is contingent upon an annual appropriation by the Legislature.

B. Contract Payment

Section 215.422, F.S., provides that agencies have five (5) business days to inspect and approve goods and services, unless bid specifications, Contract or Purchase Order specifies otherwise. With the exception of payments to health care providers for hospital, medical, or other health care services, if payment is not available within forty (40) calendar days, measured from the latter of the date the invoice is received or the goods or services are received, inspected and approved, a separate interest penalty set by the Comptroller pursuant to Section 55.03, F.S., will be due and payable in addition to the invoice amount. To obtain the applicable interest rate, please contact the Agency's Fiscal Section at (850) 412-3858, or utilize the Department of Financial Services website at www.myfloridacfo.com/aadir/interest.htm. Payments to health care providers for hospital, medical or other health care services, shall be made not more than thirty five (35) calendar days from the date eligibility for payment is determined, and the daily interest rate is .0003333%. Invoices returned to a vendor due to preparation errors will result in a payment delay. Invoice payment requirements do not start until a properly completed invoice is provided to the Agency. A Vendor Ombudsman, whose duties include acting as an advocate for vendors who may be experiencing problems in obtaining timely payment(s) from a State agency, may be contacted at (850) 413-5516 or by calling the State Office of Financial Regulation Consumer Helpline, 1-877-693-5236.

**EXHIBIT A-7
STANDARD CONTRACT**

III. THE VENDOR AND AGENCY HEREBY MUTUALLY AGREE:

A. Termination

1. Termination at Will

This Contract may be terminated by the Agency upon no less than thirty (30) calendar day's written notice, without cause, unless a lesser time is mutually agreed upon by both Parties. Said notice shall be delivered by certified mail, return receipt requested, or in person with proof of delivery.

2. Termination Due To Lack of Funds

In the event funds to finance this Contract become unavailable, the Agency may terminate this Contract upon no less than twenty four (24) clock hours' written notice to the Vendor. Said notice shall be delivered by certified mail, return receipt requested, or in person with proof of delivery. The Agency will be the final authority as to the availability of funds. The Vendor shall be compensated for all acceptable work performed up to the time notice of termination is received.

3. Termination for Breach

a. Unless the Vendor's breach is waived by the Agency in writing, the Agency may, by written notice to the Vendor, terminate this Contract upon no less than twenty four (24) clock hours' written notice. Said notice shall be delivered by certified mail, return receipt requested, or in person with proof of delivery. If applicable, the Agency may employ the default provisions in Rule 60A-1.006(3), F.A.C.

b. Waiver of breach of any provisions of this Contract shall not be deemed to be a waiver of any other breach and shall not be construed to be a modification of the terms of this Contract. The provisions herein do not limit the Agency's right to remedies at law or to damages.

B. Contract Managers

1. The Agency's Contract Manager's contact information is as follows:

Name
Agency for Health Care Administration
Address
City, State Zip Code
Phone Number

2. The Vendor's Contract Manager's contact information is as follows:

Name
Vendor Name
Address

EXHIBIT A-7 STANDARD CONTRACT

City, State Zip Code
Phone Number

3. All matters shall be directed to the Contract Managers for appropriate action or disposition. A change in Contract Manager by either Party shall be reduced to writing through an amendment to this Contract by the Agency.

C. Renegotiation or Modification

1. Modifications of provisions of this Contract shall only be valid when they have been reduced to writing and duly signed during the term of this Contract. The Parties agree to renegotiate this Contract if Federal and/or State revisions of any applicable laws, or regulations make changes in this Contract necessary.

2. The rate of payment and the total dollar amount may be adjusted retroactively to reflect price level increases and changes in the rate of payment when these have been established through the appropriations process and subsequently identified in the Agency's operating budget.

3. Preferred Pricing

The Vendor represents and warrants that the prices and terms for its services under this Contract are no less favorable to the Agency than those for similar services under any existing contract with any other party. The Vendor further agrees that, within ninety (90) calendar days of the Vendor entering into a contract or contract amendment or offering to any other party services similar to those under this Contract under prices or terms more favorable than those provided in this Contract, the Vendor will report such prices and terms to the Agency, which prices or terms shall be effective as an amendment to this Contract upon the Agency's written acceptance thereof. Should the Agency discover such other prices or terms, the same shall be effective as an amendment to this Contract retroactively to the earlier of the effective date of this Contract (for other contracts in effect as of that date) or the date they were first contracted or offered to the other party (for subsequent contracts, amendments or offers) and any payment in excess of such pricing shall be deemed overpayments. The Vendor shall submit an affidavit no later than July 31st of each year during the term of this Contract attesting that the Vendor is in compliance with this provision, as required by Section 216.0113, F.S.

D. Name, Mailing and Street Address of Payee

1. The name (Vendor name as shown on Page 1 of this Contract) and mailing address of the official payee to whom the payment shall be made:

Name
Vendor Name
Address
City, State Zip Code

2. The name of the contact person and street address where financial and administrative records are maintained:

**EXHIBIT A-7
STANDARD CONTRACT**

Name
Vendor Name
Address
City, State Zip Code

E. All Terms and Conditions

This Contract and its attachments as referenced herein contain all the terms and conditions agreed upon by the Parties.

This Contract is and shall be deemed jointly drafted and written by all Parties to it and shall not be construed or interpreted against the Party originating or preparing it. Each Party has the right to consult with counsel and has either consulted with counsel or knowingly and freely entered into this Contract without exercising its right to counsel.

IN WITNESS THEREOF, the Parties hereto have caused this **number** page Contract, which includes any referenced attachments, to be executed by their undersigned officials as duly authorized. This Contract is not valid until signed and dated by both Parties.

VENDOR NAME

**STATE OF FLORIDA, AGENCY FOR
HEALTH CARE ADMINISTRATION**

SIGNED BY: **SAMPLE**

SIGNED BY: **SAMPLE**

NAME: **NAME**

NAME: **NAME**

TITLE: **TITLE**

TITLE: **TITLE**

DATE: _____

DATE: _____

FEDERAL ID NUMBER (or SS Number for an individual): **NUMBER**

VENDOR FISCAL YEAR ENDING DATE: **DATE**

List of Attachments included as part of this Contract:

Specify Type	Letter/ Number	Description
Attachment	I	Scope of Services (NUMBER Pages)
Attachment	II	Business Associate Agreement (4 Pages)
Attachment	III	Certification Regarding Lobbying (1 Page)
Attachment	IV	Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion Contracts/Subcontracts (1 Page)

EXHIBIT A-7 STANDARD CONTRACT

ATTACHMENT II

BUSINESS ASSOCIATE AGREEMENT

The parties to this Attachment agree that the following provisions constitute a business associate agreement for purposes of complying with the requirements of the Health Insurance Portability and Accountability Act of 1996 (HIPAA). This Attachment is applicable if the Vendor is a business associate within the meaning of the Privacy and Security Regulations, 45 C.F.R. 160 and 164.

The Vendor certifies and agrees as to abide by the following:

1. Definitions. Unless specifically stated in this Attachment, the definition of the terms contained herein shall have the same meaning and effect as defined in 45 C.F.R. 160 and 164.
 - 1a. Protected Health Information. For purposes of this Attachment, protected health information shall have the same meaning and effect as defined in 45 C.F.R. 160 and 164, limited to the information created, received, maintained or transmitted by the Vendor from, or on behalf of, the Agency.
 - 1b. Security Incident. For purposes of this Attachment, security incident means the attempted or successful unauthorized access, use, disclosure, modification, or destruction of information or interference with system operations in an information system and includes any event resulting in computer systems, networks, or data being viewed, manipulated, damaged, destroyed or made inaccessible by an unauthorized activity.
2. Applicability of HITECH and HIPAA Privacy Rule and Security Rule Provisions. As provided by federal law, Title XIII of the American Recovery and Reinvestment Act of 2009 (ARRA), also known as the Health Information Technology Economic and Clinical Health (HITECH) Act, requires a Business Associate (Vendor) that contracts with the Agency, a HIPAA covered entity, to comply with the provisions of the HIPAA Privacy and Security Rules (45 C.F.R. 160 and 164).
3. Use and Disclosure of Protected Health Information. The Vendor shall comply with the provisions of 45 CFR 164.504(e)(2)(ii). The Vendor shall not use or disclose protected health information other than as permitted by this Contract or by federal and state law. The sale of protected health information or any components thereof is prohibited except as provided in 45 CFR 164.502(a)(5). The Vendor will use appropriate safeguards to prevent the use or disclosure of protected health information for any purpose not in conformity with this Contract and federal and state law. The Vendor will implement administrative, physical, and technical safeguards that reasonably and appropriately protect the confidentiality, integrity, and availability of electronic protected health information the Vendor creates, receives, maintains, or transmits on behalf of the Agency.

EXHIBIT A-7 STANDARD CONTRACT

4. Use and Disclosure of Information for Management, Administration, and Legal Responsibilities. The Vendor is permitted to use and disclose protected health information received from the Agency for the proper management and administration of the Vendor or to carry out the legal responsibilities of the Vendor, in accordance with 45 C.F.R. 164.504(e)(4). Such disclosure is only permissible where required by law, or where the Vendor obtains reasonable assurances from the person to whom the protected health information is disclosed that: (1) the protected health information will be held confidentially, (2) the protected health information will be used or further disclosed only as required by law or for the purposes for which it was disclosed to the person, and (3) the person notifies the Vendor of any instance of which it is aware in which the confidentiality of the protected health information has been breached.
5. Disclosure to Third Parties. The Vendor will not divulge, disclose, or communicate protected health information to any third party for any purpose not in conformity with this Contract without prior written approval from the Agency. The Vendor shall ensure that any agent, including a subcontractor, to whom it provides protected health information received from, or created or received by the Vendor on behalf of, the Agency agrees to the same terms, conditions, and restrictions that apply to the Vendor with respect to protected health information. The Vendor's subcontracts shall fully comply with the requirements of 45 CFR 164.314(a)(2)(iii).
6. Access to Information. The Vendor shall make protected health information available in accordance with federal and state law, including providing a right of access to persons who are the subjects of the protected health information in accordance with 45 C.F.R. 164.524.
7. Amendment and Incorporation of Amendments. The Vendor shall make protected health information available for amendment and to incorporate any amendments to the protected health information in accordance with 45 C.F.R. 164.526.
8. Accounting for Disclosures. The Vendor shall make protected health information available as required to provide an accounting of disclosures in accordance with 45 C.F.R. 164.528. The Vendor shall document all disclosures of protected health information as needed for the Agency to respond to a request for an accounting of disclosures in accordance with 45 C.F.R. 164.528.
9. Access to Books and Records. The Vendor shall make its internal practices, books, and records relating to the use and disclosure of protected health information received from, or created or received by the Vendor on behalf of the Agency, available to the Secretary of the Department of Health and Human Services ("HHS") or the Secretary's designee for purposes of determining compliance with the HHS Privacy Regulations.
10. Reporting. The Vendor shall make a good faith effort to identify any use or disclosure of protected health information not provided for in this Contract.
 - 10a. To Agency. The Vendor will report to the Agency, within ten (10) business days of discovery, any use or disclosure of protected health information not provided for in this Contract of which the Vendor is aware. The Vendor will report to the Agency, within twenty-four (24) hours of discovery, any security incident of which the Vendor is aware. A violation of this paragraph shall be a material violation of this Contract. Such notice shall include the identification of each individual whose unsecured protected health

EXHIBIT A-7 STANDARD CONTRACT

information has been, or is reasonably believed by the Vendor to have been, accessed, acquired, used, or disclosed during such breach.

- 10b. To Individuals. In the case of a breach of protected health information discovered by the Vendor, the Vendor shall first notify the Agency of the pertinent details of the breach and upon prior approval of the Agency shall notify each individual whose unsecured protected health information has been, or is reasonably believed by the Vendor to have been, accessed, acquired, used or disclosed as a result of such breach. Such notification shall be in writing by first-class mail to the individual (or the next of kin if the individual is deceased) at the last known address of the individual or next of kin, respectively, or, if specified as a preference by the individual, by electronic mail. Where there is insufficient, or out-of-date contract information (including a phone number, email address, or any other form of appropriate communication) that precludes written (or, if specifically requested, electronic) notification to the individual, a substitute form of notice shall be provided, including, in the case that there are 10 or more individuals for which there is insufficient or out-of-date contact information, a conspicuous posting on the Web site of the covered entity involved or notice in major print or broadcast media, including major media in the geographic areas where the individuals affected by the breach likely reside. In any case deemed by the Vendor to require urgency because of possible imminent misuse of unsecured protected health information, the Vendor may also provide information to individuals by telephone or other means, as appropriate.
- 10c. To Media. In the case of a breach of protected health information discovered by the Vendor where the unsecured protected health information of more than 500 persons is reasonably believed to have been, accessed, acquired, used, or disclosed, after prior approval by the Agency, the Vendor shall provide notice to prominent media outlets serving the State or relevant portion of the State involved.
- 10d. To Secretary of Health and Human Services (HHS). The Vendor shall cooperate with the Agency to provide notice to the Secretary of HHS of unsecured protected health information that has been acquired or disclosed in a breach.
- (i) Vendors Who Are Covered Entities. In the event of a breach by a contractor or subcontractor of the Vendor, and the Vendor is a HIPAA covered entity, the Vendor shall be considered the covered entity for purposes of notification to the Secretary of HHS pursuant to 45 CFR 164.408. The Vendor shall be responsible for filing the notification to the Secretary of HHS and will identify itself as the covered entity in the notice. If the breach was with respect to 500 or more individuals, the Vendor shall provide a copy of the notice to the Agency, along with the Vendor's breach risk assessment for review at least 15 business days prior to the date required by 45 C.F.R. 164.408 (b) for the Vendor to file the notice with the Secretary of HHS. If the breach was with respect to less than 500 individuals, the Vendor shall notify the Secretary of HHS within the notification timeframe imposed by 45 C.F.R. 164.408(c) and shall contemporaneously submit copies of said notifications to the Agency.
- 10e. Content of Notices. All notices required under this Attachment shall include the content set forth Section 13402(f), Title XIII of the American Recovery and

**EXHIBIT A-7
STANDARD CONTRACT**

Reinvestment Act of 2009 and 45 C.F.R. 164.404(c), except that references therein to a “covered entity” shall be read as references to the Vendor.

- 10f. Financial Responsibility. The Vendor shall be responsible for all costs related to the notices required under this Attachment.

- 11. Mitigation. Vendor shall mitigate, to the extent practicable, any harmful effect that is known to the Vendor of a use or disclosure of protected health information in violation of this Attachment.

- 12. Termination. Upon the Agency’s discovery of a material breach of this Attachment, the Agency shall have the right to assess liquidated damages as specified elsewhere in the contract to which this Contract is an attachment, and/or to terminate this Contract.

- 12a. Effect of Termination. At the termination of this Contract, the Vendor shall return all protected health information that the Vendor still maintains in any form, including any copies or hybrid or merged databases made by the Vendor; or with prior written approval of the Agency, the protected health information may be destroyed by the Vendor after its use. If the protected health information is destroyed pursuant to the Agency’s prior written approval, the Vendor must provide a written confirmation of such destruction to the Agency. If return or destruction of the protected health information is determined not feasible by the Agency, the Vendor agrees to protect the protected health information and treat it as strictly confidential.

The Vendor has caused this Attachment to be signed and delivered by its duly authorized representative, as of the date set forth below.

Vendor Name:

Signature **SAMPLE** _____

Date _____

Name and Title of Authorized Signer

**EXHIBIT A-7
STANDARD CONTRACT**

ATTACHMENT III

**CERTIFICATION REGARDING LOBBYING
CERTIFICATION FOR CONTRACTS, GRANTS, LOANS AND COOPERATIVE AGREEMENTS**

The undersigned certifies, to the best of his or her knowledge and belief, that:

- (1) No federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of any agency, a member of congress, an officer or employee of congress, or an employee of a member of congress in connection with the awarding of any federal contract, the making of any federal grant, the making of any federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any federal contract, grant, loan, or cooperative agreement.
- (2) If any funds other than federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a member of congress, an officer or employee of congress, or an employee of a member of congress in connection with this federal contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions.
- (3) The undersigned shall require that the language of this certification be included in the award documents for all sub-awards at all tiers (including subcontracts, sub-grants, and contracts under grants, loans, and cooperative agreements) and that all sub-recipients shall certify and disclose accordingly.

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by section 1352, Title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

_____ Signature	_____ Date
_____ Name of Authorized Representative	_____ Agency Contract Number

Name and Address of Organization

**EXHIBIT A-7
STANDARD CONTRACT**

ATTACHMENT IV

**CERTIFICATION REGARDING
DEBARMENT, SUSPENSION, INELIGIBILITY AND VOLUNTARY EXCLUSION
CONTRACTS/SUBCONTRACTS**

This certification is required by the regulations implementing Executive Order 12549, Debarment and Suspension, signed February 18, 1986. The guidelines were published in the May 29, 1987, Federal Register (52 Fed. Reg., pages 20360-20369).

INSTRUCTIONS

1. Each Vendor whose contract/subcontract equals or exceeds \$25,000 in federal monies must sign this certification prior to execution of each contract/subcontract. Additionally, Vendors who audit federal programs must also sign, regardless of the contract amount. The Agency for Health Care Administration cannot contract with these types of Vendors if they are debarred or suspended by the federal government.
2. This certification is a material representation of fact upon which reliance is placed when this contract/subcontract is entered into. If it is later determined that the signer knowingly rendered an erroneous certification, the Federal Government may pursue available remedies, including suspension and/or debarment.
3. The Vendor shall provide immediate written notice to the contract manager at any time the Vendor learns that its certification was erroneous when submitted or has become erroneous by reason of changed circumstances.
4. The terms "debarred," "suspended," "ineligible," "person," "principal," and "voluntarily excluded," as used in this certification, have the meanings set out in the Definitions and Coverage sections of rules implementing Executive Order 12549. You may contact the contract manager for assistance in obtaining a copy of those regulations.
5. The Vendor agrees by submitting this certification that, it shall not knowingly enter into any subcontract with a person who is debarred, suspended, declared ineligible, or voluntarily excluded from participation in this contract/subcontract unless authorized by the Federal Government.
6. The Vendor further agrees by submitting this certification that it will require each subcontractor of this contract/subcontract, whose payment will equal or exceed \$25,000 in federal monies, to submit a signed copy of this certification.
7. The Agency for Health Care Administration may rely upon a certification of a Vendor that it is not debarred, suspended, ineligible, or voluntarily excluded from contracting/subcontracting unless it knows that the certification is erroneous.
8. This signed certification must be kept in the contract manager's contract file. Subcontractor's certifications must be kept at the contractor's business location.

CERTIFICATION

- (1) The prospective Vendor certifies, by signing this certification, that neither he nor his principals is presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this contract/subcontract by any federal department or agency.
- (2) Where the prospective Vendor is unable to certify to any of the statements in this certification, such prospective Vendor shall attach an explanation to this certification.

Signature _____ Date _____

SAMPLE

Name and Title of Authorized Signer

ATTACHMENT B SCOPE OF SERVICES

For purposes of this solicitation, the successful vendor shall be referred to as Vendor, and the Contract or Purchase Order resulting from this solicitation shall be referred to as Contract.

I. General Overview

A. Background

The Agency for Health Care Administration (Agency) is the single state agency responsible for administering the Medicaid program in Florida. Section 409.908(2)(b), Florida Statutes (F.S.) requires the Agency to develop a Long-Term Care Reimbursement Plan (Plan) related to nursing homes participating in the Medicaid program. The Plan and Rule 59G-6.010, Florida Administration Code (FAC), establish that Medicaid nursing home rates are based on a prospective payment system. The Agency calculates individual prospective per diem rates for each nursing home participating in the Medicaid program each October. The current Plan is located online at http://ahca.myflorida.com/medicaid/cost_reim/nh_rates.shtml.

A prospective payment system is a reimbursement system in which rates are determined in advance of payment and considered final upon payment. A prospective payment system eliminates the need for retroactive rate adjustments, allowing nursing homes and the Agency to record final reimbursement amounts in an expedient manner. The per diem rates are calculated using information submitted by each provider in cost reports as required by the applicable Plan. The uniform cost reports and related documents detail the costs of the nursing home for their entire reporting period, making appropriate adjustments as required by the applicable plan for the determination of allowable costs. The cost reports submitted by the providers are subject to examination at any time by the Agency. The results of the cost report audits will be used in the determination of individual prospective per diem rates. The primary responsibility for examinations belongs to the Agency. 42 CFR Section 447.202 requires the Agency ensure appropriate examination of records if payment is based on costs of services. The Agency may contract with Certified Public Accountant (CPA) firms to ensure the requirements of 42 CFR Section 447.202 are met.

B. Purpose

1. To request responses from qualified vendors to provide examination and reporting services for Medicaid nursing home cost reports.
2. Through this Contract, the following objectives will be achieved:
 - a. To perform compliance examinations, using the Agency's existing examination program (**Exhibit B-1**, Medicaid Nursing Home Examination Program) of Medicaid nursing home cost reports in accordance with standards established by the American Institute of Certified Public Accountants (AICPA), Florida Administrative Code and Florida Statutes. The compliance examination ensures that nursing home providers participating in the Medicaid program are

ATTACHMENT B SCOPE OF SERVICES

licensed in accordance with the provisions of Chapter 400, Florida Statutes; and are conforming to cost reporting requirements according to the Florida Title XIX Long-Term Care Reimbursement Plan as applicable, and the Centers for Medicare and Medicaid Services (CMS) Publication 15-1 for nursing homes participating in the Medicaid program;

- b. To provide assurance that Medicaid nursing home rates are based on allowable and supported costs; and
- c. To use examination results to appropriately establish prospective Medicaid per diem rates.

II. Services Provided by the Agency

The Agency shall provide:

- A. A copy of the examination program (**Exhibit B-1**, Medicaid Nursing Home Examination Program) to be used to perform the examination;
- B. A report format for submission of examination findings to the Agency;
- C. A copy of all other formats and checklists required will be provided;
- D. A copy of the nursing home cost report with any supplemental schedules and the associated home office cost report, if applicable, for the period to be examined and for the immediately preceding period for examination;
- E. A copy of the Medicaid Rate Sheets for the rate setting time periods under examination corresponding to the cost report selected for examination;
- F. A copy of the applicable administrative rules relevant to the Medicaid program, as needed;
- G. The Agency will use its best efforts to notify the Vendor of laws or amended laws, reported court opinions or rulings in administrative hearings that the Agency believes will impact the Vendor's duties relative to examination of nursing homes required by this Contract. This does not relieve the Vendor from its duty to comply with applicable laws as specified in **Attachment B**, Scope of Services, **Section III.**, Services to be Provided by the Vendor, **Sub-Section G.**, Other Examination Terms and Conditions, **Item 5**;
- H. Determination as to the number of examinations assigned to the Vendor. The Agency will assign examinations on an as needed basis. The Agency does not guarantee a minimum or maximum number of assignments and will assign examinations based on the needs of the Agency and the experience, knowledge, and current capacity of the Vendor to perform the required examination;
- I. Selection of the cost reports for examination and notification to the administrator of the nursing home. The Agency will notify the nursing home Administrator, in

ATTACHMENT B SCOPE OF SERVICES

writing, of the examination including the Vendor contact name, address, and telephone number. This notification will be not less than two (2) weeks in advance of the site visit or beginning of the field work;

- J.** Provide access to coverage policies and procedures;
- K.** A copy of the Agency assigned examination number, chain affiliation, if applicable, values assigned to each examination using the fee structure in **Attachment B**, Scope of Services, **Section VI.**, Method of Payment, **Sub-Section A.**, and reporting status codes;
- L.** Contract monitoring of each examination through review of the specified documents for compliance with this Contract by the Agency's Bureau of Medicaid Program Finance, Audit Services section (Audit Services). The documents include, but are not limited to, the draft report, proposed adjustments, and all supporting documentation/working papers as described in **Attachment B**, Scope of Services, **Section III.**, Services Provided by the Vendor, **Sub-Section E.**, Agency Review;
- M.** Determine the necessity and notification of other authorities regarding issues of potential fraud or abuse that arise during the course of the examinations; and
- N.** The Agency reserves the right to modify program requirements due to Federal, State, Legislative or Medicaid requirements in accordance with Title XIX Long-Term Care Reimbursement Plan, examination program, reporting format and required supporting documentation.

III. Services Provided by the Vendor

A. Full Scope Examinations

The Vendor shall perform full scope examinations, which shall include, at a minimum, the following tasks:

- 1.** Utilize **Exhibit B-1**, Medicaid Nursing Home Examination Program, provided by the Agency for the conduct of the examination level assigned. The Vendor shall use its professional judgment in amending the examination program as a result of the Vendor's evaluation of the nursing home's internal controls, but shall obtain prior written approval from the Agency for any such amendment.
- 2.** Develop a set of working papers in the format prescribed by the Agency, for each individual assignment that supports the work performed meeting the requirements of the examination program. The working papers shall be clear, adequate, sufficient, and relevant to support the work performed and adjustments proposed. Working papers shall include, but are not limited to:
 - a.** Draft report;

ATTACHMENT B SCOPE OF SERVICES

- b. Complete examination program;
- c. Notes;
- d. Agency required checklists;
- e. Correspondence;
- f. Provider produced invoices or other documents;
- g. General ledger;
- h. Spreadsheets; and
- i. Analyses performed and conclusions, regardless of format.

The Vendor, unless directed by the Agency in writing, shall include all the information received from the provider as well as all correspondence, analysis, and conclusions in the working papers.

The Vendor shall provide the working papers to the Agency at any time upon request. The working papers shall be submitted through secure electronic means.

The Vendor shall perform and document a supervisory review of the working papers prior to submission to the Agency for compliance with the examination program (**Exhibit B-1**, Medicaid Nursing Home Examination Program) and standards established by AICPA.

- 3. Develop and maintain a permanent file per examination assignment containing information relevant to future periods on a continuing or carry forward basis that can be used for future examinations. All permanent files must be submitted electronically. The permanent file shall include, as applicable, but not limited to:
 - a. Narrative facility history;
 - b. Management services contract;
 - c. Facility lease agreement;
 - d. Provider prepared square footage measurements and summary worksheets;
 - e. Purchase agreements and closing documents, documentation for start-up costs;
 - f. Construction contracts;
 - g. Construction invoices and draws;

ATTACHMENT B SCOPE OF SERVICES

- h.** Construction financial arrangements;
 - i.** Construction summary worksheets;
 - j.** Employee leasing contracts;
 - k.** Key pages of pension plan documents;
 - l.** Working capital agreements with amortization schedules;
 - m.** Medical Director contract;
 - n.** Key man life insurance policy;
 - o.** Beauty and barber contract; and/or
 - p.** Contract for any contract service the provider outsources such as housekeeping, management, laundry, dietary, and consulting firms.
- 4.** When assigned, perform home office examinations in addition to the full scope examinations. The Vendor shall utilize the home office section of **Exhibit B-1**, Medicaid Nursing Home Examination Program. A set of working papers shall be developed for each home office examination assigned. If a home office examination relates to more than one (1) assigned full scope examination, only one (1) set of electronic home office working papers is required. Any proposed adjustments will be incorporated into the Schedule of Adjustments outlined in **Attachment B**, Scope of Services, **Section III.**, Services Provided by the Vendor, **Sub-Section C.**, Examination Reporting, **Items 1.c.** and **1.d.** and allocated and adjusted in each individual report.

B. Limited Scope Examinations

The Vendor shall also perform limited scope examinations which shall include, at a minimum, the following tasks:

- 1.** Perform a desk review of Medicaid cost reports to determine the necessity of a full scope examination as outlined in **Section III.**, Services Provided by the Vendor, **Sub-Section A.1.**
- 2.** The limited scope examination must include all of the items required in **Attachment B**, Scope of Services, **Section III.**, Services Provided by the Vendor, **Sub-Section A.**, Full Scope Examinations.
- 3.** The limited scope examinations may limit **Exhibit B-1**, Medicaid Nursing Home Examination Program, as follows:
 - a.** Section I: A site visit may be substituted for a conference call meeting with the provider's representative;

ATTACHMENT B SCOPE OF SERVICES

- b.** Section II: same as full scope;
- c.** Section III: provider documentation may be substituted for a site visit;
- d.** Section IV: may be limited based on risk;
- e.** Section V: same as full scope;
- f.** Section VI: may be limited based on risk;
- g.** Section VII: same as full scope;
- h.** Section VIII: same as full scope;
- i.** Section IX: may be limited based on risk;
- j.** Section X: may be limited based on risk;
- k.** Section XI: may be limited based on risk; and
- l.** Section XII: same as full scope.

C. Examination Reporting

- 1.** The Vendor shall prepare a written examination report in a format prescribed by the Agency and addressed to the Secretary of the Agency, to include the following:
 - a.** An opinion that the Schedule of Costs, Schedule of Charges, Schedule of Statistics, Schedule of Allowable Medicaid Per Diem Costs, Schedule of Adjustments, and Schedule of Home Office Adjustments included in the report, present cost and statistical information in conformity with Federal and State of Florida Medicaid reimbursement principles.
 - b.** Schedule of Costs depicting amounts as reported in the Medicaid Cost Report, net adjustments affecting each amount and the adjusted amounts.
 - c.** Schedule of Audit Adjustments depicting adjustments made and the reasons therefore.
 - d.** Schedule of Home Office Adjustments depicting adjustments made, the reasons therefore, and the allocation of the adjustment to the specific provider, if applicable.
 - e.** Schedule of Charges depicting ancillary, room and board charges to Medicaid, Medicare, private and other patients as well as the

ATTACHMENT B SCOPE OF SERVICES

“Usual and Customary Daily Rate” as reported in the cost report, net adjustments affecting each amount and the adjusted amounts.

- f.** Schedule of Statistics depicting number of beds, total patient days for Medicaid, Medicare, private and others, percent Medicaid, facility square footage by cost centers and total facility square footage.
- g.** Schedule of Allowable Medicaid Costs depicting the following for each reimbursement class:
 - i.** Total costs as adjusted, net allocations and apportionment to each class, and costs after allocations and apportionment;
 - ii.** Allowable Medicaid costs as reported, net adjustments made, and as adjusted totals; and
 - iii.** Allowable Medicaid per diem costs as reported, net adjustments made, and as adjusted per diem.
- h.** Schedule of Major Projects listing the major projects and identifying the types of projects and project costs.
- i.** Schedule of Direct Patient Care depicting amounts as reported in the Medicaid Cost Report, net audit adjustments affecting each amount and the adjusted amounts.

D. Exit Conference

- 1.** At the conclusion of each examination, the Vendor shall conduct an exit conference with the provider at which all examination findings shall be discussed and explained. A copy of the proposed examination adjustments shall be given to the nursing home and/or home office at least ten (10) calendar days before the exit conference. If applicable, a letter shall be obtained from the nursing home stating that the nursing home agrees to waive the ten (10) calendar day requirement. A copy of the working papers supporting the adjustments shall be presented to the provider by the Vendor at the exit conference. An exit conference checklist in the format prescribed by the Agency shall be included in each set of working papers, which shows the date and time of the exit conference, the attendees and their contact information (telephone and email address, at a minimum), the issues discussed and any decision(s) made on those issues.
- 2.** The Vendor shall review additional documentation submitted by the nursing home and/or home office within sixty (60) calendar days, and if determined by the Vendor to be adequate, incorporate in the working papers and draft written report.

ATTACHMENT B SCOPE OF SERVICES

E. Agency Review

1. The Vendor shall contact the Agency's Contract Manager requesting assignment of the examination for Agency review by the Medicaid Program Finance Audit Services Section (Audit Services). As directed by the Agency's Contract Manager, the Vendor shall submit a draft of the report described and the complete file of its working papers for the Agency's review process. The Agency review by Audit Services shall not replace any review that should occur by the Vendor prior to submission.
2. The Vendor shall respond to the comments generated during the Agency review process. If the working papers as described in **Attachment B**, Scope of Services, **Section III.**, Services Provided by the Vendor, **Sub-Section A.**, Examinations, **Item 2.**, are returned for additional work and/or clearing of Agency review comments, the Vendor shall respond to the comments and resubmit the working papers within thirty (30) calendar days of receipt. All Agency review notes shall be answered completely. If there is disagreement over the review notes, Audit Services will make the final decision.
3. The Vendor shall ensure that the provider is notified of changes made in examination adjustments by Audit Services through the review process or by submission of additional documentation or other evidence by the nursing home within seven (7) calendar days of the change. Evidence of the delivery of updated proposed examination adjustments shall be documented by the Vendor in the working papers prior to submission of final report.

F. Final Report and Work Paper Submission

1. The Vendor shall submit a minimum of one (1) approved bound single sided copy, one (1) approved unbound single sided hard copy and one (1) approved electronic copy of the final examination report upon notification from the Agency, in writing, within the ten (10) calendar days. The Vendor shall submit the complete working papers developed during the conduct of the examination with the final report.
2. Upon the conclusion of this Contract period, whether by expiration or termination of this Contract, the working papers for all assignments shall become due to the Agency immediately, unless otherwise directed by the Agency.
3. The Vendor shall provide the Agency, Audit Services with an Excel Workbook comprising an automated version of the Examination Report.
4. The Agency may reproduce as many copies of the final report in its entirety as it needs.

ATTACHMENT B SCOPE OF SERVICES

G. Other Examination Terms and Conditions

1. The Vendor shall submit **Exhibit B-2**, Conflict of Interest Questionnaire, each Contract Year. If, during the year, the Vendor determines a conflict of interest has arisen, the Agency is to be notified in writing immediately.
2. The Vendor shall notify the Agency's Contract Manager if conditions are encountered that preclude the conduct of the examination in accordance with this Contract or that preclude the completion of the examinations in a timely manner. The Agency's Contract Manager shall notify the Vendor of an appropriate course of action as soon thereafter as feasible.
3. The Vendor shall notify the Agency's Contract Manager if the Vendor believes conditions exist that prevent it from providing an unqualified opinion. The Vendor shall not finalize, or bill the Agency for an examination with a qualified, adverse, or disclaimed opinion without the knowledge and written approval of the Agency's Contract Manager.
4. The Vendor shall notify the Agency's Contract Manager should issues of potential fraud or abuse arise during the course of the examination within twenty-four (24) hours of discovery.
5. The Vendor shall meet the requirements of any new or amended Federal or State of Florida statutes, rules or regulations having an effect upon the conduct or results of the nursing home examinations.

6. Examination Timelines

The Vendor shall complete a minimum number of examinations per contract year as determined by the Agency. Within thirty (30) calendar days of receiving notice of an assigned examination from the Agency, the Vendor shall submit to the Agency a timeline to include the anticipated date of the site visit, exit conference, and submission of examination results to the Agency for review. This timeline shall be referenced and updated in the monthly status report described in **Attachment B**, Scope of Services, **Section III.**, Services Provided by the Vendor, **Sub-Section H.**, Reporting, **Item 2.**

7. The Vendor shall not assign, sell, destroy, give away, or otherwise dispose of records provided by the Agency or the provider, or prepared by the Vendor in completing the Agency assignments without the written approval of the Agency.

H. Reporting

1. General Reporting Requirements

- a. The Vendor shall comply with all reporting requirements set forth by the Agency in this Contract.

ATTACHMENT B SCOPE OF SERVICES

- b.** The Vendor is responsible for assuring the accuracy, completeness, and timely submission of each report.
- c.** If a reporting due date falls on a weekend or state observed holiday, the report shall be due to the Agency on the following business day.

2. Status Reports

- a.** The Vendor shall submit a monthly status report of all open assignments to the Agency's Contract Manager no later than the tenth (10th) of each month. The monthly status report shall include, but is not limited to:
 - i.** Provider number;
 - ii.** Provider name;
 - iii.** Fiscal year end under examination;
 - iv.** Chain affiliation, if applicable;
 - v.** Examination number;
 - vi.** Examination Code and status;
 - vii.** Updated timelines for all outstanding examinations;
 - viii.** Justification for all changes to prior timelines; and
 - ix.** Complaint number.
- b.** The Vendor shall include in the monthly status report the total number of examinations completed in the contract year.
- c.** The Agency reserves the right to request additional information and clarification of status report or timeline as needed.

I. Staffing

- 1.** The Vendor shall maintain staffing levels sufficient to complete all of the services and meet the requirements specified in this Contract, and shall be prepared at all times to recruit credentialed, appropriately licensed, and qualified staff to implement all aspects of the services required in this Contract.

ATTACHMENT B SCOPE OF SERVICES

2. In the event the Agency determines that the Vendor's staff or staffing levels are not sufficient to complete the services specified in this Contract, it may advise the Vendor in writing and the Vendor shall have thirty (30) calendar days to remedy the identified staffing deficiencies to the satisfaction of the Agency. The Vendor shall reassign any personnel whose continued presence would be detrimental to the completion of this Contract.

3. **Contract Manager**

a. The Vendor shall assign a Contract Manager at the Partner, Shareholder, Member Manager or Principal level who has at least three (3) years managerial experience of examinations of Medicaid cost reports, is knowledgeable in the application of the Plan and CMS Publication 15-1 and will coordinate all Contract activities between the Agency and the Vendor. The Vendor's Contract Manager shall possess a current Florida Certified Public Accountant license and have three (3) years managerial experience in auditing Medicaid cost reports, and be capable of overseeing all Contract activities for which the Vendor is responsible.

b. The Vendor's Contract Manager shall work directly with the Agency and shall be a full-time employee of the Vendor with the authority to revise processes or procedures and assign additional resources, as needed, to maximize the efficiency and effectiveness of services required under this Contract. The Vendor's Contract Manager, or other representative, shall meet with Agency staff in person or by telephone at the request of Agency representatives to discuss issues pertinent to this Contract, such as the status of Contract activities, Vendor performance, benefit analysis, necessary revisions, reviews, reports and planning, etc.

c. The Vendor shall notify the Agency in writing if its Contract Manager position becomes vacant within two (2) business days of the position(s) becoming vacant. The Vendor shall submit to the Agency's Contract Manager the resume and credentials of the replacement staff chosen by the Vendor as its Contract Manager within thirty (30) calendar days and be approved by the Agency prior to replacement.

d. **Examination Staff**

The Vendor shall provide the Agency's Contract Manager with resumes of all staff it intends to assign to conduct examinations within thirty (30) calendar days of the execution of this Contract. Should the Vendor employ additional examination staff during the term of this Contract, resumes of those staff shall be submitted to the Agency's Contract Manager within thirty (30) calendar days of assigning the employee to work on this Contract. All examination staff must be employed in a professional or para professional accounting position.

ATTACHMENT B SCOPE OF SERVICES

e. Subcontracts

The Vendor shall not enter into any subcontract for services to be provided under this Contract.

IV. General Requirements

A. The Vendor shall have at least three (3) years of experience auditing Medicaid cost reports within the last five (5) years.

B. Internal Quality Control

The Vendor shall establish and maintain an internal quality program to meet the requirements and responsibilities specified in this Contract. The Vendor shall establish and maintain Standard Operation Procedures including but not limited to: Quality Assurance and Disaster Recovery Plans and written internal quality control policies and procedures. The Vendor shall review the existing or proposed quality assurance policies and procedures to ensure oversight of staff and resources, quality assessment, internal review and performance improvement.

C. Peer Review Program

The Vendor must maintain enrollment in the AICPA Peer Review Program during the course of this Contract period, have a current peer review as defined by the AICPA. The Agency is aware that this review is conducted once every three (3) years, therefore, the Vendor is responsible for providing subsequent reports within seven (7) calendar days after receipt. A "pass" rating shall be maintained in the peer review reports. If the Vendor receives "pass with deficiencies" the Vendor will be reviewed to determine whether the Agency will continue this Contract. The receipt of a peer review with a "fail" rating will be cause to terminate this Contract.

D. Organizational Structure and Operational Capability

The Vendor must have and maintain during the term of this Contract, the organizational structure and operational capability to complete at least two hundred and twenty (220) facility and thirty-three (33) home office examinations each year.

V. Special Terms and Conditions

A. System Functionality

1. The Vendor shall have the capacity (hardware, software, and personnel) sufficient to access and generate all data and reports needed for this Contract.
2. The Vendor shall comply with HIPAA and the HITECH Act.

ATTACHMENT B SCOPE OF SERVICES

3. The Vendor shall have protocols and internal procedures for ensuring system security and the confidentiality of recipient identifiable data.

B. Information Technology

1. The Vendor shall have the necessary information technology (IT) resources needed to fully manage the product required in this Contract.
2. Agency Contract Managers shall be responsible for submitting and managing Vendor staff requests or needs for access connectivity to the Agency's data communications network, and the relevant information systems attached to this network, in accordance with all applicable Agency policies, standards and guidelines. The Vendor shall notify the Agency of termination of any staff with access to the Agency's network within twenty four (24) hours of the termination.
3. Vendor staff that have access connectivity to the Agency's data communications network shall be required to complete Agency Security Awareness Training and Agency HIPAA Training. The Vendor shall also be required to sign an Acceptable Use Acknowledgement Form and submit the completed form to the Agency's Information Security Manager (ISM). The requirements described in this Item must be completed before access to the Agency's network is provided.

4. Development Requirements

- a. The Vendor shall provide the Agency, providers, and others as identified in this Contract, with the necessary software to execute the requested system.
- b. The Vendor's software when implemented, shall meet the implementation day's industry's best practices and standards NIST (National Institute for Standards and Technology), and W3C (World Wide Web Consortium) which includes development tools.
- c. The Vendor shall develop a system that allows Agency staff to access the system from the Agency network and mobile devices.
- d. The Vendor shall allow Agency access to the data for reporting purposes. Data exports shall comply with the National Information Exchange Model (NIEM) format.
- e. The Vendor's architecture and design document will be reviewed by the Agency's Division of IT before coding starts. This will require a personal presentation by the Vendor's architect(s).
- f. Comments will be used in the code to help other developers to understand the coding methodology/logic that was used.
- g. Proper exception handling is required.

ATTACHMENT B SCOPE OF SERVICES

- h.** Logging and Auditing may be required for some systems.
- i.** Usage of Session and Cache should be limited.
- j.** Hard coded values are not allowed for referencing the shared resource address and name. This includes: URL (Uniform Resource Locator) name, file path, email address, database connection string, etc.
- k.** The website shall be Section 508 compliant and follow W3C industry standards and best practices.
- l.** The website shall contain the Agency header and footer that are currently on ahca.myflorida.com.
- m.** Chrome, Firefox, Safari and Internet Explorer are the most commonly used browsers. Internet applications must be compatible with all internet browsers recognized by the World Wide Web Consortium, <http://www.w3.org/>. The Vendor shall deploy the system to be browser agnostic while keeping up with the most current versions of Internet browser releases in coordination with the Agency's Division of IT standards. Compatibility is required by the Vendor with all supported versions within six (6) months of the browser's official release.
- n.** All code shall be submitted to the Agency by the Vendor for standards review prior to user testing. This code review requires a personal presentation by the Vendor's coder(s).
- o.** The Vendor's test plan shall be prior-approved by the Agency's Division of IT. The system will be tested on and off site using different browsers and different devices.
- p.** The documents listed below are required as part of the Vendor's application development:
 - i.** Architecture design;
 - ii.** Security model;
 - iii.** Technical specifications;
 - iv.** Database entity relationship diagram;
 - v.** Data Dictionary;
 - vi.** User documentation;
 - vii.** Test plan;

ATTACHMENT B SCOPE OF SERVICES

- viii. Deployment plan; and
- ix. Maintenance requirements.

5. Below is the Agency's current environment:

- i. HIPAA and CJIS (Criminal Justice Information System) compliance;
- ii. Microsoft office;
- iii. SQL (Structured Query Language) server;
- iv. Microsoft Azure and Office 365;
- v. SFTP (Secure File Transfer Protocol);
- vi. WEB Services;
- vii. MVC (Model View Controller);
- viii. C#;
- ix. TFS (Team Foundation Server);
- x. WEB Applications;
- xi. Laserfiche;
- xii. SharePoint;
- xiii. SSL (Secure Sockets Layer) and TLS (Transport Layer Security); Mobile devices; and
- xiv. SSRS (SQL Server Report Services) and Tableau.

6. The Vendor must adhere and comply with the Agency's Division of IT standards regarding SSL Web interface(s) and TLS.

7. The Vendor must adhere to the Driver Privacy Protection Act (DPPA) rules that address a memorandum of understanding and security requirements as well as other requirements contained in Rule.

8. The Vendor, its employees, subcontractors and agents shall provide immediate notice to the Agency Information Security Manager ("ISM") in the event it becomes aware of any security breach and any unauthorized transmission or loss of any or all of the data collected or created for or provided by the Agency ("State Data") or, to the extent the Vendor is allowed any access to the Agency's information technology ("IT")

ATTACHMENT B SCOPE OF SERVICES

resources, provide immediate notice to the ISM, of any allegation or suspected violation of security procedures of the Agency. Except as required by law and after notice to the Agency, the Vendor shall not divulge to third parties any confidential information obtained by the Vendor or its agents, distributors, resellers, subcontractors, officers or employees in the course of performing this Contract work according to applicable rules, including, but not limited to, Rule 74-2, Florida Administrative Code (FAC) and its successor regulation, security procedures, business operations information, or commercial proprietary information in the possession of the State or the Agency. After the conclusion of this Contract unless otherwise provided herein, the Vendor shall not be required to keep confidential information that is publicly available through no fault of the Vendor, material that the Vendor developed independently without relying on the State's confidential information, or information that is otherwise obtainable under State law as a public record.

- 9.** In the event of loss of any State Data or record where such loss is due to the negligence of the Vendor or any of its subcontractors or agents, the Vendor shall be responsible for recreating such lost data in the manner and on the schedule set by the Agency at the Vendor's sole expense, in addition to any other damages the Agency may be entitled to by law or this Contract. In the event lost or damaged data is suspected, the Vendor will perform due diligence and report findings to the Agency and perform efforts to recover the data. If it is unrecoverable, the Vendor shall pay all the related costs associated with the remediation and correction of the problems engendered by any given specific loss. Further, failure to maintain security that results in certain data release will subject the Vendor to the administrative sanctions for failure to comply with Section 501.171, F.S., together with any costs to the Agency of such breach of security caused by the Vendor. If State Data will reside in the Vendor's system, the Agency may conduct, or request the Vendor conduct at the Vendor's expense, an annual network penetration test or security audit of the Vendor's system(s) on which State Data resides. All Vendor personnel who will have access to State-owned Data will undergo the background checks and screenings described in this Contract.
- 10.** The Vendor shall ensure that call centers, Information Technology (IT) help desks or any other type of customer support provided directly under this Contract, shall be located only in the forty-eight (48) contiguous United States.
- 11.** The Vendor must conform to current and updated publications of the principles, standards, and guidelines of the Federal Information Processing Standards (FIPS), the National Institute of Standards and Technology (NIST) publications, including but not limited to [Cybersecurity-Framework](#) and [NIST.SP.800-53r4](#).
- 12.** The Vendor must employ traffic and network monitoring software and tools on a continuous basis to identify obstacles to optimum performance.

ATTACHMENT B SCOPE OF SERVICES

13. The Vendor must employ traffic and network monitoring software and tools on a continuous basis to identify email and Internet spam and scams and restrict or track user access to appropriate websites.
14. The Vendor must employ traffic and network monitoring software and tools on a continuous basis to identify obstacles to detect and prevent hacking, intrusion and other unauthorized use of the Vendor's resources.
15. The Vendor must employ traffic and network monitoring software and tools on a continuous basis to prevent adware or spyware from deteriorating system performance.
16. The Vendor must employ traffic and network monitoring software and tools on a continuous basis to update virus blocking software daily and aggressively monitor for and protect against viruses.
17. The Vendor must employ traffic and network monitoring software and tools on a continuous basis to monitor bandwidth usage and identify bottlenecks that impede performance.
18. The Vendor must employ traffic and network monitoring software and tools on a continuous basis to provide methods to flag recipient data to exclude protected health Information (PHI) from data exchanges as approved by the State, and to comply with recipient rights under the HIPAA privacy law for: 1) Requests for restriction of the uses and disclosures on PHI (45 Code of Federal Regulations (CFR) 164.522(a)); 2) Requests for confidential communications (45 CFR 164.522(b)); and 3) Requests for amendment of PHI (45 CFR 164.526). The Vendor must also enter into a Business Associate Agreement ("BAA") with the Agency. The provisions of the BAA apply to HIPAA requirements and in the event of a conflict between the BAA and the provisions of this Sub-Section, the BAA shall control. (See **Exhibit A-7**, Standard Contract).
19. The Vendor shall conduct all activities in compliance with 45 CFR 164 Subpart C to ensure data security, including, but not limited to encryption of all information that is confidential under Florida or Federal law, while in transmission and while resident on portable electronic media storage devices. Encryption is required and shall be consistent with Federal Information Processing Standards (FIPS), and/or the National Institute of Standards and Technology (NIST) publications regarding cryptographic standards.
20. In order to enable the Agency to effectively measure and mitigate the Vendor's security risks, the Vendor must annually obtain a security rating score from a vendor information security rating service which is approved by the Agency (for example: BitSight Technologies, Security Scorecard, CORL Technologies or other comparable company which rates vendor information security.) If the Vendor does not maintain a top tier security rating score, the Agency will impose liquidated damage(s) and/or other applicable sanction(s).

ATTACHMENT B SCOPE OF SERVICES

C. Disaster Recovery

1. The Vendor shall develop and maintain a disaster recovery plan for restoring the application of software and current master files and for hardware backup in the event the production systems are disabled or destroyed. The disaster recovery plan shall limit service interruption to a period of twenty-four (24) clock hours and shall ensure compliance with all requirements under this Contract. The records backup standards and a comprehensive disaster recovery plan shall be developed and maintained by the Vendor for the entire period of this Contract and submitted for review annually by the anniversary date of this Contract.
2. The Vendor shall maintain a disaster recovery plan for restoring day-to-day operations including alternative locations for the Vendor to conduct the requirements of this Contract. The disaster recovery plan shall limit service interruption to a period of twenty-four (24) clock hours and shall ensure compliance with all requirements of this Contract.
3. The Vendor shall maintain database backups in a manner that shall eliminate disruption of service or loss of data due to system or program failures or destruction.
4. The disaster recovery plan shall be finalized no later than thirty (30) calendar days prior to this Contract effective date. The Agency shall review the Vendor's disaster recovery plan during the readiness review.
5. The Agency, at its discretion, reserves the right to direct the Vendor to amend or update its disaster recovery plan in accordance with the best interests of the Agency and at no additional cost to the Agency.
6. The Vendor shall make all aspects of the disaster recovery plan available to the Agency at all times.
7. The Vendor shall conduct an annual Disaster Recovery Plan test and submit results for review to the Agency in the annual plan submitted in compliance with **Section V.**, Special Terms and Conditions, **Sub-Section C.**, Disaster Recovery, **Item 1.**

D. Smartphone Applications

If the Vendor uses smartphone applications (apps) to allow providers direct access to Agency-approved documents and/or content, the Vendor shall comply with the following. The Vendor shall receive written approval from the Agency Division of Information Technology before implementation of a smartphone application:

1. The smartphone application shall disclaim that the application being used is not private and that no PHI or personally identifiable information (PII) should be published on this application by the Vendor or provider; and

ATTACHMENT B SCOPE OF SERVICES

2. The Vendor shall ensure that software applications obtained, purchased, leased, or developed are based on secure coding guidelines; for example:
 - a. OWASP [Open Web Application Security Project] Secure Coding Principles –
http://www.owasp.org/index.php/Secure_Coding_Principles;
 - b. CERT Security Coding - <http://www.cert.org/secure-coding/>; and
 - c. Top10SecuritycodingPractices –
<https://www.securecoding.cert.org/confluence/display/seccode/Top+10+Secure+Coding+Practices>

E. Social Networking

1. Social Networking

All social networking applications, tools or media interactions and communications must be approved in writing by the Agency, prior to use. Any vendor using social networking applications is responsible and accountable for the safeguarding of PHI and all HIPAA Privacy Rule related information must be maintained and monitored.

In addition to all other review and monitoring aspects of this Contract, the Agency, at its discretion, reserves the right to monitor or review the Vendor's monitoring of all social networking activity without notice.

The Vendor shall not conduct business relating to this Contract that involves the exchange of personally identifying, confidential or sensitive information on the Vendor's social network application. The Vendor shall not post information, photos, links/URLs or other items online that would reflect negatively on any individual(s), its enrollees, the Agency or the State.

Any violations of this shall subject the Vendor to administrative action by the Agency as determined by the Agency.

F. Financial Consequences

1. Performance Standards, Financial Consequences and Liquidated Damages

- a. The Vendor shall comply with all requirements and performance standards set forth in this Contract.
- b. The Agency's Contract Manager will monitor the Vendor's performance in accordance with the monitoring requirements of this Contract. Failure by the Vendor to meet the established minimum performance standards may result in the Agency, in its sole discretion, finding the Vendor to be out of compliance, and all

**ATTACHMENT B
SCOPE OF SERVICES**

remedies provided in this Contract and under law, shall become available to the Agency.

- c. The Agency reserves the right to impose liquidated damages upon the Vendor for failure to comply with the performance standard requirements set forth in **Table 1**, Performance Standards and Liquidated Damages, below.

TABLE 1 PERFORMANCE STANDARDS AND LIQUIDATED DAMAGES	
Performance Standard Requirement	Liquidated Damages To Be Imposed
Performance Bond	
A performance bond in the amount of ten percent (10%) of the total annual amount of this Contract shall be furnished to the Agency by the Vendor within thirty (30) calendar days after execution of this Contract and prior to commencement of any work under this Contract. (Attachment A , Instructions and Special Conditions, Section A.1. , Instructions, Sub-Section D. , Response Evaluation and Contract Award, Item 10. , Performance Bond)	\$500.00 per calendar day for each calendar day after the due date until an acceptable performance bond is furnished to the Agency.
A performance bond shall be furnished on an annual basis, thirty (30) calendar days prior to the new Contract year and be in the amount of ten percent (10%) of the current annual Contract amount. (Attachment A , Instructions and Special Conditions, Section A.1. , Instructions, Sub-Section D. , Response Evaluation and Contract Award, Item 10. , Performance Bond)	\$500.00 per calendar day for each calendar day after the due date until an acceptable performance bond is furnished to the Agency.
HIPAA	
The Vendor shall comply with provisions of HIPAA/HITECH.	\$500.00 to \$5,000.00 , per incident, per occurrence, depending upon the severity. In addition, Federal penalties may apply in accordance with the HIPAA Act of 1996.
The Vendor shall not inappropriately release PHI.	\$500.00 to \$5,000.00 , per incident, per occurrence, depending upon the severity.
Records	
The Vendor shall comply with public records laws, in accordance with Section 119.0701, F.S. (Attachment A , Instructions and Special Conditions, Exhibit A-7 , Standard Contract)	\$5,000.00 for each incident in which the Vendor does not comply with a public records request.
Background Screening	
Failure to complete initial and renewal background screenings within required timeframes. (Attachment A , Instructions and Special Conditions, Exhibit A-7 , Standard Contract)	\$250.00 per occurrence.

**ATTACHMENT B
SCOPE OF SERVICES**

TABLE 1 PERFORMANCE STANDARDS AND LIQUIDATED DAMAGES	
Performance Standard Requirement	Liquidated Damages To Be Imposed
Failure to submit policies and procedures within thirty (30) calendar days of Contract execution. (Attachment A , Instructions and Special Conditions, Exhibit A-7 , Standard Contract)	\$250.00 per calendar day beyond the due date.
Security Rating Score	
Failure to annually maintain a top tier security rating score from a vendor information security rating service. (Attachment B , Scope of Services, Section V. , Special Terms and Conditions, Sub-Section B. , Information Technology, Item 19.)	\$5,000.00 per occurrence. An additional \$2,500.00 if the Vendor does not improve to a top tier security rating score within six (6) months after its initial failure to annually obtain a top tier security rating score.
Failure to annually obtain a security rating score from a vendor information security rating service. (Attachment B , Scope of Services, Section V. , Special Terms and Conditions, Sub-Section B. , Information Technology, Item 19.)	\$5,000.00 per occurrence. \$250.00 per calendar day, until the Vendor obtains the security rating score.
SERVICES	
The Vendor shall prepare an examination timeline which includes the estimated completion dates for each phase of the examination process and submit it to the Agency no later than thirty (30) calendar days after receiving notice of the assigned examination.	\$100.00 per day for each calendar day beyond the due date until provided to the Agency.
The Vendor shall complete a minimum number of examinations per contract year, as determined by the Agency.	\$500.00 per examination in which the Vendor fails to complete the minimum number of examinations for the contract year.
The Vendor shall submit the monthly status report to the Agency no later than the 10 th of each month.	\$100.00 per day for each calendar day beyond the due date until provided to the Agency.
The vendor shall provide within seven (7) calendar days the results of all subsequent reports received from the AICPA Peer Review Program.	Failure of the Vendor to notify the Agency of the results of the AICPA Peer Review within seven (7) calendar days may result in fines of \$100.00 per day for each calendar day until the reports are received.
The Vendor shall use the Agency's prescribed forms and/or formats.	\$100.00 per day for each calendar day until the correct forms and/or formats are received. In addition, the Agency may withhold payments due until the correct forms and/or formats are received.

**ATTACHMENT B
SCOPE OF SERVICES**

TABLE 1 PERFORMANCE STANDARDS AND LIQUIDATED DAMAGES	
Performance Standard Requirement	Liquidated Damages To Be Imposed
The Vendor shall submit electronically the required number of approved final examination reports and working papers within ten (10) calendar days upon notification of the Agency.	\$100.00 per day for each calendar day the reports and/or working papers are overdue. In addition, the Agency may withhold payments due until the reports and/or working papers are received.
The Vendor shall submit an electronic copy of the examined cost report if so directed by the Agency within five (5) calendar days of that direction.	\$100.00 per day for each calendar day the report is overdue. In addition, the Agency may withhold payments due until the electronic examined cost report is received.
The Vendor shall not assign, sell, destroy, give away, or otherwise dispose of records provided by the Agency or the provider, or prepared by the Vendor in completing the Agency assignments without the written prior approval of the Agency. Information stored on routine back-up media for the purpose of disaster recovery will be subject to destruction in accordance with Attachment B , Scope of Services, Section V. , Special Terms and Conditions, Sub-Section C. , Disaster Recovery. Latent data such as deleted files and other non-logical data types, such as memory dumps, swap files, temporary files, printer spool files and metadata that can customarily only be retrieved by computer forensics experts and are generally considered inaccessible without the use of specialized tools and techniques will not be within the requirement for written approval prior to the destruction of records as contemplated by this paragraph.	\$500.00 per calendar day until the records are returned to the Agency or the Agency provides written approval of these actions.
The Vendor shall submit Exhibit B-2 , Conflict of Interest Questionnaire, for every assignment, within ten (10) calendar days of Agency assignment. If, during the completion of the assignment, the Vendor determines a conflict of interest has arisen, the Agency is to be notified within twenty-four (24) hours of the identification of the conflict of interest. The Agency may reassign examinations based upon the disclosure.	Failure of the Vendor to notify the Agency of conflicts of interest may result in fines of \$100.00 per calendar day until the form is submitted and until the conflict is resolved. The Agency may terminate this Contract based upon the severity of the conflict.
The Vendor shall comply with public records laws, in accordance with Section 119.0701, Florida Statutes.	\$5,000.00 for each incident in which the Vendor does not comply with a public records request.

ATTACHMENT B SCOPE OF SERVICES

The Agency's Contract Manager will monitor the Vendor's performance in accordance with the monitoring requirements of this Contract and may determine the level of sanction based upon an evaluation of the severity of the deficiency. Failure by the Vendor to meet the established minimum performance standards may result in the Agency, in its sole discretion, finding the Vendor to be out of compliance, and all remedies provided in this Contract and under law, shall become available to the Agency.

If the Vendor continues to submit work that does not meet the specifications of this Contract, the Agency may reduce or cease further assignments.

G. General Liquidated Damages

1. The Agency may impose up to a one percent (1%) reduction of the total, monthly invoice amount for each incident in which the Vendor has failed to meet a deadline and/or perform as specified in this Contract, not to exceed five percent (5%) per month.
2. The Agency may impose upon the Vendor liquidated damages of five hundred dollars (**\$500.00**) to five thousand dollars (**\$5,000.00**), per incident per occurrence, depending upon the severity, if the Vendor inappropriately releases Protected Health Information. In addition, Federal penalties may apply in accordance with the Health Insurance Portability and Accountability Act of 1996.

H. Sanctions

1. In the event the Agency identifies a violation of or other non-compliance with this Contract (to include the failure to meet performance standards), the Agency may sanction the Vendor pursuant to Section 409.912(6), F.S. The Agency may impose sanctions in addition to any financial consequences or liquidated damages imposed pursuant to this Contract.
2. For purposes of this Sub-Section, violations involving individual, unrelated acts shall not be considered arising out of the same action.
3. If the Agency imposes monetary sanctions, the Vendor must pay the monetary sanctions to the Agency within thirty (30) calendar days from receipt of the notice of sanction, regardless of any dispute in the monetary amount or interpretation of policy which led to the notice. If the Vendor fails to pay, the Agency, at its discretion, reserves the right to recover the money by any legal means, including but not limited to the withholding of any payments due to the Vendor. If the Deputy Secretary determines that the Agency should reduce or eliminate the amount imposed, the Agency will return the appropriate amount to the Vendor within sixty (60) calendar days from the date of a final decision rendered.

REMAINDER OF PAGE INTENTIONALLY LEFT BLANK

ATTACHMENT B SCOPE OF SERVICES

I. Disputes

1. To dispute financial consequences, liquidated damages, sanctions and/or contract interpretations, the Vendor must request that the Agency's Deputy Secretary for Medicaid or designee, hear and decide the dispute.
2. The Vendor must submit a written dispute directly to the Deputy Secretary or designee by U.S. mail and/or commercial courier service (hand delivery will not be accepted). This submission must be received by the Agency within twenty-one (21) calendar days after the issuance of financial consequences, liquidated damages, sanctions and/or contract interpretations and shall include all arguments, materials, data, and information necessary to resolve the dispute (including all evidence, documentation and exhibits). The Vendor submitting such written requests for appeal or dispute as allowed under this Contract by U.S. mail and/or commercial courier service, shall submit such appeal or dispute to the following mailing address:

**Deputy Secretary for Medicaid
Agency for Health Care Administration
Medicaid Appeals/Disputes, Mail Stop 70
2727 Mahan Drive
Tallahassee, FL 32308**

Regardless of whether delivered by U.S. mail or commercial courier service, appeals or disputes not delivered to the address above will be denied.

3. The Vendor waives any dispute not raised within twenty-one (21) calendar days of issuance of financial consequences, liquidated damages, sanctions and/or contract interpretations. It also waives any arguments it fails to raise in writing within twenty-one (21) calendar days of receiving the financial consequences, liquidated damages, sanctions and/or contract interpretations, and waives the right to use any materials, data, and/or information not contained in or accompanying the Vendor's submission submitted within the twenty-one (21) calendar days following its receipt of the financial consequences, liquidated damages, sanctions and/or contract interpretations in any subsequent legal, equitable, or administrative proceeding (to include Circuit Court, Federal court and any possible administrative venue).
4. The Deputy Secretary or his/her designee will decide the dispute under the reasonableness standard, reduce the decision to writing and serve a copy to the Vendor. This written decision will be final.
5. The exclusive venue of any legal or equitable action that arises out of or relating to this Contract, including an appeal of the final decision of the Deputy Secretary or his/her designee, will be Circuit Court in Leon County, Florida. In any such action, the Vendor agrees to waive its right to a jury

ATTACHMENT B SCOPE OF SERVICES

trial, and that the Circuit Court can only review the final decision for reasonableness, and Florida law shall apply. In the event the Agency issues any action under Florida Statutes or Florida Administrative Code apart from this Contract, the Agency will notice the Vendor of the appropriate administrative remedy.

J. Attorney's Fees

In the event of a dispute, each party to this Contract shall be responsible for its own attorneys' fees, except as otherwise provided by law.

K. Legal Action Notification

The Vendor shall give the Agency, by certified mail, immediate written notification (no later than thirty (30) calendar days after service of process) of any action or suit filed or of any claim made against the Vendor by any subcontractor, vendor, or other party that results in litigation related to this Contract for disputes or damages exceeding the amount of **\$50,000.00**. In addition, the Vendor shall immediately advise the Agency of the insolvency of a subcontractor or of the filing of a petition in bankruptcy by or against a principal subcontractor.

L. Damages for Failure to Meet Contract Requirements

In addition to remedies available through this Contract, in law or equity, the Vendor shall reimburse the Agency for any Federal disallowances or sanctions imposed on the Agency as a result of the Vendor's failure.

M. Corrective Action Plan (CAP)

1. If the Agency determines that the Vendor is out of compliance with any of the provisions of this Contract, the Agency may require the Vendor to submit a Corrective Action Plan (CAP) within a specified timeframe. The CAP shall provide an opportunity for the Vendor to resolve deficiencies without the Agency invoking more serious remedies, up to and including contract termination.
2. The Vendor shall respond by providing a CAP to the Agency within the timeframe specified by the Agency.
3. The Vendor shall implement the CAP only after Agency approval.
4. The Agency may require changes or a complete rewrite of the CAP and provide a specific deadline.
5. If the Vendor does not meet the standards established in the CAP within the agreed upon timeframe, the Vendor shall be in violation of the provisions of this Contract and shall be subject to liquidated damages.

ATTACHMENT B SCOPE OF SERVICES

Except where otherwise specified, liquidated damages of **\$500.00** per calendar day may be imposed on the Vendor for each calendar day that the approved CAP is not implemented to the satisfaction of the Agency.

VI. Method of Payment

- A.** This Contract shall be a fixed price (unit cost) Contract. The Vendor shall submit a monthly progress invoice for the work completed to date on outstanding full scope, limited scope and/or home office examinations based on a fixed price (unit cost) method of payment for each examination completed. The Agency will pay the Vendor in arrears progress payments for each completed phase of an examination as identified in **Table 2**, Deliverables and Payment Schedule, below:

TABLE 2 DELIVERABLES AND PAYMENT SCHEDULE	
Percentage of Total Examination Fixed Price	Portion of Examination Completed
35%	Phase 1 - Site visit completed and Initial Site Visit Checklist for the provider for full scope or conference call meeting checklist with the provider for limited scope; and/or the documentation request for the home office submitted to the Agency.
40%	Phase 2 - Fieldwork and exit conference completed and Exit Conference Checklist for the provider and/or home office submitted to the Agency.
25%	Phase 3 - Final examination report submitted to and approved by the Agency's Contract Manager and secured electronic working papers submitted to the Agency.

The total per full scope examination fixed price (unit cost) and home office examination fixed price (unit cost) will be in accordance with the Vendor's proposed fixed per examination costs (**Exhibit A-5**, Cost Proposal) and shall include all costs incurred by the Vendor to complete the examination.

For Agency cancelled examinations up to the percentage noted above for the phase completed, the Vendor may invoice the Agency for documented hours worked (i.e., timesheets).

- B.** Invoices with the required supporting documentation shall be submitted to the Agency's designated Contract Manager as one (1) consolidated invoice per month no later than fifteen (15) calendar days following the end of the month in which the examination phase was completed. Supporting documentation shall include, at a minimum, the following:
1. Site Visit Checklist or conference call meeting checklist, and/or initial document request for the home office;

ATTACHMENT B SCOPE OF SERVICES

2. Exit Conference Checklist; and
 3. A copy of the Agency-approved examination reports.
- C.** Invoices shall include, at a minimum, an invoice date, invoice number, the Agency's Contract number, the Agency-assigned examination number, the date of the site visit, date of the exit conference, the provider number, the fiscal year ending, the examination phase completed, timesheets for cancelled exams, the invoice total, and a payment remittance address.
- D.** The Agency will pay for deliverables completed prior to the expiration or termination of this Contract, upon receipt of the working papers for all open assignments within thirty (30) calendar days of the expiration or termination of this Contract, unless otherwise directed by the Agency. If the Agency does not receive the working papers for outstanding assignments, then no further payment is required on the part of the Agency. The Agency will not pay for deliverables performed after the expiration or termination date of this Contract.
- E.** The Vendor shall not be paid the last percentage for the assignment until the working papers have been received, even if the reports have been submitted to the Agency. The Vendor will not be paid for any outstanding invoices, including the final invoice, until such time as the working papers for all open assignments are received by the Agency.
- F.** Should the Agency require the Vendor to submit both an electronic and hard copy of the report, the Vendor shall not be paid the last percentage for the assignment until both submissions and the working papers have been received.
- G.** The Vendor may not invoice the Agency for any hours worked or specified deliverables on open examinations after the expiration of this Contract or after an Agency notice of Contract deficiencies and a date on which work shall end.

REMAINDER OF PAGE INTENTIONALLY LEFT BLANK

**ATTACHMENT B
EXHIBIT B-1**

MEDICAID NURSING HOME EXAMINATION PROGRAM

Note: The nursing home cost report contains Schedules A through U-1. This program is designed to examine the cost report, which are the schedules.

I. Preliminary Planning

Examination Objectives

	Done By	Date	W/P Ref
1. Gain an understanding of the entity's accounting system as it relates to the preparation of the Medicaid Cost Report.	_____	_____	_____
2. To determine if the Medicaid Cost Report is prepared and submitted in conformity with Federal and State Medicaid reimbursement principles, policies and regulations per Medicare principles of reimbursement as interpreted by the Provider Reimbursement Manual (CMS-Pub. 15-1), Florida Title XIX Long-Term Care Reimbursement Plan (the Plan), and State of Florida, Agency for Health Care Administration (AHCA or Agency), Medicaid Audit Services instructions to the Cost Report for Nursing Homes participating in the Florida Medicaid Program.	_____	_____	_____
3. To issue an examination report in accordance with the requirements of 42 Code of Federal Regulation (CFR) 447.202 and generally accepted auditing standards.	_____	_____	_____
4. To ensure all confidential information/documentation containing patient/payroll information is not placed in the work papers. All confidential information should be viewed at the facility, or placed in a clearly labeled separate folder to be sent to the Agency along with the other work papers.	_____	_____	_____

Planning Procedures

1. Obtain a copy of the provider's crosswalk used to prepare the Medicaid Cost Report. Trace from the crosswalk to the Cost Report noting any unusual, non-allowable or material items requiring examination consideration.	_____	_____	_____
2. Develop a trail from the provider's records to the cost report. Obtain entries that may be required to reconcile the trial balance to the cost report. Document this trail in the work papers to be used during expense test work.	_____	_____	_____

**ATTACHMENT B
EXHIBIT B-1**

	Done By	Date	W/P Ref
3. Review the cost report selected for examination, home office exception report (if applicable), the prior year cost report, the most recent examination report and work papers, the home office cost report (if applicable), Certificate of Need (CON) correspondence (if provided), and supplemental schedules (if provided) and place these in the work papers. Review the permanent file and any examination consideration provided by AHCA.			
a) Complete the Planning Memo Questionnaire and place in the work papers. Document areas to be considered for further examination work.			
b) Address the propriety of the Schedule D and E adjustments and reclassifications in accordance with the Medicaid Program.			
c) Perform analytical procedures per Section 9 for revenues and expenses, comparing current and prior year Schedule F costs for significant changes and deviations from state or regional industry averages. Note areas for follow-up in the Planning Memo Questionnaire.			
d) Review examination adjustments made in the <u>most recent examination</u> report and prepare a work paper documenting the applicability of these adjustments to the current year cost report and any other areas of concern. Note areas for follow-up in the Planning Memo Questionnaire.			
e) Compare the square footage on the current year cost report to the prior examination and prior year cost report and ensure that any differences are addressed by the provider or on the facility tour.			
f) Prepare a list of issues requiring consideration upon site visit.			
4. Contact the administrator or designated contact person to determine the following:			
a) A mutually agreeable time to complete the site visit(s) and begin fieldwork. During the site visit(s) address the following:			

**ATTACHMENT B
EXHIBIT B-1**

	Done By	Date	W/P Re
i) Verify major projects reported on Fair Rental Value System (FRVS) Survey (supplemental schedule) (Refer to Section V of this Audit Program.)			
ii) Verify the location of televisions and telephones (patient's rooms and common areas) to ensure these are properly accounted for in accordance with the Medicaid Program.			
iii) Inquire about and document findings in regard to ancillary services provided and the provider's procedures for billing for these services.			
b) Square footage measurements and documentation.			
c) The location and custodianship of the accounting records.			
d) The nature of work performed by independent Certified Public Accountants (CPAs) (i.e., preparation of the Medicaid cost report and audited, reviewed or compiled financial statements). Obtain the name of the CPA firm if different from that of the cost report preparer and document on the Preliminary Questionnaire.			
5. Prepare an entrance letter confirming the date of the site visit and the beginning of fieldwork. (Place copy of letter in the correspondence work papers.) Request the following:			
a) General ledger and other accounting records needed.			
b) All work papers/internally generated documents, allocations, calculations, and support for journal entries, etc. including those in possession of an outside accountant, which support the cost report.			
c) A copy of the <u>most recent</u> financial audit report and the management letter issued by the CPA who performed the financial audit.			

**ATTACHMENT B
EXHIBIT B-1**

		Done By	Date	W/P Ref
d)	All pertinent financial, related party, and other agreements and contracts, including management, professional, patient care related, capital and operating leases and related party contracts and agreements. [See Related Party, Section IV., of Examination Program for listing of some specific documents needed].	_____	_____	_____
e)	Copy of the Medicare cost report(s) that cover the Medicaid cost report period.	_____	_____	_____
f)	Medicaid Program rate setting documents and other Medicaid correspondence related to the cost report period under examination and any other correspondence related to appeals, settlements, and Agency granting letters and/or settlements, etc.	_____	_____	_____
g)	Copies of the facility floor plan and/or the square footage survey completed closest to the cost report period under examination. This should also include schedule of square footage allocations between cost centers or non-nursing home facilities (if applicable).	_____	_____	_____
h)	Obtain, for the Permanent File, employee-leasing contracts, 401(k) plans, pension plans with the actuarial evaluation closest to the cost report period, beneficiary statements for Key Man Life Insurance policies, if applicable.	_____	_____	_____
6.	Meet with the appropriate level of management (i.e., Chief Financial Officer, Administrator, or the Provider's designated representative) to discuss areas of concern noted in the Planning Memo Questionnaire and as a result of the site visit and all planning. Ensure that a discussion is held with management regarding, related party issues, changes in ownership and financing, etc.	_____	_____	_____
a)	Obtain a representation letter from the provider management to include the accuracy and completeness of related-party information.	_____	_____	_____
b)	Prepare a memo to document the meeting. Place the memo and the representation letter in the work papers.	_____	_____	_____

**ATTACHMENT B
EXHIBIT B-1**

	Done By	Date	W/P Ref
7. Complete the identification information on the "Professional Staff" worksheet and place in the work papers.	_____	_____	_____
8. Complete the top portion of the Schedule of Proposed Adjustments (SOPA) for use in recording proposed examination adjustments.	_____	_____	_____
9. Prepare a correspondence file to document all written, verbal and facsimile requests and discussions with provider. Include copies of correspondence and documentation in the work papers.	_____	_____	_____
10. Review and place copies of the provider's audited, reviewed or compiled financial statements in the work papers. Cross-reference notes and financial data from the financial statements as needed to support cost report and test work.	_____	_____	_____
11. Review and place copies of information received from AHCA including, Medicaid rate setting documents, correspondence of appeals and settlements, current year projects as adjusted by rate-setting, and if applicable, approval letters and/or settlement. Ensure that areas of appeal and settlement are documented in planning so that test work may be tailored for the specific situation.	_____	_____	_____
12. Prepare a cost impact analysis to gain an understanding of the provider's reimbursement situation and to focus on areas of examination concern. Be alert to possible cost shifting due to limitations resulting from floor adjustments.	_____	_____	_____
13. Prepare an examination plan documented with the Planning Memo Questionnaire to address all areas identified as a result of the above procedures. Have a manager or senior review and sign off on examination plan prior to any further test work.	_____	_____	_____
14. Discuss with AHCA Audit Services, if needed, regarding any examination limitations, changes to approach, etc. prior to further test work.	_____	_____	_____

End of Section I

**ATTACHMENT B
EXHIBIT B-1**

II. Patient Day Statistics

Done By Date W/P Ref

Note: The Medicaid Program calculates prices for reimbursement of facilities on a per diem basis computed by dividing allowable costs by patient days. While errors in Medicaid days recorded may affect the reimbursement rate, **it only takes minor discrepancies in total patient days**, to affect a rate. Therefore, our emphasis will always be on determining the correctness of **total patient days**. Understatement of total patient days is of concern and the **materiality of adjustments in this area is based on the impact that the adjustments would have on reimbursement rates.**

1. Conduct a preliminary review of patient days, comparing month to month and year to year fluctuations and select the days for testing of remittance vouchers. (Refer to Part II of this Audit Program.)

2. Obtain an understanding and document the provider's system for accumulating patient statistics on a daily basis. (The day of admission should be counted as a patient day, and the day of discharge should not).

3. Scan Schedule B for the current and prior year and investigate significant fluctuations from prior year and within the current year.

4. Select two (2) months of the examination period for testing and perform the following for **Total Patient Days**:
 - a) Obtain provider census documentation used to accumulate total patient days from AHCA. Verify footing and trace totals to Schedule B.

 - b) On a test basis, agree the daily physical counts to the monthly census (use five **(5) days** for each of the **two (2) months**).

**ATTACHMENT B
EXHIBIT B-1**

	Done By	Date	W/P Ref
c) Ensure that bed hold days have been included in patient day statistics; up to eight (8) days allowed. [Effective July 1, 2004, in order for Medicaid to pay for the bed-hold of a resident, the facility must have at least 95% of its Medicaid certified beds filled. If five percent (5%) or more of the facility's Medicaid certified beds are available, Medicaid does not pay for bed-hold. The percentage of Medicaid occupancy is based upon the nursing facility's occupancy for the previous quarter of the year.]			<hr/>
d) Based on the above results, expand test work as considered necessary.			<hr/>
5. For fee for service residents, reconcile Medicaid days per Institutional Remittance Voucher (IRVs), from AHCA, to Medicaid days per the cost report.			<hr/>
6. Perform the following for flat rate days paid:			<hr/>
a) Calculate the amount reimbursed under such codes for the examination period.			<hr/>
b) Inquire of the provider if they received flat rate days paid during the period and documented dates of service.			<hr/>
c) Ensure that flat rate payments are netted against the direct patient care and/or indirect patient care costs. Review the provider's allocation basis for payment offset for reasonableness.			<hr/> <hr/>
7. Record adjustments on the SOPA. Fully document in the work papers, support for all adjustments. Include copies of provider documents confirming findings with management.			<hr/> <hr/>

End of Section II

REMAINDER OF PAGE LEFT INTENTIONALLY BLANK

**ATTACHMENT B
EXHIBIT B-1**

III. Square Footage

Done By Date W/P Ref

1. Prior to facility tour, compare and document square footage reported to prior examination results, prior year cost report and Medicare cost report. Identify areas requiring careful consideration upon site visit.

2. During the facility tour, verify and document square footage allocations for allowable and non-allowable ancillaries, non-reimbursable cost centers, and proper allocation of square footage where a multi-facility (if applicable) is sharing ancillary areas. Obtain Gross Square Footage. Gross square footage includes common areas, buildings core, and other areas of the building used for maintenance and operations and is calculated from the outside of exterior walls. It does not include open or screened-in porches. Provide work paper documentation of discussions with the provider of any variances found between measurements and square footage reported on the prior examination, Medicaid and Medicare Cost Reports.

3. Obtain provider documentation for square footage allocations reported on Schedule G-1 including floor plan and or copy of the square footage survey performed closest to the examination period.

4. Obtain detail, including effective dates, of any changes to square footage that have affected the current cost report or will affect future cost reports.

5. Compare Schedule F with square footage allocations on Schedule G-1. Obtain explanations and document situations where costs are recorded and allocations for square footage are not made to that cost center and vice versa.

6. Compare the square footage reported on the Medicaid Cost Report with Worksheet B-1 of the Medicare cost report. Comparing non-reimbursable cost centers at the bottom of Worksheet B-1 as well as ensuring Administrative, Plant Operations and Housekeeping square footage is not included in Patient Care. Investigate differences.

**ATTACHMENT B
EXHIBIT B-1**

	Done By	Date	W/P Ref
7. Ensure hallway square footage is treated fairly or removed completely.	<hr/>		
8. Record adjustments on the SOPA. Fully document in the work papers, support for all adjustments. Include copies of provider documents confirming findings with management.	<hr/>		

End of Section III

REMAINDER OF PAGE LEFT INTENTIONALLY BLANK

**ATTACHMENT B
EXHIBIT B-1**

IV. Related Parties

	Done By	Date	W/P Ref
1. Review the following for evidence of related party transactions:			
a) Debt Instruments;	_____		
b) Insurance Coverage;	_____		
c) Lease Documents;	_____		
d) Cost report Schedules K and L;	_____		
e) Perm Files and contracts;	_____		
f) Current year Medicaid Cost Report;	_____		
g) Prior year Medicaid examination report;	_____		
h) Notes to financial statements; and	_____		
i) Schedule A-8-1 of the Medicare cost report	_____		
2. Further search the database for the entities or individuals appearing in Board Minutes or elsewhere in the examination work-papers that warrant further consideration.	_____		
3. Discuss and document the above findings with the provider to determine the extent and nature of related party transactions reported and not reported on Schedule K.	_____		
4. Obtain documentation for related party transactions. (Note: As examination work progresses, this may need to be addressed with management).	_____		
a) Document how the provider determines and records related party costs. Transactions should be eliminated or reported at cost and not exceed the open market comparable price.	_____		
b) Document the applicability of the related party cost exception in accordance with CMS -Pub. 15-1, Chapter 10.	_____		
5. Address unresolved related party issues identified through the use of the internet or through other means.	_____		

**ATTACHMENT B
EXHIBIT B-1**

- | | Done By | Date | W/P Ref |
|--|----------------|-------------|----------------|
| 6. Ensure provider representation letter includes a statement regarding the proper disclosure and reporting of related party transactions. | | | _____ |
| 7. Record adjustments on the SOPA. Fully document in the work papers, support for all adjustments. Include copies of provider documents confirming findings with management. | | | _____ |

End of Section IV

REMAINDER OF PAGE LEFT INTENTIONALLY BLANK

**ATTACHMENT B
EXHIBIT B-1**

V. FRVS Survey Supplemental Schedule

Done By Date W/P Ref

1. Identify any FRVS major projects e.g. bed additions, a replacement of beds or a renovation/major improvement and trace back to the provider's fixed asset schedule and construction documents.

- a) Review construction documents for related-party consideration. If RP limitations apply, ensure that valuations are limited to cost.

- b) If the project was a renovation/major improvement, verify that the total costs is equal to or greater than \$500 per licensed bed at the time the project was completed. If the project included bed additions, verify the additions and costs.

- c) If this is a multi-facility ensure that only those construction costs associated with the licensed nursing facility section of the facility are included in the total costs.

- d) For hurricane impacted facilities review the insurance policy and address the impact that deductibles and policy reimbursements have on the major project.

- e) Record adjustments on the SOPA. Fully document in the work papers, support for all adjustments. Include copies of provider documents confirming findings with management.

End of Section V

REMAINDER OF PAGE LEFT INTENTIONALLY BLANK

**ATTACHMENT B
EXHIBIT B-1**

VI. Payroll

Done By Date W/P Ref

1. All confidential information/ documentation containing patient/payroll information should not be placed in the work papers. All information should be viewed at the facility, or placed in a separate folder to be sent to the Agency. _____

2. Prepare a 941 reconciliation to salaries and taxes reported on the cost report. Agree 941's to the reconciliation. _____
 - a) Ensure reasonableness of current year accruals included in the reconciliation and agree prior year accrual to the prior year cost report, if available. _____
 - b) Prepare a payroll tax reasonableness test. _____
 - c) Investigate differences > five percent (5%) and adjust as necessary. _____

3. Obtain provider's work papers for year-end accruals of salaries, vacations, bonuses and other accrued compensation. Test the calculations and underlying assumptions. _____

4. Perform an overall reasonableness test, such as comparing compensation to industry standards. _____

5. Review Schedule L of the cost report and determine completeness through inquiry and review of the payroll records. _____
 - a) For amounts reported, obtain documentation regarding services rendered and the percentage of time devoted to the facility. _____
 - b) Document conclusions as to the reasonableness of the compensation package for the employees listed on Schedule L. _____
 - c) View disbursement records to ensure salary accruals were paid within seventy five (75) days of the close of the provider's cost reporting period. _____

6. For owner/administrators and owner/assistant administrators, review Schedules N, N-1, O and O-1. Test and re-compute as considered necessary. _____

**ATTACHMENT B
EXHIBIT B-1**

		Done By	Date	W/P Ref
7.	Inquire with management regarding leased employees. If applicable, document an understanding of the employee lease agreement and place a copy of the agreement in the perm file.			
8.	Ensure that administrative costs/fees associated with the employee leasing agreement are properly classified in the administrative cost center.			
9.	Ensure that benefits, payroll taxes, etc. are properly recorded and classified.			
10.	Calculate the ratio of benefits to salaries by cost center. Obtain explanations for differences from the provider and investigate differences as needed.			
11.	Record adjustments on the SOPA. Fully document in the work papers, support for all adjustments. Include copies of provider documents confirming findings with management.			
12.	Agree salaries and benefits totals to the Schedule of Direct Patient Care.			

End of Section VI

REMAINDER OF PAGE LEFT INTENTIONALLY BLANK

**ATTACHMENT B
EXHIBIT B-1**

VII. Direct Care

Planning

Done By Date W/P Ref

1. The focus of the Direct Patient Care section of the examination is:

a) To ensure that Indirect Patient Care costs are properly excluded from Columns B and beyond.

b) To ensure the propriety of the split between productive and non-productive Direct Patient Care salaries and hours and the propriety of these by nursing category, the propriety of Agency costs and hours by nursing category, and the propriety of Direct Patient Care benefits by nursing category.

The risk of understatement of **productive hours** is of great significance to testing of the Schedule of Direct Patient Care.

Exercise professional skepticism on all provider prepared schedules. Test the schedules to ensure they are reasonably accurate and are supported by provider records.

All confidential information/documentation containing patient/payroll information should not be placed in the work papers. All information should be viewed at the facility, or placed in a separate folder to be sent to the State.

2. The focus of the Dietary section of the examination is:

a) To ensure that only Dietary costs are included in expenses and salaries.

b) To ensure employees in Dietary are properly classified.

c) To ensure that the raw food to Total Patient Days ratio is within proper limits.

d) To ensure all other large dollar expenses (**\$5,000.00** and over) are appropriate.

**ATTACHMENT B
EXHIBIT B-1**

Direct Patient Care

Done By Date W/P Ref

1. Perform the following on the Schedule of Direct Patient Care:
 - a) Obtain and document an understanding of the support used to prepare the Schedule of Direct Patient Care. Document and perform alternative procedures as considered necessary.

 - b) Perform reasonableness test of Federal Insurance Contribution Act (FICA) and Unemployment Insurance totals for all categories, Rows 9 and 10, Column D, by recalculating FICA expense based on salaries reported on the Schedule of Direct Patient Care. Ensure that salary examination adjustments are later taken into consideration when performing this step.

 - c) Recalculate total benefits for each category based on the percent to total reported for salaries for each category (ie RN total salaries is forty percent (40%) of Total RN, LPN and CNA salaries then Row 14, column E, should be approximately forty percent (40%) of Row 14, Column D). If this does not approximate, there may be shifting between the categories. Obtain explanation from provider.

 - d) Agree or reconcile and cross reference Column A and D amounts to Schedule C.

2. Request detail General Ledger (GL) for all accounts that make up the Other Fringe Benefits Paid, Row 13 and for all accounts that make up the Total Agency Cost by category, Rows 5, 6, and 7. Detail scan these accounts and agree to amounts reported on the supplemental schedule. Ensure that fringe benefits do not include classified ads, recruitment costs, human resources costs, or training costs. Request individual invoices, as considered necessary, and vouch during fieldwork.

3. Training hours and dollars for Registered Nurse (RN), Licensed Practical Nurse (LPN) and Certified Nursing Assistant (CNA) - Inquire as to whether or not the provider maintains training records. If the provider maintains logs or other acceptable records, classroom training should be recorded in non-productive, while hands on training may qualify as productive. The objective is to ensure that training costs and hours are not overstated in nonproductive.

4. Inquire with management regarding leased employees. If applicable, document an understanding of the employee lease agreement and place a copy of the agreement in the perm file.

**ATTACHMENT B
EXHIBIT B-1**

- | | Done By | Date | W/P Ref |
|--|----------------|-------------|----------------|
| 5. Ensure that administrative costs/fees associated with the employee leasing agreement are properly classified in the administrative cost center. | | | |
| 6. Request support for significant Other Fringe Benefits paid and Total Agency Cost. | | | |
| 7. Have the provider identify nurses who are coded as RNs, LPNs or CNAs but who do not perform direct patient care. | | | |

Fieldwork

- | | | | |
|--|--|--|--|
| 1. From the year end payroll detail, compare total hours related to direct care nurses, vacation, sick, holiday and training for each category, to the Productive and Non-productive hours reported on the Schedule of Direct Patient Care, as reported. If this information is not available on the payroll report, obtain the providers payroll policy/handbook describing vacation, sick, holiday and continuing education benefits for employees and calculate the number of hours for each category based on Average FTE's. | | | |
| 2. Sum the "gross payroll" amount from the year-end year to date (YTD) detail payroll report for each category and agree to the amounts reported on the Direct Patient Care Schedule. Agree the "Total Salaries All Depts." per the Schedule of Direct Patient Care to the year-end YTD detail payroll report or the 941 reconciliation. There may be small differences due to accruals, etc. If the YTD detail payroll report has a different year-end than the cost report period then perform reasonableness test. | | | |
| 3. Perform the same procedure as in the above step for vacation, sick and holiday. | | | |
| 4. Assess the reasonableness of Agency hourly rates. By nursing category, test and document the propriety of Agency cost and hours. | | | |
| 5. Test the propriety of cut offs of Agency costs for the cost report period. | | | |
| 6. Assess the reasonableness of Other Fringe Benefits and ensure that all Other Fringe Benefits included in Column A of the Schedule of Direct Patient Care are <u>allowable Medicaid expenses</u> . | | | |
| 7. Ensure expenses recorded in Other Fringe Benefits, Columns D through G, are properly classified as Direct Patient Care. Exclude from Column D any costs that belong in Indirect Patient Care. [Reference the Medicaid Nursing Home Chart of Accounts for identification of such accounts]. | | | |

**ATTACHMENT B
EXHIBIT B-1**

Done By Date W/P Ref

8. Ensure there has been a reasonable offset to direct and indirect care amounts and hours, by category, for Medically fragile supplemental payments received and that this has been documented by the provider on the Schedule F-2. Recalculate as considered necessary and conclude on the reasonableness.

9. Record adjustments separately. Fully document in the work papers, support for all adjustments. Include copies of provider documents confirming findings with management in a summary document.

10. Ensure the provider's signature is on the summary of adjustments, document at the exit conference.

Dietary

1. Analyze, confirm or vouch Dietary expenses, except raw food and salaries, which are over **\$5,000.00**.

2. Review the metrics for raw food. If it has increased significantly or if the metrics are deemed in excess of average, vouch raw food.

3. Review the Dietary salaries/compensation and evaluate the metrics for reasonableness. If these appear out of line, use the payroll records to verify both the number of employees and their related salaries. Ensure that personnel and salaries are properly recorded and classified.

4. For contracted Dietary employees, verify compliance with the contract and obtain a copy of the contract for the permanent file. If related party, ensure compliance with Schedule K.

End of Section VII

REMAINDER OF PAGE LEFT INTENTIONALLY BLANK

**ATTACHMENT B
EXHIBIT B-1**

VIII. Ancillaries and Revenue

Done By Date W/P Ref

Note: Under the Medicare Prospective Payment System (PPS) most ancillary services are included in the Medicare per diem and once the patient qualifies for Medicaid, the ancillary is covered under Medicare Part B. Medicaid pays the Part B premium through a buy-in-agreement with the Federal government, and the Medicaid “cross-over” pays the annual Medicare deductible and any co-insurance amounts. Therefore, charges for items billable under Medicare Part B are considered Medicare charges even when related to a Medicaid patient. Thus, there should be insignificant Medicaid charges for Physical, Occupational, Speech and Audiological, and Occupational Therapies; Complex Medical Equipment; Medical Supplies; Inhalation/Respiratory and IV Therapies; Parenteral Nutrition; and “Other Allowable” Ancillaries

1. Trace allowable, non-allowable and non-reimbursable ancillary costs and revenues from Schedule C to Schedule F and G, and determine the propriety and completeness of amounts reported. [For Sextant prepared cost reports it is not necessary to trace amounts.] The goal is to ensure that only routine supplies are identified in the patient care area of Schedule F and the same types of non-routine medical supplies appear in the cost-to-charge ratios and Medicaid charges of Schedule H. Investigate as necessary.

2. Prepare a brief narrative describing the provider’s procedures for accumulating and recording ancillary costs and charges. If there are any costs/charges for Other Allowable Ancillary Cost Centers, identify what types of ancillaries they are. Ensure the mark-up percentage is documented for Medical Supplies and Complex Medical Equipment.

a) If no Medical Supplies are reported (this would be unusual) inquire and document the provider’s response as to why and perform further analysis if warranted.

b) Review the groupings of revenue accounts for ancillary cost centers to determine whether charges for the accounts are being consistently matched with their corresponding expense accounts in order to ensure proper allocation of costs to the Medicaid program. (For example, IV’s where the revenue may be in Pharmacy and the cost in Medical Supplies).

3. Perform the following procedures on Schedule H, page 1, costs (expenses) and charges (revenues);

**ATTACHMENT B
EXHIBIT B-1**

	Done By	Date	W/P Ref
a) Determine the allowability, completeness and consistency in reporting of costs and/or charges in the "Other" category on Schedules F, H and R. Investigate as necessary.	_____	_____	_____
b) For physical, speech, audiological, occupational, respiratory/inhalation and other therapies, perform the following:	_____	_____	_____
i) Scrutinize the nursing, other ancillaries, and other patient care areas of Schedule C to ensure proper inclusion of ancillary-related costs and charges on Schedules, F, H and R.	_____	_____	_____
ii) After adjusting therapies for the differences noted, compare the ratio of Medicaid Charges to total charges for physical therapy, speech therapy, and occupational therapy. If the ratio is greater than five percent (5%), perform the substantive testing in Step 6 below.	_____	_____	_____
4. For Medical Supplies, compare Medicaid charges to total charges and Medicaid days to total days. If the day ratio is greater than or equal to the charge ratio, Step 6 can usually be passed.	_____	_____	_____
5. Perform reasonableness tests of Medical Supplies cost based on revenue and the mark-up percentage. If this is reasonable Step 6 can usually be passed.	_____	_____	_____
6. If after performing Step 3, 4, and 5, further substantive testing is considered necessary, perform the following for each ancillary which fails to meet the reasonableness tests above:	_____	_____	_____
a) Using the same two (2) months selected for patient day testing, select a sample of ten (10) patients (five (5) per month) with Medicaid ancillary charges. (For work paper documentation, use a patient or chart ID # rather than patient personal information.)	_____	_____	_____
i) Trace each patient's name to the Medicaid Remittance Advice for the month of the charge.	_____	_____	_____
ii) Verify that the patient was not eligible for Medicare at the time the charge was incurred. (i.e., under the age of 65 and not on Supplemental Security Income (SSI)).	_____	_____	_____

**ATTACHMENT B
EXHIBIT B-1**

- | | Done By | Date | W/P Ref |
|---|----------------|-------------|----------------|
| b) For providers who have a Hospice contract, on a test basis, determine whether Medicaid patients receiving Hospice care are excluded from Medicaid charges, (i.e., are reported as "Other") Make appropriate adjustments. | _____ | | |
| c) For providers who have a Medicaid Health Maintenance Organization (HMO) contract, on a test basis, determine whether Medicaid patients receiving HMO care are excluded from Medicaid charges, (i.e., are reported as "Other") Make appropriate adjustments. | _____ | | |
| d) Based on the results of these steps, determine what adjustments are necessary and whether testing should be expanded. | _____ | | |
| 7. Review other income accounts and determine propriety and completeness of the provider's cost report adjustments offsetting income against expense. If considered necessary, scan the general ledger detail of miscellaneous or unusual income accounts for atypical entries that may impact the examination. | _____ | | |
| 8. Record adjustments on the SOPA. Fully document in the work papers, support for all adjustments. Ensure that ancillary adjustments are properly classified as either Direct Care or Indirect Care. Include copies of provider documents confirming findings with management. | _____ | | |

End of Section VIII

REMAINDER OF PAGE LEFT INTENTIONALLY BLANK

**ATTACHMENT B
EXHIBIT B-1**

IX. Other Expenses

Done By Date W/P Ref

Note 1: Accounts selected for examination should be based on:

1. Analytical procedures review performed by a senior or manager experienced in Medicaid nursing home reimbursement;
2. Areas of risk identified on the Planning Memo Questionnaire, or
3. Requests by AHCA Audit Services.

Note 2: The auditor should have access to all detail that affects the expense account balance selected including general journal, accrual and adjusting entries and/or cash disbursement records and appropriate documentation, such as the general detail of specific accounts, should be included in the work papers.

Note 3: Work paper support of the analysis performed is required for insurance accounts (including General and Professional Liability), property taxes, accounting and legal fees, and Medicaid bad debts.

Note 4: All expenses testing and tie outs of amounts should be done based on adjusted column amounts and the propriety of all adjustments and reclassification entries appearing on Schedules D and E of the Cost Report need to be taken into consideration as part of the examination work performed.

Note 5: Include detail and coverage calculations as appropriate in the files for the accounts selected for work paper- documented analysis. Copies of provider ledgers should be retained in the work papers when possible. An explanation must be included in the work papers for questionable (such as luxury – extravagant travel) items. Review the account descriptions and account balances with an emphasis on Medicaid allow- ability and reasonableness.

Note 6: Appropriate consideration should be given to addressing the materiality of adjustments for Medicaid expenses in relationship to the impact that it has on the reimbursement rate for the given cost center or reimbursement class.

1. Review provisions for common **non-allowable** costs and common income offsets.
2. Perform the following required procedures:
 - a) Analyze and confirm or vouch **accounting and legal expenses**.
 - b) Trace detail of allowable expense to Schedule Q and reconcile Schedule Q to Schedule C.

**ATTACHMENT B
EXHIBIT B-1**

	Done By	Date	W/P Ref
<ul style="list-style-type: none"> i) Inquire of provider regarding lawsuits with AHCA. Adjust any expenses related to lawsuits against AHCA that are in process or settled suits for which the provider failed to prevail on all counts. 			
<ul style="list-style-type: none"> ii) Inquire of provider regarding reorganizations. Document and adjust any expenses that are related to unallowable reorganizations. 			
<ul style="list-style-type: none"> iii) If legal costs are significant, consideration should be given to include this issue in the management representation letter. 			
<ul style="list-style-type: none"> c) Examine the detail listing of the Medicaid bad debts account (see Schedule H for amount of Medicaid Bad Debt claimed by the provider) and determine the following on a test basis. <ul style="list-style-type: none"> i) Was the patient Medicaid eligible when the debt was incurred? ii) Was the amount attributable to the Medicaid patient's personal responsibility for room and board? iii) Were collection efforts sufficient and similar to those for non-Medicaid patients? iv) Were the debts written off in a timely manner? 			
<ul style="list-style-type: none"> d) For the general ledger accounts specifically identified below, and for other accounts tested based on examination selection, obtain the annual general ledger detail and place it in the work papers. Vouch on a test basis to supporting documentation to determine allowability, as needed. <ul style="list-style-type: none"> i) Confirm or vouch Worker's Compensation Insurance expense. ii) Confirm or vouch General and Professional Liability Insurance and Property Insurance expenses. When addressing the propriety of these expenses take into consideration balances appearing as Assets or Liabilities on the Balance Sheet and address any related party issues. Ensure that General and Professional Liability applies to employees of the facility and properly excludes others (i.e., physicians malpractice insurance should be excluded). 			

**ATTACHMENT B
EXHIBIT B-1**

- | | | Done By Date W/P Ref |
|------|---|---------------------------------|
| iii) | If the provider is self-insured (in part or in whole), obtain the required actuarial reports and ensure the propriety of the expenses in accordance with CMS Pub. 15-1, Chapter 21 Self-Insurance requirements, reasonableness and prudence of costs and transactions. [This step also applies to Captive Insurance.] | _____ |
| iv) | If the provider uses Captive Insurance ensure that related party issues are addressed in accordance with CMS Pub. 15-1, Chapter 10. | _____ |
| v) | Taxes of all types. (Sales Tax collected and remitted and income taxes are nonallowable.) Other taxes should be vouched to tax return or invoice and check copy. | _____ |
| vi) | Maintenance and Repairs. Perform analytical testing and if it deemed that there are significant fluctuations in account balances or the accounts are deemed material, vouch items to obtain reasonable coverage. (Adjust and capitalize fixed asset additions or replacements as necessary.) | _____ |
| vii) | Review all equipment rental accounts to ensure they include only incidental equipment rentals and are not lease payments for equipment that, if owned, would be depreciable. Reclassify all non-incidental equipment rentals to the property cost center. | _____ |
| 3. | Select other accounts and scan the detailed general ledger based on previously performed analytical procedures and areas of concern identified on the Planning Memo Questionnaire (e.g., accounts containing large dollar amounts, similar accounts that in aggregate are material). | _____ |
| 4. | During the facility tour, inquire about patient care vehicle usage and the maintenance of logs to support the business use versus personal use. Usage must be reasonably supported. (Note: If a vehicle is taken home at night or is used in a multi-facility it cannot be considered as one hundred percent (100%) Skilled Nursing Facility (SNF) patient care related.). Obtain provider representation for patient care vehicle usage. | _____ |
| a) | For vehicles not used one hundred percent (100%) for patient care, ensure that the appropriate percentage of total costs (including insurance, interest and depreciation) is removed. | _____ |

**ATTACHMENT B
EXHIBIT B-1**

- | | Done By Date W/P Ref |
|--|---|
| <ul style="list-style-type: none"> b) Disallow the cost of luxury or extravagant motor vehicles and associated expenses (CMS Publication 15-1 Section 2104.3). | <hr style="border: 0; border-top: 1px solid black;"/> |
| <ul style="list-style-type: none"> c) If personal use is reported as compensation, trace to reporting in full on the employee’s Federal Form W-2. Disallow if not reported to the Internal Revenue Service (IRS). | <hr style="border: 0; border-top: 1px solid black;"/> |
| <ul style="list-style-type: none"> 5. Obtain an accounts payable detail listing to place in the work papers. Review the propriety of year-end accruals and cutoffs and reversing entries affecting expenses. | <hr style="border: 0; border-top: 1px solid black;"/> |
| <ul style="list-style-type: none"> a) Tie the accounts payable detail to related accounts testing. Review the accounts payable listing for items requiring further examination consideration. | <hr style="border: 0; border-top: 1px solid black;"/> |
| <ul style="list-style-type: none"> 6. If costs are incurred for the services of a management company, complete the following: | <hr style="border: 0; border-top: 1px solid black;"/> |
| <ul style="list-style-type: none"> a) Obtain copies of the contract for the permanent file and inquire as to the extent of services rendered. | <hr style="border: 0; border-top: 1px solid black;"/> |
| <ul style="list-style-type: none"> b) If the management company qualifies as a related party, treat the management as a “home office” and complete the Home Office Costs section 10. of the examination program. | <hr style="border: 0; border-top: 1px solid black;"/> |
| <ul style="list-style-type: none"> c) Ensure that management contracts do not include payments for non-allowable costs. If marketing, public relations or other non-allowable expenses are incorporated into the management agreement propose adjustments to remove these expenses. | <hr style="border: 0; border-top: 1px solid black;"/> |
| <ul style="list-style-type: none"> d) If management fees are shown in cost centers other than “Administrative”, evaluate the allowability, calculations and basis for the allocations to other cost centers. Ensure fees are NOT allocated to direct patient care. | <hr style="border: 0; border-top: 1px solid black;"/> |
| <ul style="list-style-type: none"> e) If questions regarding reasonableness or necessity of management services remain, perform the following: | <hr style="border: 0; border-top: 1px solid black;"/> |
| <ul style="list-style-type: none"> i) Examine supporting documentation for services provided and determine that there is no overlap with other contracts or provided in house. | <hr style="border: 0; border-top: 1px solid black;"/> |
| <ul style="list-style-type: none"> ii) Examine provider documentation assessing the need and effectiveness of the services provided. | <hr style="border: 0; border-top: 1px solid black;"/> |

**ATTACHMENT B
EXHIBIT B-1**

- | | Done By | Date | W/P Ref |
|---|----------------|-------------|----------------|
| ii) Review competitive bids, market studies, rate of increases from prior years, and other evidence supporting reasonableness of fees for services provided. | | | |
| iii) Further consider undisclosed related party organizations. The Florida Secretary of State's corporation database is available at http://www.sunbiz.org . | | | |
| 7. Fully document all requests for additional information. (At least two (2) requests should be made prior to the exit conference. Information provided, even if considered insufficient, must be filed in a documentation folder and kept with the work papers). | | | |
| 8. Record adjustments on the SOPA. Fully document in the work papers support for all adjustments, including copies of provider documents or memoranda confirming findings with management. | | | |
| 9. If the facility is leased, place a copy of the lease agreement in the permanent file. Trace the provider's Lease Bond (Surety) or one percent (1%) Fund (Surety – schedule of requirement available from AHCA) and ensure that this expense is recorded in Administrative Expenses, not in Property Costs. | | | |

End of Section IX

REMAINDER OF PAGE LEFT INTENTIONALLY BLANK

**ATTACHMENT B
EXHIBIT B-1**

X. Multi-facility

Done By Date W/P Ref

1. Gain an understanding of the size, physical proximity, degree of sharing, and accounting treatment between the multi-facilities. **Document the understanding in a narrative** being sure to also cover the names, nature and number of units (beds) of other facility types. _____

2. Obtain the trial balance and/or the combining trial balance of the shared facility and place in the work papers. _____
 - a) Compare shared facility accounts with those of the nursing home. _____
 - b) Note accounts that involve allocations for testing in Step 3 below. _____
 - c) Review accounts to identify areas that should NOT have been allocated to the nursing home (i.e., pool and spa areas and expenses, etc.). _____
 - d) Review accounts to identify expense areas that should have been allocated between the facilities but were not. Areas of particular concern include: _____
 - i) Administrator and Administrative costs; _____
 - ii) Utilities; _____
 - iii) Laundry; _____
 - iv) Dietary (Salaries, supplies and food); _____
 - v) Housekeeping; _____
 - vi) Maintenance; _____
 - vii) Property Costs; and _____
 - viii) Vehicle Expense. _____

3. Obtain provider work paper support for all allocations made. _____
 - a) Review allocation methodology for reasonableness. _____
 - b) Test underlying assumptions and data as considered necessary. _____

4. For Nursing Facilities associated with a hospital, ensure that physicians' expenses, liability insurance and other related costs have not been allocated to the Nursing Home. _____

5. Follow-up on all noted questionable areas with further inquiry and investigation. _____

**ATTACHMENT B
EXHIBIT B-1**

6. Record adjustments on the SOPA. Fully document in the work papers, support for all adjustments. Include copies of provider documents confirming findings with management.

Done By Date W/P Ref

—

End of Section X

REMAINDER OF PAGE LEFT INTENTIONALLY BLANK

**ATTACHMENT B
EXHIBIT B-1**

XI. Home Office

Done By Date W/P Ref

Note: The Home Office of chain organizations normally provides central management and administrative services, including accounting, purchasing, personnel, management direction and controls, etc. At the Home Office level, costs associated with these services are allowable if they relate to patient care. If the Home Office provides services to other activities in addition to the nursing homes, the costs and the equity capital must be allocated among the various other activities and the nursing home providers.

The initial step in the allocation of Home Office costs is the elimination of costs that are not otherwise allowable when incurred directly by the providers (nonallowable costs). The next step is the assignment of direct costs to the activities or nursing homes specifically benefited by the costs (directly identifiable costs). The remaining costs should be allocated based on a method such as patient days or accumulated costs. Most Home Office costs should be classified as administrative and property in the same proportion as costs are classified in the Home Office cost report.

1. Obtain and review a copy of the home office cost report and note any unusual items on the Planning Memo Questionnaire:
 - a) Scan and adjust the cost report for items that would be nonallowable at the facility level (i.e., Income tax, Sales, Marketing, Contributions, etc.). Ensure that these have been eliminated on Schedule D.
 - b) Scan and adjust the cost report for any unusual items or property costs that may have been included in operating.
 - c) Scan the revenue accounts that would require income offset. Adjust as considered necessary.
2. Document, in a written narrative, the services performed by the Home Office as well as all operations conducted from it. Evaluate the necessity and reasonableness of these services and whether any other operation needs to be included on the Schedule Ps. Services should not be duplicated elsewhere and the Home Office should not exist solely for developmental purposes or to protect the owner's interest.
3. Tie the Schedule P(s) to the Schedule C of the Home Office Cost report and tie Home Office Schedule P(s) to each provider's (under examination) Schedule P(s). Reconcile any differences.
4. Perform detailed analysis and test as necessary the following general ledger accounts containing unusual or significant amounts. Direct costs must be assigned to the specific provider, state or region and not allocated as pooled costs.

**ATTACHMENT B
EXHIBIT B-1**

	Done By	Date	W/P Ref
a) Salary accounts for compensation paid to owners, officers and immediate relatives.			
b) Professional fees (Fees related to proposed acquisitions must be capitalized and allocated to the specific provider).			
c) Planning costs (Costs incurred for expansion, rebuilding or relocation must be treated in accordance with the CMS Pub. 15, Section 2150.2E. See also Section 2154.4 for the treatment of planning costs where plans are abandoned).			
d) Travel and entertainment.			
e) Legal and accounting fees. Legal or accounting work performed for a specific facility is not to be included in pooled costs.			
f) Related party costs.			
5. If the facility is leased, place a copy of the lease agreement in the permanent file.			
6. Review the computations used to allocate costs among the providers to ensure the allocation is in accordance with CMS, Pub. 15, Section 2150.3. For situations where the Home Office accounting period differs from the provider accounting period, use the Home Office cost report for the period ending within the provider's cost reporting period.			
a) Ensure that pooled costs allocated to the provider are included in the Administrative or Property cost centers in the same proportion as they are incurred at the Home Office level, and that Property costs are recorded/reclassified and adjusted on a separate line item in the issued cost report. Ensure that no costs are directly or indirectly allocated to direct patient care.			
b) Ensure that costs directly assigned to the provider are included in the appropriate cost center.			
7. Perform other examination procedures as determined necessary.			
8. Prepare a work paper to document the nature (written, verbal, telephone, etc.) of any requests for information from the provider, including names, dates and responses. Include copies of all correspondence, faxes, etc. requesting documentation in the work papers.			

**ATTACHMENT B
EXHIBIT B-1**

- | | | Done By | Date | W/P Ref |
|-----|---|----------------|-------------|----------------|
| 9. | Record adjustments on the SOPA. Fully document in the work papers, support for all adjustments. Include copies of provider documents confirming findings with management. | | | |
| 10. | If there are Home Office adjustments, prepare Home Office Attachment A for the issued report. | | | |

End of Section XI

REMAINDER OF PAGE LEFT INTENTIONALLY BLANK

**ATTACHMENT B
EXHIBIT B-1**

XII. Examination Report Preparation and Review

Done By Date W/P Ref

- | | | |
|----|---|-------|
| 1. | Recompute Schedules F, G, G-1 and H, giving consideration to adjustments noted for all expense testing, as well as patient days and square footage allocations. | _____ |
| 2. | Prepare summary schedules of proposed examination adjustments (SOPA), SOPA-1, SOPA-2, SOPA-3 and SOPA-4. | _____ |
| 3. | Prepare draft examination report. | _____ |
| 4. | Manager/Senior review of SOPAs, work papers, and draft of examination report to ensure: | _____ |
| a) | Agreement of SOPAs to the examination report. | _____ |
| b) | Adjustments are adequately supported, documented, and properly cross-referenced in the work papers. | _____ |
| c) | Appropriate reimbursement principles were applied for each adjustment. | _____ |
| d) | Comments and cites used to support the adjustments are valid, accurately explained and properly cross-referenced in the work papers. | _____ |
| e) | All areas noted in the planning memo have been adequately addressed and properly cross-referenced in the work papers. | _____ |
| f) | There are no omissions or unresolved issues in the examination program or work papers. | _____ |
| g) | The draft examination report is accurate and complete. | _____ |
| 5. | Upon completion of the review, furnish the provider with a copy of the Schedule(s) of Proposed Adjustments at least ten (10) days prior to the exit conference. Schedule and hold an exit conference. | _____ |
| a) | Retain copies of documentation received during the exit conference and the post-exit waiting period in the documentation file. | _____ |
| b) | Changes to the original SOPAs should be made in ink. Line through for changes and do not erase or re-number adjustments. | _____ |
| c) | If the provider refuses to sign the SOPAs, document all requests, mailings, telephone conversations, etc. | _____ |

**ATTACHMENT B
EXHIBIT B-1**

- | | Done By | Date | W/P Ref |
|---|----------------|-------------|----------------|
| 6. Complete the Exit Conference Checklist. Ensure that exit conference and waiver documentation is included in the Work papers. | | | |
| | _____ | | |
| 7. Respond to AHCA review comments as appropriate. Responses and changes are to be coordinated and reviewed by a Medicaid experienced Manager/Senior. | | | |
| | _____ | | |
| a) Revised work papers and corrected amounts should be clearly labeled and remain in the work papers until the review process is complete. | | | |
| | _____ | | |
| 8. Notify the provider in writing of any changes made to the SOPAs during the State review process. | | | |
| | _____ | | |
| 9. Complete the percentage of total hours worked on this engagement for each assigned staff member on the "Professional Staff" work paper. | | | |
| | _____ | | |
| 10. Ensure Examination Report is issued after thirty (30) days have elapsed. | | | |
| | _____ | | |

End of Section XII

REMAINDER OF THIS PAGE LEFT INTENTIONALLY BLANK

**ATTACHMENT B
EXHIBIT B-2**

Medicaid Nursing Home Cost Report Examinations

Vendor

Does the Vendor have financial interest in any nursing home chain, individual nursing home, continuing care retirement community, or other entity participating in the Florida Medicaid nursing home program?

Yes No

Does the Vendor plan to obtain financial interest in any entity participating in the Florida Medicaid nursing home program during this Contract period?

Yes No

Does the Vendor have any personal relationship with any nursing home chain, individual nursing home, continuing care retirement community, or other entity participating in the Florida Medicaid nursing home program?

Yes No

Does the Vendor have any professional engagement activities, outside those services to be provided under the proposed Contract, with any nursing home chain, individual nursing home, continuing care retirement community, or other entity participating in the Florida Medicaid nursing home entity?

Yes No

Are there any other conditions, not covered by the questions above, which may cause a conflict of interest with providing audit/examination services to the Agency?

Yes No

If the answer to any of the above questions is “YES”, please provide a written explanation for each “YES” answer:

**ATTACHMENT B
EXHIBIT B-2**

Contract Manager

Does the Vendor's Contract Manager or their immediate family have financial interest in any nursing home chain, individual nursing home, continuing care retirement community, or other entity participating in the Florida Medicaid nursing home program?

Yes No

Does the Vendor's Contract Manager or their immediate family plan to obtain financial interest during the period of the Contract in any entity participating in the Florida Medicaid nursing home program, during the Contract period?

Yes No

Does the Vendor's Contract Manager or their immediate family have any personal relationship with any nursing home chain, continuing care retirement community, or other entity participating in the Florida Medicaid nursing home program?

Yes No

Has the Vendor's Contract Manager or their immediate family discussed, or plan to seek or accept future employment with a nursing home chain, individual nursing home, continuing care retirement community, or other entity participating in the Florida Medicaid nursing home program during the period of the Contract?

Yes No

Are there any other conditions, not covered by the questions above, which may cause the Vendor's Contract Manager to have a conflict of interest with providing audit/examination services to the Agency?

Yes No

If the answer to any of the above questions is "YES", please provide a written explanation for each "YES" answer:

REMAINDER OF PAGE INTENTIONALLY LEFT BLANK

**ATTACHMENT B
EXHIBIT B-2**

I DECLARE ALL OF THE ABOVE QUESTIONS ARE ANSWERED TRUTHFULLY AND TO THE BEST OF MY KNOWLEDGE.

Signature

Date

Printed Name

The Vendor shall provide an updated Conflict of Interest Questionnaire each year of this Contract. If, during the year, the Vendor determines a conflict of interest has arisen, the Agency is to be notified within twenty-four (24) hours of the identification of the conflict of interest.

REMAINDER OF PAGE INTENTIONALLY LEFT BLANK