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STATE OF NEW HAMPSHIRE
DEPARTMENT OF HEALTH AND HUMAN SERVICES
DIVISION OF MEDICAID SERVICES

Lori A. Shibinette
Commissioner

Henry D. Lipman
Director

129 PLEASANT STREET, CONCORD, NH 03301
603-271-9422 1-800-852-3345 Ext. 9422
Fax: 603-271-8431 TDD Access: 1-800-735-2964
www.dhhs.nh.gov

March 15, 2021

His Excellency, Governor Christopher T. Sununu
and the Honorable Council
State House
Concord, New Hampshire 03301

REQUESTED ACTION

Authorize the Department of Health and Human Services, Division of Medicaid Services, to enter into a **Sole Source** amendment to an existing contract with Milliman, Inc. (VC #173344), Brookfield, Wisconsin, for the continued provision of Actuarial Services and Technical Support relative to Medicaid Care Management (MCM) to permit a business aligned procurement process, by increasing the price limitation by $2,532,850 from $10,325,500 to $12,858,350 and by extending the completion date from June 30, 2021 to June 30, 2022 effective upon Governor and Council approval. 50% Federal Funds. 34% General Funds. 16% Other Funds from the New Hampshire Granite Advantage Health Care Program Trust Fund.

The original contract was approved by Governor and Council on June 21, 2017, item #11A, as amended with Governor and Council approval on September 5, 2018, item #7, and as amended with Governor and Council approval on May 1, 2019, item #7.

Funds are anticipated to be available in State Fiscal Year 2022, upon the availability and continued appropriation of funds in the future operating budget, with the authority to adjust budget line items within the price limitation and encumbrances between state fiscal years through the Budget Office, if needed and justified.

05-95-047-470010-3099 HEALTH AND SOCIAL SERVICES, HEALTH AND HUMAN SVCS DEPT OF HHS: OFC OF MEDICAID & BUS PLCY, OFF. OF MEDICAID & BUS, POLICY, NHHPP TRUST FUND

State Fiscal Year	Class / Account	Class Title	Job Number	Current Budget	Increased (Decreased) Amount	Revised Budget
2018	102-500731	Contracts for Program Services	47003320	200,000	$0	200,000
2019	102-500731	Contracts for Program Services	47003320	$623,342	$0	$623,342
			Subtotals	*$823,342*	*$0*	*$823,342*

05-95-47-470010-2358 HEALTH AND SOCIAL SERVICES, HEALTH AND HUMAN SVCS DEPT OF HHS: MEDICAID & BUS POLICY OFC, OFF. OF MEDICAID & BUS. POLICY, GRANITE ADVANTAGE HEALTH PROGRAM TRUST FUND

State Fiscal Year	Class / Account	Class Title	Job Number	Current Budget	Increased (Decreased) Amount	Revised Budget
2019	102-500731	Contracts for Program Services	47003330	$466,658	$0	$466,658
2020	102-500731	Contracts for Program Services	47003330	$688,982	$0	$688,982
2021	102-500731	Contracts for Program Services	47003330	$709,198	$0	$709,198
2022	102-500731	Contracts for Program Services	47003330	$0	$810,512	$810,512
			Subtotals	*$1,864,838*	*$810,512*	*$2,675,350*

05-00095-047-470010-7937 HEALTH AND SOCIAL SERVICES, HEALTH AND HUMAN SVCS DEPT OF HHS: OFC OF MEDICAID & BUS PLCY, OFF. OF MEDICAID & BUS. POLICY MEDICAID ADMINISTRATION

State Fiscal Year	Class / Account	Class Title	Job Number	Current Budget	Increased (Decreased) Amount	Revised Budget
2018	102-500731	Contracts for Program Services	47002901	$2,121,000	$0	$2,121,000
2019	102-500731	Contracts for Program Services	47002901	$1,921,000	$0	$1,921,000
2020	102 - 500731	Contracts for Program Services	47002901	$1,771,668	$0	$1,771,668
2021	102-500731	Contracts for Program Services	47002901	$1,823,652	$0	$1,823,652
2022	102-500731	Contracts for Program Services	47002901	$0	$1,722,338	$1,722,338
			Subtotals	*$7,637,320*	*$1,722,338*	*$9,359,658*
			Totals	***$10,325,500***	***$2,532,850***	***$12,858,350***

EXPLANATION

This request is **Sole Source** because the contract is being extended past the current completion date and there are no further renewal clauses included in the agreement. The original agreement was sole source because the Contractor provided technical assistance in the original development of the Medicaid Care Management Program Requests for Proposals, development of the rate book for potential vendors and provided the federally required certification of the actuarial soundness of the capitated rates proposed to be paid to the managed care organizations.

The Contractor is uniquely positioned to provide the Department, during State Fiscal Year 2021 and the first half of State Fiscal Year 2022, with time critical actuarial services. These services are specific to both enable the Department to operate the entire Medicaid Care Management Program with economy for approximately 215,000 beneficiaries and in an actuarially compliant manner under Centers for Medicaid and Medicare Service requirements for operating the Medicaid Care Management Program. The Department would not be able to setup an IT infrastructure with a new contractor to immediately allow for data exchange and to model the existing program. Due to Legislative policy changes impacting the business requirements and due to the pandemic; the Department was unable to competitively reprocure the services during State Fiscal Year 2021.

The purpose of this request is to extend actuarial services and technical support for the operation of the Medicaid Care Management (MCM) Program. In June of 2011, the New Hampshire State Legislature passed SB 147 (Chapter 125, Laws of New Hampshire 2011), that required the Department to develop a comprehensive statewide MCM program for New Hampshire Medicaid enrollees. This amendment incorporates State and Federal updates to the Medicaid program.

The Department is requesting an extension to allow adequate time to develop a solicitation and select a new vendor upon the termination of this contract on July 1, 2022. This amendment will also allow the Department adequate time to smoothly transition to a new vendor. The Department has already initiated work and started preparations for a future solicitation.

Actuarial Services also support Medicaid Budgeting, Medicaid Waivers and Medicaid Program development. On May 9, 2012, the Governor and Executive Council voted to approve the contract to implement full-risk capitated payments to managed care organizations to deliver acute care Medicaid Services. The Center for Medicare and Medicaid Services (CMS) approved New Hampshire's plan for statewide implementation. Under federal law, capitated rates paid to managed care organizations must be actuarially sound in order to be approved by CMS. NH Medicaid obtained services from the Contractor to ensure the rates met this standard and would receive approval from CMS so that the initiative could go forward.

The Department will monitor contracted services by ensuring:

- Timely delivery of reports and any other work products;
- Timely delivery of Medicaid managed care capitation rates; and
- On-site visits for purposes of presentation of key reports to the Department of Health and Human Services leadership and stakeholders at least annually.

Should the Governor and Council not authorize this request, the Department of Health and Human Services would not be able to complete the actuarial tasks required to obtain certification and implement its MCM Program initiatives in a timely and accurate manner; thereby exposing the Department and State to increased risk of federal funds being withheld.

Area served: Statewide

Source of Funds: CFDA #93.778, FAIN 2005NH5ADM

Respectfully submitted,

Lori Shibinette

Lori A. Shibinette
Commissioner

State of New Hampshire
Department of Health and Human Services
Amendment #3

This Amendment to the Actuarial Services contract is by and between the State of New Hampshire, Department of Health and Human Services ("State" or "Department") and Milliman, Inc. ("the Contractor").

WHEREAS, pursuant to an agreement (the "Contract") approved by the Governor and Executive Council on June 21, 2017 (Item 11A), as amended on September 5, 2018 (Item #7), and as amended on May 1, 2019 (Item # 7), the Contractor agreed to perform certain services based upon the terms and conditions specified in the Contract as amended and in consideration of certain sums specified; and

WHEREAS, pursuant to Form P-37, General Provisions, Paragraph 18 and Exhibit A, Scope of Services, Section 1 Introduction, Subsection 1.3 Agreement Period; the Contract may be amended upon written agreement of the parties and approval from the Governor and Executive Council; and

WHEREAS, the parties agree to extend the term of the agreement, increase the price limitation, or modify the scope of services to support continued delivery of these services; and

NOW THEREFORE, in consideration of the foregoing and the mutual covenants and conditions contained in the Contract and set forth herein, the parties hereto agree to amend as follows:

1. Form P-37 General Provisions, Block 1.7, Completion Date, to read:

   June 30, 2022.

2. Form P-37, General Provisions, Block 1.8, Price Limitation, to read:

   $12,858,350.

3. Modify Exhibit B, Methods and Conditions Precedent to Payment, Section 1, to read:

   1. This Agreement is funded by:

      1.1. 50% Federal Funds for Medicaid Entitlement as awarded on January 27, 2021 by the US Department for Health and Human Services, Centers for Medicare and Medicaid Services, CFDA #93.778, FAIN 2005NH5ADM.

      1.2. 34% General Funds.

      1.3. 16% Other Funds from the New Hampshire Granite Advantage Health Care Program Trust Fund.

      1.4. The Contractor must provide the services in Exhibit A, Scope of Services, in compliance with funding requirements.

4. Modify Exhibit B, Methods and Conditions Precedent to Payment, Section 2, Subsection 2.1, to read:

   2.1. Payment shall be made based on hourly reimbursement rates in accordance with Exhibit B-1 Staff Hourly Rates through Exhibit B-1 Amendment #3 Staff Hourly Rates. The Contractor shall be paid for actual hours worked in accordance with Exhibit B-2 Budget through Exhibit B-4 Amendment #3 Budget.

5. Modify Exhibit B-1 Amendment #2 Staff Hourly Rates by replacing it in its entirety with Exhibit B-1 Amendment #3 Staff Hourly Rates, which is attached hereto and incorporated by reference herein.

6. Add Exhibit B-4 Amendment #3 Budget, which is attached hereto and incorporated by reference herein.

All terms and conditions of the Contract and prior amendments not modified by this Amendment #3 remain in full force and effect. This Amendment shall be effective upon the date of Governor and Executive Council approval.

IN WITNESS WHEREOF, the parties have set their hands as of the date written below,

State of New Hampshire
Department of Health and Human Services

4/2/2021
Date

DocuSigned by:
Henry D. Lipman
CF5D44D4F70D4E4...
Name: Henry D. Lipman
Title: 4/2/2021

Milliman, Inc.

4/2/2021
Date

DocuSigned by:
John Meerschaert
40D858182F29426...
Name: John Meerschaert
Title: Principal and Consulting Actuary

The preceding Amendment, having been reviewed by this office, is approved as to form, substance, and execution.

OFFICE OF THE ATTORNEY GENERAL

4/2/2021
Date

DocuSigned by:
D5CA9202E32C4AE...
Name: Catherine Pinos
Title: Attorney

I hereby certify that the foregoing Amendment was approved by the Governor and Executive Council of the State of New Hampshire at the Meeting on: _____ (date of meeting)

OFFICE OF THE SECRETARY OF STATE

Date

Name:
Title:

Exhibit B-1 – Amendment #3

Staff Hourly Rates

SFY 18 Staff Position	Rate Per Hour
Senior Principal	$600
Principal	$495
Senior Consultant	$435
Consultant	$380
Project Manager	$320
Senior Professional Staff	$270
Professional Staff	$225
Administrative Assistant	$150
SFY 19 Staff Position	**Rate Per Hour**
Senior Principal	$620
Principal	$505
Senior Consultant	$445
Consultant	$390
Project Manager	$330
Senior Professional Staff	$275
Professional Staff	$230
Administrative Assistant	$155
SFY 20 Staff Position	**Rate Per Hour**
Senior Principal	$635
Principal	$525
Senior Consultant	$450
Consultant	$395
Project Manager	$340
Senior Professional Staff	$290
Professional Staff	$235
Administrative Assistant	$160

SFY 21 Staff Position	Rate Per Hour
Senior Principal	$650
Principal	$540
Senior Consultant	$460
Consultant	$405
Project Manager	$350
Senior Professional Staff	$300
Professional Staff	$240
Administrative Assistant	$165
SFY 22 Staff Position	**Rate Per Hour**
Senior Principal	$650
Principal	$555
Senior Consultant	$475
Consultant	$415
Project Manager	$360
Senior Professional Staff	$310
Professional Staff	$245
Administrative Assistant	$50

Exhibit B-4 – Amendment #3

Budget

Activity*	Cost State Fiscal Year 2022
Develop actuarial sound rates for Medicaid managed care programs that meet CMS requirements and actuarial standards and practice, which include the Standard Medicaid and Granite Advantage Health Care Program (GAHCP) populations annually and as needed.	Deliverable: Medicaid managed care capitation rates Estimated Hours: 3,000 Estimated Cost: $1,064,850
Support DHHS to plan and develop any amendments to the Department's managed care contracts and development of new programs.	Deliverables: Various written reports Estimated Hours: 500 Estimated Cost: $177,000
Conduct continuous budget neutrality calculation and monitoring for all Section 1115(a) and Section 1915(b) waivers. Provide updated budget neutrality and cost effectiveness projections as needed.	Deliverables: Budget neutrality monitoring reports Estimated Hours: 800 Estimated Cost: $284,000
Create draft(s), and final contracted Medicaid managed care rates and provide actuarial certification meeting standards of practice and CMS regulations and guidance.	Deliverables: Various rate certification reports and stakeholder communications Estimated Hours: 400 Estimated Cost: $142,000

Activity*	Cost State Fiscal Year 2022
Conduct other actuarial services, as requested, which may include: risk corridor analysis and settlement calculations, MCO withhold calculations, MCO financial reporting and MLR calculation review, Federal health insurer fee calculation, quarterly risk adjustment of capitation rates, advice on managed care strategy, and validation of MCO encounter and financial data.	Deliverables: Various written reports Estimated Hours: 1,600 Estimated Cost: $569,000
Provide technical support services, which may include but are not limited to: calculating financial impact of proposed legislative changes and providing legislative testimony; Medicaid policy and program strategy, design, and development; and updating methodology for claiming enhanced federal match for family planning services under managed care.	Deliverables: Various written reports Estimated Hours: 250 Estimated Cost: $89,000
Provide technical assistance training sessions as needed to increase the Department's understanding of actuarial procedures, standards and practices and CMS requirements.	Deliverable: Training materials Estimated Hours: 80 Estimated Cost: $28,000
Participate in regular planning meetings including teleconference planning meetings and onsite visits as related to rate development and review. Expenses will be reimbursed.	Deliverable: Meeting attendance Estimated Hours: 400 Estimated Cost: $165,000
Develop, maintain and provide tasks specific work plans with milestones on a quarterly basis.	Deliverable: Task specific work plans Estimated Hours: 40 Estimated Cost: $14,000
Estimated Total	**$2,532,850**

***Refer to Exhibit A, Scope of Work, for details of each activity. Estimated hours must be tied to the Activity in column 1.**

State of New Hampshire

Department of State

CERTIFICATE

I, William M. Gardner, Secretary of State of the State of New Hampshire, do hereby certify that MILLIMAN, INC. is a Washington Profit Corporation registered to transact business in New Hampshire on September 15, 1988. I further certify that all fees and documents required by the Secretary of State's office have been received and is in good standing as far as this office is concerned.

Business ID: **134216**

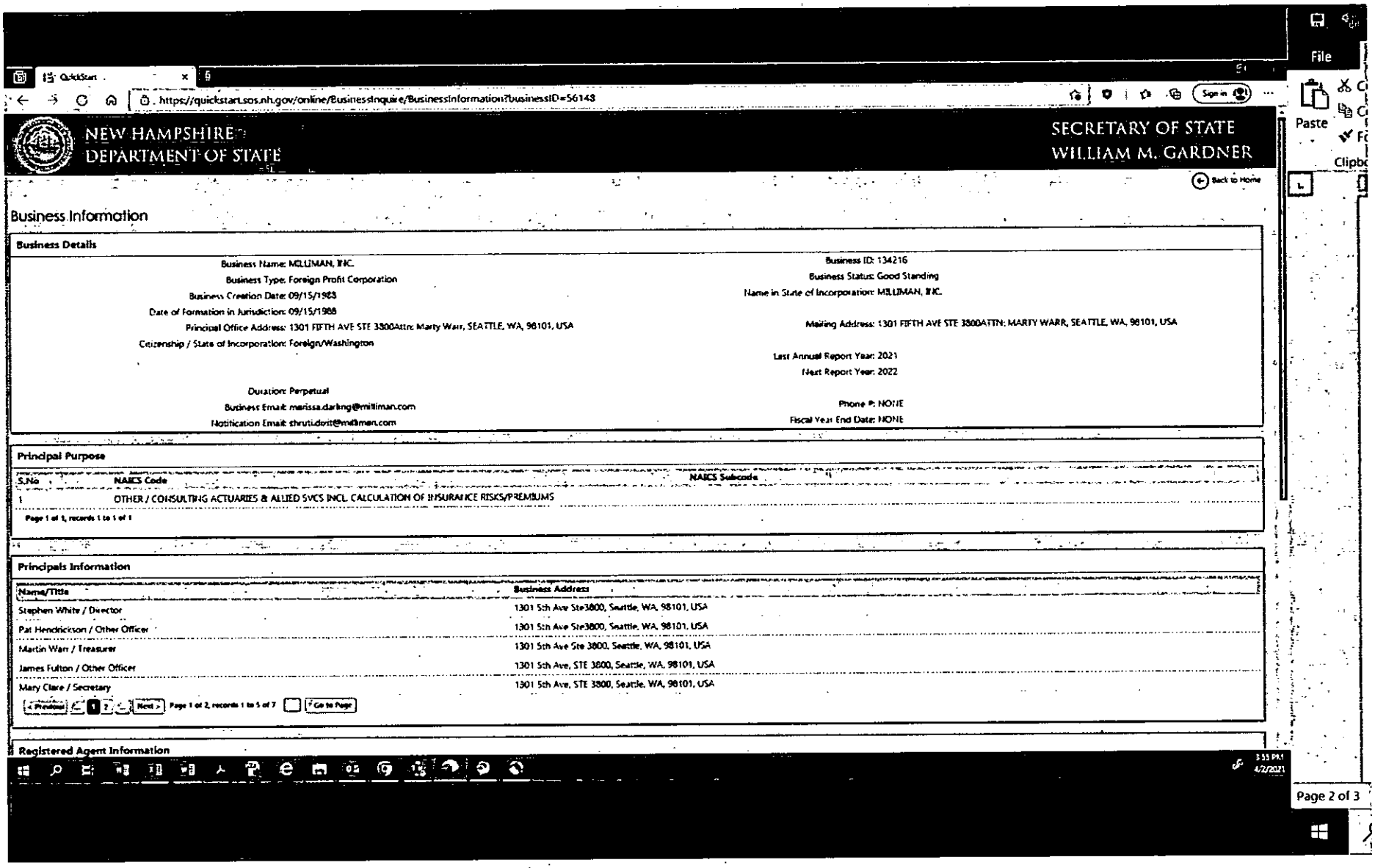
Certificate Number: **0005303577**

IN TESTIMONY WHEREOF,

I hereto set my hand and cause to be affixed the Seal of the State of New Hampshire, this 22nd day of March A.D. 2021.

William M. Gardner

Secretary of State



QuickStart

https://quickstart.sos.nh.gov/online/BusinessInquire/BusinessInformation?businessID=56143

NEW HAMPSHIRE
DEPARTMENT OF STATE

SECRETARY OF STATE
WILLIAM M. GARDNER

Back to Home

Business Information

Business Details

Business Name: MILLIMAN, INC.
Business Type: Foreign Profit Corporation
Business Creation Date: 09/15/1983
Date of Formation in Jurisdiction: 09/15/1983
Principal Office Address: 1301 FIFTH AVE STE 3800Attn: Marty Warr, SEATTLE, WA, 98101, USA
Citizenship / State of Incorporation: Foreign/Washington

Duration: Perpetual
Business Email: marissa.darling@milliman.com
Notification Email: shruti.dixit@milliman.com

Business ID: 134216
Business Status: Good Standing
Name in State of Incorporation: MILLIMAN, INC.

Mailing Address: 1301 FIFTH AVE STE 3800ATTN: MARTY WARR, SEATTLE, WA, 98101, USA

Last Annual Report Year: 2021
Next Report Year: 2022

Phone #: NONE
Fiscal Year End Date: NONE

Principal Purpose

S.No	NAICS Code	NAICS Subcode
1	OTHER / CONSULTING ACTUARIES & ALLIED SVCS INCL CALCULATION OF INSURANCE RISKS/PREMIUMS	

Page 1 of 1, records 1 to 1 of 1

Principals Information

Name/Title	Business Address
Stephen White / Director	1301 5th Ave Ste3800, Seattle, WA, 98101, USA
Pat Hendricicson / Other Officer	1301 5th Ave Ste3800, Seattle, WA, 98101, USA
Martin Warr / Treasurer	1301 5th Ave Ste 3800, Seattle, WA, 98101, USA
James Fulton / Other Officer	1301 5th Ave, STE 3800, Seattle, WA, 98101, USA
Mary Clare / Secretary	1301 5th Ave, STE 3800, Seattle, WA, 98101, USA

< Previous 1 2 Next > Page 1 of 2, records 1 to 5 of 7 Go to Page

Registered Agent Information

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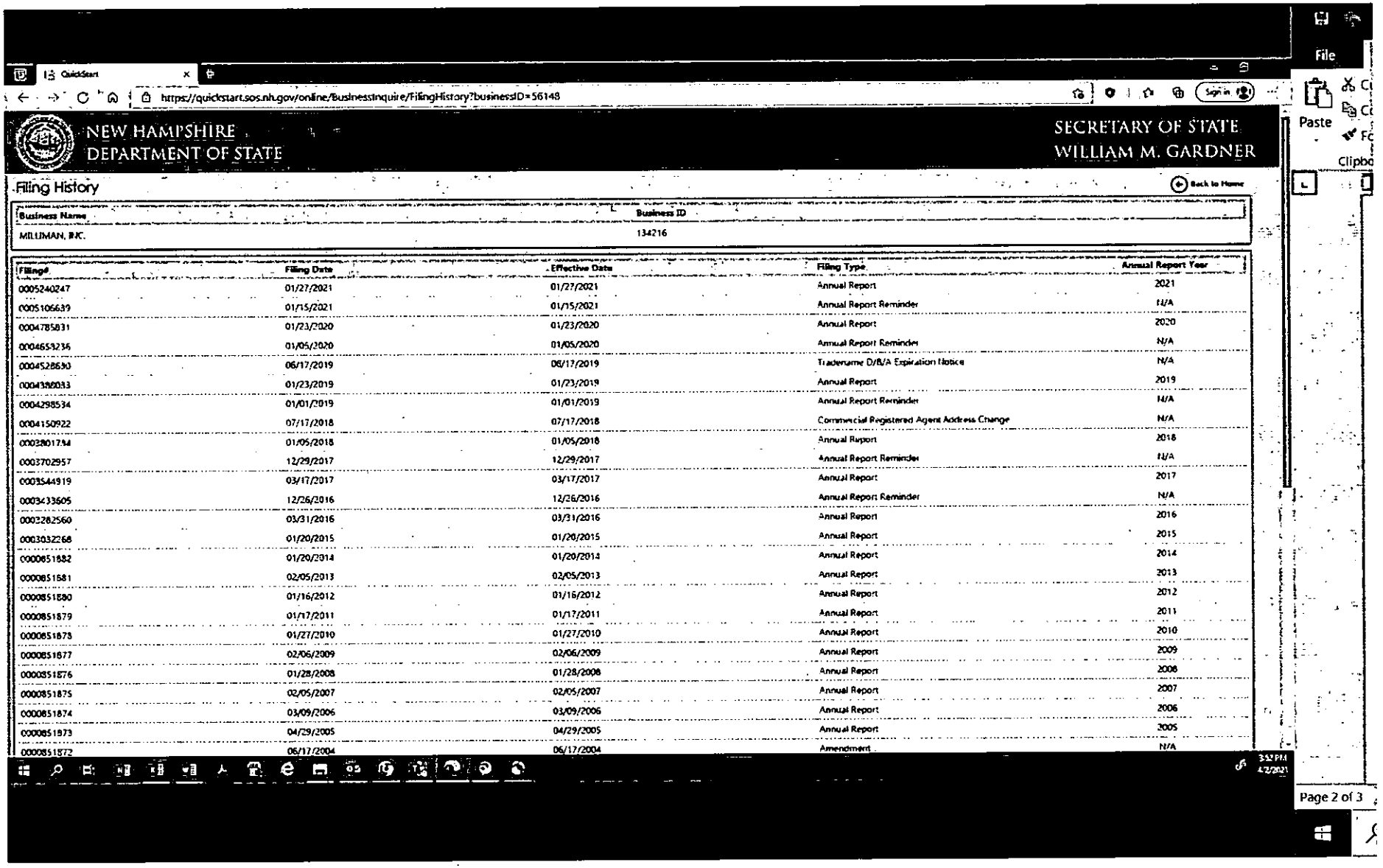
Page 2 of 3



QuickStart

https://quickstart.sos.nh.gov/online/BusinessInquire/FilingHistory?businessID=56148

NEW HAMPSHIRE
DEPARTMENT OF STATE

SECRETARY OF STATE
WILLIAM M. GARDNER

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Filing History

Business Name	Business ID
MILLIMAN, INC.	134216

Filing#	Filing Date	Effective Date	Filing Type	Annual Report Year
0005240247	01/27/2021	01/27/2021	Annual Report	2021
0005106639	01/15/2021	01/15/2021	Annual Report Reminder	N/A
0004785831	01/23/2020	01/23/2020	Annual Report	2020
0004653236	01/05/2020	01/05/2020	Annual Report Reminder	N/A
0004528630	06/17/2019	06/17/2019	Tradename D/B/A Expiration Notice	N/A
0004386033	01/23/2019	01/23/2019	Annual Report	2019
0004298534	01/01/2019	01/01/2019	Annual Report Reminder	N/A
0004150922	07/17/2018	07/17/2018	Commercial Registered Agent Address Change	N/A
0003801794	01/05/2018	01/05/2018	Annual Report	2018
0003702957	12/29/2017	12/29/2017	Annual Report Reminder	N/A
0003544919	03/17/2017	03/17/2017	Annual Report	2017
0003433605	12/26/2016	12/26/2016	Annual Report Reminder	N/A
0003282560	03/31/2016	03/31/2016	Annual Report	2016
0003032268	01/20/2015	01/20/2015	Annual Report	2015
0000851882	01/20/2014	01/20/2014	Annual Report	2014
0000851881	02/05/2013	02/05/2013	Annual Report	2013
0000851880	01/16/2012	01/16/2012	Annual Report	2012
0000851879	01/17/2011	01/17/2011	Annual Report	2011
0000851878	01/27/2010	01/27/2010	Annual Report	2010
0000851877	02/06/2009	02/06/2009	Annual Report	2009
0000851876	01/28/2008	01/28/2008	Annual Report	2008
0000851875	02/05/2007	02/05/2007	Annual Report	2007
0000851874	03/09/2006	03/09/2006	Annual Report	2006
0000851873	04/29/2005	04/29/2005	Annual Report	2005
0000851872	06/17/2004	06/17/2004	Amendment	N/A

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Milliman

Certification of Corporate Secretary

I, Mary C. Clare, am the duly qualified and acting Corporate Secretary of Milliman, Inc. and I hereby affirm that:

1. On December 3, 2002, the following resolution was duly adopted by the Board of Directors of the corporation and remains in effect.

   BE IT HEREBY RESOLVED, that each Principal of the firm and any consultant meeting requirements established by the Board of Directors are hereby granted the authority to individually negotiate and enter into proposals, engagement letters, contracts, letters of intent, and other documents on behalf of the corporation for the purpose of providing consulting, actuarial, and other professional services.

2. John Meerschaert

   ☒ is a duly elected and acting Principal of the firm.

   ☐ is a consultant of the firm who meets the requirements established by the Board of Directors.

DATED this 1st day of April 2021

Mary C. Clare
Corporate Secretary

CERTIFICATE OF LIABILITY INSURANCE

DATE(MM/DD/YYYY) 06/30/2020

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must have ADDITIONAL INSURED provisions or be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER Aon Risk Services Northeast, Inc. New York NY Office One Liberty Plaza 165 Broadway, Suite 3201 New York NY 10006 USA	CONTACT NAME: PHONE (A/C. No. Ext): (312) 381-1000 FAX (A/C. No.): (312) 381-7007 E-MAIL ADDRESS:
INSURED Milliman, Inc. 1301 Fifth Avenue Ste. 3800 Seattle WA 98101 USA	INSURER(S) AFFORDING COVERAGE / NAIC # INSURER A: National Fire Ins. Co. of Hartford 20478 INSURER B: The Continental Insurance Company 35289 INSURER C: Valley Forge Insurance Co 20508 INSURER D: Transportation Insurance Co. 20494 INSURER E: INSURER F:

COVERAGES **CERTIFICATE NUMBER:** 570082752798 **REVISION NUMBER:**

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS. Limits shown are as requested

INSR LTR	TYPE OF INSURANCE	ADDL INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS	
A	X COMMERCIAL GENERAL LIABILITY CLAIMS-MADE [X] OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: POLICY [ ] PRO-JECT [X] LOC OTHER:			6071865195 General Liability	06/30/2020	06/30/2021	EACH OCCURRENCE DAMAGE TO RENTED PREMISES (Ea occurrence) MED EXP (Any one person) PERSONAL & ADV INJURY GENERAL AGGREGATE PRODUCTS - COMP/OP AGG	$1,000,000 $1,000,000 $15,000 $1,000,000 $2,000,000 $2,000,000
	AUTOMOBILE LIABILITY ANY AUTO OWNED AUTOS ONLY HIRED AUTOS ONLY SCHEDULED AUTOS NON-OWNED AUTOS ONLY						COMBINED SINGLE LIMIT (Ea accident) BODILY INJURY (Per person) BODILY INJURY (Per accident) PROPERTY DAMAGE (Per accident)	
	UMBRELLA LIAB [ ] OCCUR EXCESS LIAB [ ] CLAIMS-MADE DED RETENTION						EACH OCCURRENCE AGGREGATE	
C D B	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR / PARTNER / EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) Y/N: N N/A If yes, describe under DESCRIPTION OF OPERATIONS below			WC 6071865486 WC 6071866153 WC 6071865178 Workers Compensation	06/30/2020 06/30/2020 06/30/2020	06/30/2021 06/30/2021 06/30/2021	X PER STATUTE [ ] OTH-ER E.L. EACH ACCIDENT E.L. DISEASE-EA EMPLOYEE E.L. DISEASE-POLICY LIMIT	 $1,000,000 $1,000,000 $1,000,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)

CERTIFICATE HOLDER

State of New Hampshire
Department of Health and Human Services
129 Pleasant Street
Concord, NH 03301 USA

CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

AUTHORIZED REPRESENTATIVE

Aon Risk Services Northeast Inc

Holder Identifier :

Certificate No : 570082752798

7 mac

APR08'19 PM12:23 DAS

STATE OF NEW HAMPSHIRE

DEPARTMENT OF HEALTH AND HUMAN SERVICES

DIVISION OF MEDICAID SERVICES

Jeffrey A. Meyers
Commissioner

Henry D. Lipman
Director

129 PLEASANT STREET, CONCORD, NH 03301
603-271-9422 1-800-852-3345 Ext. 9422
Fax: 603-271-8431 TDD Access: 1-800-735-2964
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April 2, 2019

His Excellency, Governor Christopher T. Sununu
and the Honorable Council
State House
Concord, New Hampshire 03301

REQUESTED ACTION

Authorize the Department of Health and Human Services, Division of Medicaid Services, to enter into a **retroactive** amendment to a **sole source** agreement with Milliman, Inc., Vendor # 173344, 15800 W. Bluemound Road, Suite 100 Brookfield, Wisconsin 53005, to expand Actuarial Services and Technical Support relative to Medicaid Care Management (MCM), by increasing the Price Limitation by $5,633,500 from $4,692,000 to an amount not to exceed $10,325,500 and by extending the completion date from June 30, 2019 to June 30, 2021, retroactive to September 1, 2018 effective upon Governor and the Executive Council approval. 50% Federal Funds, 37% General Funds, 13% Other Funds.

This agreement was originally approved by Governor and Council on June 21, 2017, (Item #11A – Vote 5-0), and subsequently amended on September 5, 2018, (Item #7 – Vote 5-0).

Funds are available in the following account(s) for State Fiscal Year (SFY) 2019, and are anticipated to be available in SFY 2020 and SFY 2021, upon the availability and continued appropriation of funds in the future operating budgets, with authority to adjust amounts within the price limitation and adjust encumbrances between State Fiscal Years through the Budget Office, if needed and justified.

05-95-047-470010-30990000, HEALTH AND SOCIAL SERVICES, HEALTH AND HUMAN SVCS DEPT OF 'HHS: OFC OF MEDICAID & BUS PLCY, OFF. OF MEDICAID & BUS, POLICY, NHHPP TRUST FUND

SFY	Class/ Object	Class Title	Current Modified Budget	Increase / (Decrease) Amount	Revised Modified Budget
2018	102-500731	Contracts for Program Services	$200,000	$0	200,000
2019	102-500731	Contracts for Program Services	$450,000	$173,342	$623,342
		Sub-Total	***$650,000***	***$173,342***	***$823,342***

05-95-47-470010-2358 HEALTH AND SOCIAL SERVICES, HEALTH AND HUMAN SVCS DEPT OF HHS: MEDICAID & BUS POLICY OFC, OFF. OF MEDICAID & BUS. POLICY, GRANITE ADVANTAGE HEALTH PROGRAM TRUST FUND

SFY	Class/ Object	Class Title	Current Modified Budget	Increase / (Decrease) Amount	Revised Modified Budget
2019	102-500731	Contracts for Program Services	$0	$466,658	$466,658
2020	102-500731	Contracts for Program Services	$0	$688,982	$688,982
2021	102-500731	Contracts for Program Services	$0	$709,198	$709,198
		Sub-Total	***$0***	***$1,864,838***	***$1,864,838***

05-00095-047-470010-7937,HEALTH AND SOCIAL SERVICES,HEALTH AND HUMAN SVCS
DEPT OF HHS:OFC OF MEDICAID & BUS PLCY,OFF. OF MEDICAID & BUS. POLICY
MEDICAID ADMINISTRATION

SFY	Class/ Object	Class Title	Current Modified Budget	Increase / (Decrease) Amount	Revised Modified Budget
2018	102 -500731	Contracts for Program Services	$2,121,000	$0	$2,121,000
2019	102 -500731	Contracts for Program Services	$1,921,000	$0	$1,921,000
2020	102 -500731	Contracts for Program Services	$0	$1,771,668	$1,771,668
2021	102 -500731	Contracts for Program Services	$0	$1,823,652	$1,823,652
		Sub-Total	***$4,042,000***	***$3,595,320***	***$7,637,320***
		Contract Total	***$4,692,000***	***$5,633,500***	***$10,325,500***

EXPLANATION

This amendment is **retroactive** because actuarial consultation and analysis for the State's Medicaid Expansion 1115 waiver was required prior to the contract amendment to timely inform legislative determinations for SB 313 and to meet CMS requirements and timelines to transition the approximate 43,000 New Hampshire Health Protection Premium Assistance Beneficiaries to the Medicaid Care Management Program under the Granite Advantage Health Care Program.

This amendment is **sole source** because Milliman, Inc. is the only vendor that can provide the Department with time critical actuarial services specific to both enable the Department to operate the entire Medicaid Care Management Program with economy for approximately 180,000 beneficiaries and in an actuarially compliant manner under CMS requirements for

operating the Program. Further, Millman's services were essential to effectuate the transition of the Premium Assistance Program to the State's Medicaid Care Management (MCM) program.

The purpose of this amendment is to extend actuarial services and technical support in the operation of the MCM program, and in order to comply with newly established requirements in SB 313. This amendment will also enable the Contractor to inform future rate development for the entire Program and for the transition of the Premium Assistance Program to MCM, per legislative requirements.

In June of 2011, the New Hampshire State Legislature passed SB 147 (Chapter 125, Laws of New Hampshire 2011), that required the Department of Health and Human Services to develop a comprehensive statewide MCM program for New Hampshire Medicaid enrollees. On May 9, 2012 the Governor and Executive Council voted to approve the contract to implement full-risk capitated payments to managed care organizations to deliver acute care Medicaid Services. CMS approved New Hampshire's plan for statewide implementation. Under federal law, capitated rates paid to managed care organizations must be actuarially sound in order to be approved by CMS. NH Medicaid obtained services from Milliman to ensure the rates met this standard and would receive approval from CMS so that the initiative could go forward. The original Milliman agreement was sole source because Milliman provided technical assistance in the original development of the MCM Requests for Proposals, development of the rate book for potential vendors and provided the federally required certification of the actuarial soundness of the capitated rates proposed to be paid to the managed care organizations.

The following performance measures/objectives will be used to measure the effectiveness of the agreement:

- Timely delivery of reports and any other work products;
- Timely delivery of budget neutrality calculation and monitoring for the Section 1115(a) waivers;
- Timely delivery of Medicaid managed care capitation rates; and
- On site visits for purposes of presentation of key reports to the Department of Health and Human Services leadership and stakeholders at least annually.

The Contractor successfully fulfilled and achieved the performance measures (or deliverables) in the original contract and first amendment. Milliman delivered the funding analysis required by the Center for Medicare and Medicaid Services (CMS) in support of the Department's submission of the waiver that was necessary to establish the New Hampshire Granite Advantage Health Care Program, as stipulated in SB 313.

Should the Governor and Executive Council not approve this request, the Department would not be able to complete the actuarial tasks required to implement its MCM Program in a timely and accurate manner; thereby exposing the Department and State to increased risk of federal funds being withheld. In addition, the State would not be able to meet the requirements stipulated in SB 313.

Source of Funds: 50% Federal Funds from Centers for Medicare and Medicaid Services, 37% General Funds and 13% Other Funds as defined in RSA 126-AA:3, I. CFDA# 93.778. FAIN # 1705NH5MAP.

In the event that the Federal or Other Funds become no longer available, additional General Funds will not be requested to support this program.

Respectfully submitted,

Jeffrey A. Meyers
Commissioner

State of New Hampshire
Department of Health and Human Services
Amendment #2 to the Actuarial Services Contract

This 2nd Amendment to the Actuarial Services contract (hereinafter referred to as "Amendment #2") dated this 25th day of February, 2019, is by and between the State of New Hampshire, Department of Health and Human Services (hereinafter referred to as the "State" or "Department") and Milliman, Inc., (hereinafter referred to as "the Contractor"), a corporation with a place of business at 15800 W. Bluemound Rd. Suite 100, Brookfield, WI 53005-6069.

WHEREAS, pursuant to an agreement (the "Contract") approved by the Governor and Executive Council on June 21, 2017, (Item 11A), as amended on September 5, 2018 (Item #7), the Contractor agreed to perform certain services based upon the terms and conditions specified in the Contract as amended and in consideration of certain sums specified; and

WHEREAS, the State and the Contractor have agreed to make changes to the scope of work, payment schedules and terms and conditions of the contract; and

WHEREAS, pursuant to Form P-37, General Provisions, Paragraph 18 and Exhibit A, Scope of Services, Section 1 Introduction, Subsection 1.3 Agreement Period, the State may modify the scope of work and the payment schedule of the contract and extend contract services for up to two (2) years upon written agreement of the parties and approval from the Governor and Executive Council; and

WHEREAS, the parties agree to increase the price limitation and modify the scope of services to support continued delivery of these services; and

NOW THEREFORE, in consideration of the foregoing and the mutual covenants and conditions contained in the Contract and set forth herein, the parties hereto agree to amend as follows:

1. Form P-37 General Provisions, Block 1.7, Completion Date, to read:

   June 30, 2021.

2. Form P-37, General Provisions, Block 1.8, Price Limitation, to read:

   $10,325,500.

3. Form P-37, General Provisions, Block 1.9, Contracting Officer for State Agency, to read:

   Nathan White, Director.

4. Form P-37, General Provisions, Block 1.10, State Agency Telephone Number, to read:

   603-271-9631.

5. Exhibit B, Method and Conditions Precedent to Payment, Subsection 2.6 to read:
   2.6. Invoices may be mailed hard copy or may be assigned an electronic signature and sent to:

   Athena Gagnon
   Medicaid Financial Manager
   Division of Medicaid Services
   129 Pleasant Street
   Concord, NH 03301
   Athena.gagnon@dhhs.nh.gov

6. Delete Exhibit B-1 in its entirety and replace with Exhibit B-1 Amendment #2.
7. Delete Exhibit B-2 Amendment #1, Budget, in its entirety and replace with Exhibit B-2 Amendment #2, Budget.
8. Add Exhibit B-3 Amendment #2, Budget.
9. Add Exhibit K, DHHS Information Security Requirements (10/09/18).

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New Hampshire Department of Health and Human Services
Actuarial Services

This amendment shall be effective upon the date of Governor and Executive Council approval.
IN WITNESS WHEREOF, the parties have set their hands as of the date written below.

State of New Hampshire
Department of Health and Human Services

4/2/2019
Date

Name:
Title: Medicaid Director

Milliman, Inc.

3/29/2019
Date

Name:
Title: John D. Mearschart
Principal and Consulting Actuary

Acknowledgement of Contractor's signature:

State of Wisconsin, County of Waukesha on March 29, 2019 before the undersigned officer, personally appeared the person identified directly above, or satisfactorily proven to be the person whose name is signed above, and acknowledged that s/he executed this document in the capacity indicated above.

Signature of Notary Public or Justice of the Peace

Karina M. Van Doren, HR Assistant
Name and Title of Notary or Justice of the Peace

KARINA M VAN DOREN NOTARY PUBLIC STATE OF WISCONSIN

My Commission Expires: 2/23/23

The preceding Amendment, having been reviewed by this office, is approved as to form, substance, and execution.

OFFICE OF THE ATTORNEY GENERAL

4/4/2019
Date

Name: Nancy J. Rollins
Title: Sr. Asst. Attorney General

I hereby certify that the foregoing Amendment was approved by the Governor and Executive Council of the State of New Hampshire at the Meeting on: _____ (date of meeting)

OFFICE OF THE SECRETARY OF STATE

Date

Name:
Title:

Exhibit B-1 Amendment #2

Staff Hourly Rates

SFY 18 Staff Position	Rate Per Hour
Senior Principal	$600
Principal	$495
Senior Consultant	$435
Consultant	$380
Project Manager	$320
Senior Professional Staff	$270
Professional Staff	$225
Administrative Assistant	$150
SFY 19 Staff Position	**Rate Per Hour**
Senior Principal	$620
Principal	$505
Senior Consultant	$445
Consultant	$390
Project Manager	$330
Senior Professional Staff	$275
Professional Staff	$230
Administrative Assistant	$155
SFY 20 Staff Position	**Rate Per Hour**
Senior Principal	$635
Principal	$525
Senior Consultant	$450
Consultant	$395
Project Manager	$340
Senior Professional Staff	$290
Professional Staff	$235
Administrative Assistant	$160

Contractor's Initials JDM

Date 3/29/19

SFY 21 Staff Position	Rate Per Hour
Senior Principal	$650
Principal	$540
Senior Consultant	$460
Consultant	$405
Project Manager	$350
Senior Professional Staff	$300
Professional Staff	$240
Administrative Assistant	$165

Exhibit B-2 Amendment #2

Budget

Activity*	Cost SFY 18	Cost SFY 19
Develop actuarial sound rates for Medicaid managed care programs that meet CMS requirements and actuarial standards and practice, which include current and expansion Medicaid populations annually and as needed.	Deliverable: Medicaid managed care capitation rates Estimated Hours: 2,500 Cost: $812,500	Deliverable: Medicaid managed care capitation rates Estimated Hours: 2,000 Cost: $670,000
Support DHHS to plan and develop any amendments to the Department's managed care contracts, development of new programs, and any Medicaid managed care requests for proposal.	Deliverable: Various written reports Estimated Hours: 1,000 Cost: $325,000	Deliverable: Various written reports Estimated Hours: 1,400 Cost: $470,000
Provide actuarial support including rate modeling, financial analysis, and expert advice regarding integration of CFI waiver and nursing facility services into managed care; program planning, and budgeting, contracting and implementation.	Deliverable: Various written reports Estimated Hours: 1,000 Cost: $325,000	
Conduct continuous budget neutrality calculation and monitoring for the Section 1115(a) DSRIP and PAP Demonstration waivers.	Deliverable: Budget neutrality monitoring reports Estimated Hours: 300 Cost: $97,500	Deliverable: Budget neutrality monitoring reports Estimated Hours: 300 Cost: $100,500
Create draft(s), and final contracted Medicaid managed care rates and provide actuarial certification meeting standards of practice and CMS regulations and guidance.	Deliverable: Various rate certification reports and stakeholder communications Estimated Hours: 300 Cost: $97,500	Deliverable: Various rate certification reports and stakeholder communications Estimated Hours: 300 Cost: $100,500

Contractor's Initials JDM

Date 3/29/19

Activity*	Cost SFY 18	Cost SFY 19
Conduct other actuarial services, as requested, which may include: risk corridor analysis and settlement calculations, Federal health insurer fee calculation, quarterly risk adjustment of capitation rates, advice on managed care strategy, and validation of MCO encounter and financial data.	Deliverable: Various written reports Estimated Hours: 1,200 Cost: $390,000	Deliverable: Various written reports Estimated Hours: 1,200 Cost: $402,000
Provide technical support services, which may include but are not limited to: review PAP Qualified Health Plan rate filings for compliance with waiver cost effectiveness; calculating financial impact of proposed legislative changes and providing legislative testimony; Medicaid policy and program strategy, design, and development; and updating methodology for claiming enhanced federal match for family planning services under managed care.	Deliverable: Various written reports Estimated Hours: 250 Cost: $81,250	Deliverable: Various written reports Estimated Hours: 250 Cost: $83,750
Provide technical assistance training sessions as needed to increase the Department's understanding of actuarial procedures, standards and practices and CMS requirements.	Deliverable: Training materials Estimated Hours: 80 Cost: $26,000	Deliverable: Training materials Estimated Hours: 80 Cost: $26,800
Participate in regular planning meetings including teleconference planning meetings and onsite visits as related to rate development and review. Expenses will be reimbursed.	Deliverable: Meeting attendance Estimated Hours: 400 Cost: $153,250	Deliverable: Meeting attendance Estimated Hours: 400 Cost: $154,050
Develop, maintain and provide tasks specific work plans with milestones on a quarterly basis.	Deliverable: Task specific work plans Estimated Hours: 40 Cost: $13,000	Deliverable: Task specific work plans Estimated Hours: 40 Cost: $13,400

Activity*	Cost SFY 18	Cost SFY 19
Analyze the transition of PAP, set rates for the adult expansion population, calculate budget neutrality for the Granite Advantage Healthcare Program waiver submission, calculate budget neutrality for the submission of the New Hampshire Substance Use Disorder Treatment and Recovery Access Section 1115 Research and Demonstration, analyze re-procurement of the Medicaid Care Management program related to the adult Medicaid expansion population.		Deliverable: Meeting attendance, rate reports, written reports for submission to CMS Estimated hours: 1,100 Cost: $350,000
Additional actuarial services related to the adult expansion population, including reprocurement and negotiation support, January 2019 – June 2019 capitation rate development, SFY 2020 capitation rate development, SFY 2020 risk adjustment methodology development, and other related analysis.		Deliverable Rate books for 1/2019-6/2019 and SFY 20 Estimated Hours: 2,000 Cost: $640,000
Total	**$2,321,000**	**$3,011,000**

* **Refer to Scope of Work for details of each activity. Estimated hours must be tied to the Activity in column 1.**

Exhibit B-3 Amendment #2

Budget

Activity*	Cost SFY 20	Cost SFY 21
Develop actuarial sound rates for Medicaid managed care programs that meet CMS requirements and actuarial standards and practice, which include the Standard Medicaid and Granite Advantage Health Care Program (GAHCP) populations annually and as needed.	Deliverable: Medicaid managed care capitation rates Estimated Hours: 3,000 Cost: $1,035,000	Deliverable: Medicaid managed care capitation rates Estimated Hours: 3,000 Cost: $1,065,000
Support DHHS to plan and develop any amendments to the Department's managed care contracts and development of new programs.	Deliverable: Various written reports Estimated Hours: 500 Cost: $172,000	Deliverable: Various written reports Estimated Hours: 500 Cost: $177,500
Conduct continuous budget neutrality calculation and monitoring for all Section 1115(a) and Section 1915(b) waivers. Provide updated budget neutrality and cost effectiveness projections as needed.	Deliverable: Budget neutrality monitoring reports Estimated Hours: 800 Cost: $276,000	Deliverable: Budget neutrality monitoring reports Estimated Hours: 800 Cost: $284,000
Create draft(s), and final contracted Medicaid managed care rates and provide actuarial certification meeting standards of practice and CMS regulations and guidance.	Deliverable: Various rate certification reports and stakeholder communications Estimated Hours: 400 Cost: $138,000	Deliverable: Various rate certification reports and stakeholder communications Estimated Hours: 400 Cost: $142,000

Activity*	Cost SFY 20	Cost SFY 21
Conduct other actuarial services, as requested, which may include: risk corridor analysis and settlement calculations, MCO withhold calculations, MCO financial reporting and MLR calculation review, Federal health insurer fee calculation, quarterly risk adjustment of capitation rates, advice on managed care strategy, and validation of MCO encounter and financial data.	Deliverable: Various written reports Estimated Hours: 1,600 Cost: $552,000	Deliverable: Various written reports Estimated Hours: 1,600 Cost: $568,000
Provide technical support services, which may include but are not limited to: calculating financial impact of proposed legislative changes and providing legislative testimony; Medicaid policy and program strategy, design, and development; and updating methodology for claiming enhanced federal match for family planning services under managed care.	Deliverable: Various written reports Estimated Hours: 250 Cost: $86,250	Deliverable: Various written reports Estimated Hours: 250 Cost: $88,750
Provide technical assistance training sessions as needed to increase the Department's understanding of actuarial procedures, standards and practices and CMS requirements.	Deliverable: Training materials Estimated Hours: 80 Cost: $27,600	Deliverable: Training materials Estimated Hours: 80 Cost: $28,400
Participate in regular planning meetings including teleconference planning meetings and onsite visits as related to rate development and review. Expenses will be reimbursed.	Deliverable: Meeting attendance Estimated Hours: 400 Cost: $160,000	Deliverable: Meeting attendance Estimated Hours: 400 Cost: $165,000
Develop, maintain and provide tasks specific work plans with milestones on a quarterly basis.	Deliverable: Task specific work plans Estimated Hours: 40 Cost: $13,800	Deliverable: Task specific work plans Estimated Hours: 40 Cost: $14,200
Total	**$2,460,650**	**$2,632,850**

* **Refer to Scope of Work for details of each activity. Estimated hours must be tied to the Activity in column 1.**

New Hampshire Department of Health and Human Services

Exhibit K

DHHS Information Security Requirements

A. Definitions

The following terms may be reflected and have the described meaning in this document:

1. "Breach" means the loss of control, compromise, unauthorized disclosure, unauthorized acquisition, unauthorized access, or any similar term referring to situations where persons other than authorized users and for an other than authorized purpose have access or potential access to personally identifiable information, whether physical or electronic. With regard to Protected Health Information, " Breach" shall have the same meaning as the term "Breach" in section 164.402 of Title 45, Code of Federal Regulations.

2. "Computer Security Incident" shall have the same meaning "Computer Security Incident" in section two (2) of NIST Publication 800-61, Computer Security Incident Handling Guide, National Institute of Standards and Technology, U.S. Department of Commerce.

3. "Confidential Information" or "Confidential Data" means all confidential information disclosed by one party to the other such as all medical, health, financial, public assistance benefits and personal information including without limitation, Substance Abuse Treatment Records, Case Records, Protected Health Information and Personally Identifiable Information.

   Confidential Information also includes any and all information owned or managed by the State of NH - created, received from or on behalf of the Department of Health and Human Services (DHHS) or accessed in the course of performing contracted services - of which collection, disclosure, protection, and disposition is governed by state or federal law or regulation. This information includes, but is not limited to Protected Health Information (PHI), Personal Information (PI), Personal Financial Information (PFI), Federal Tax Information (FTI), Social Security Numbers (SSN), Payment Card Industry (PCI), and or other sensitive and confidential information.

4. "End User" means any person or entity (e.g., contractor, contractor's employee, business associate, subcontractor, other downstream user, etc.) that receives DHHS data or derivative data in accordance with the terms of this Contract.

5. "HIPAA" means the Health Insurance Portability and Accountability Act of 1996 and the regulations promulgated thereunder.

6. "Incident" means an act that potentially violates an explicit or implied security policy, which includes attempts (either failed or successful) to gain unauthorized access to a system or its data, unwanted disruption or denial of service, the unauthorized use of a system for the processing or storage of data; and changes to system hardware, firmware, or software characteristics without the owner's knowledge, instruction, or consent. Incidents include the loss of data through theft or device misplacement, loss or misplacement of hardcopy documents, and misrouting of physical or electronic

mail, all of which may have the potential to put the data at risk of unauthorized access, use, disclosure, modification or destruction.

7. "Open Wireless Network" means any network or segment of a network that is not designated by the State of New Hampshire's Department of Information Technology or delegate as a protected network (designed, tested, and approved, by means of the State, to transmit) will be considered an open network and not adequately secure for the transmission of unencrypted PI, PFI, PHI or confidential DHHS data.

8. "Personal Information" (or "PI") means information which can be used to distinguish or trace an individual's identity, such as their name, social security number, personal information as defined in New Hampshire RSA 359-C:19, biometric records, etc., alone, or when combined with other personal or identifying information which is linked or linkable to a specific individual, such as date and place of birth, mother's maiden name, etc.

9. "Privacy Rule" shall mean the Standards for Privacy of Individually Identifiable Health Information at 45 C.F.R. Parts 160 and 164, promulgated under HIPAA by the United States Department of Health and Human Services.

10. "Protected Health Information" (or "PHI") has the same meaning as provided in the definition of "Protected Health Information" in the HIPAA Privacy Rule at 45 C.F.R. § 160.103.

11. "Security Rule" shall mean the Security Standards for the Protection of Electronic Protected Health Information at 45 C.F.R. Part 164, Subpart C, and amendments thereto.

12. "Unsecured Protected Health Information" means Protected Health Information that is not secured by a technology standard that renders Protected Health Information unusable, unreadable, or indecipherable to unauthorized individuals and is developed or endorsed by a standards developing organization that is accredited by the American National Standards Institute.

I. RESPONSIBILITIES OF DHHS AND THE CONTRACTOR

A. Business Use and Disclosure of Confidential Information.

1. The Contractor must not use, disclose, maintain or transmit Confidential Information except as reasonably necessary as outlined under this Contract. Further, Contractor, including but not limited to all its directors, officers, employees and agents, must not use, disclose, maintain or transmit PHI in any manner that would constitute a violation of the Privacy and Security Rule.

2. The Contractor must not disclose any Confidential Information in response to a

request for disclosure on the basis that it is required by law, in response to a subpoena, etc., without first notifying DHHS so that DHHS has an opportunity to consent or object to the disclosure.

3. If DHHS notifies the Contractor that DHHS has agreed to be bound by additional restrictions over and above those uses or disclosures or security safeguards of PHI pursuant to the Privacy and Security Rule, the Contractor must be bound by such additional restrictions and must not disclose PHI in violation of such additional restrictions and must abide by any additional security safeguards.
4. The Contractor agrees that DHHS Data or derivative there from disclosed to an End User must only be used pursuant to the terms of this Contract.
5. The Contractor agrees DHHS Data obtained under this Contract may not be used for any other purposes that are not indicated in this Contract.
6. The Contractor agrees to grant access to the data to the authorized representatives of DHHS for the purpose of inspecting to confirm compliance with the terms of this Contract.

II. METHODS OF SECURE TRANSMISSION OF DATA

1. Application Encryption. If End User is transmitting DHHS data containing Confidential Data between applications, the Contractor attests the applications have been evaluated by an expert knowledgeable in cyber security and that said application's encryption capabilities ensure secure transmission via the internet.
2. Computer Disks and Portable Storage Devices. End User may not use computer disks or portable storage devices, such as a thumb drive, as a method of transmitting DHHS data.
3. Encrypted Email. End User may only employ email to transmit Confidential Data if email is encrypted and being sent to and being received by email addresses of persons authorized to receive such information.
4. Encrypted Web Site. If End User is employing the Web to transmit Confidential Data, the secure socket layers (SSL) must be used and the web site must be secure. SSL encrypts data transmitted via a Web site.
5. File Hosting Services, also known as File Sharing Sites. End User may not use file hosting services, such as Dropbox or Google Cloud Storage, to transmit Confidential Data.
6. Ground Mail Service. End User may only transmit Confidential Data via *certified* ground mail within the continental U.S. and when sent to a named individual.
7. Laptops and PDA. If End User is employing portable devices to transmit Confidential Data said devices must be encrypted and password-protected.
8. Open Wireless Networks. End User may not transmit Confidential Data via an open

wireless network. End User must employ a virtual private network (VPN) when remotely transmitting via an open wireless network.

9. Remote User Communication. If End User is employing remote communication to access or transmit Confidential Data, a virtual private network (VPN) must be installed on the End User's mobile device(s) or laptop from which information will be transmitted or accessed.
10. SSH File Transfer Protocol (SFTP), also known as Secure File Transfer Protocol. If End User is employing an SFTP to transmit Confidential Data, End User will structure the Folder and access privileges to prevent inappropriate disclosure of information. SFTP folders and sub-folders used for transmitting Confidential Data will be coded for 24-hour auto-deletion cycle (i.e. Confidential Data will be deleted every 24 hours).
11. Wireless Devices. If End User is transmitting Confidential Data via wireless devices, all data must be encrypted to prevent inappropriate disclosure of information.

III. RETENTION AND DISPOSITION OF IDENTIFIABLE RECORDS

The Contractor will only retain the Confidential Data and any derivative of the Confidential Data for the duration of this Contract. After such time, the Contractor will have 30 days to destroy the Confidential Data and any derivative in whatever form it may exist, unless, otherwise required by law or permitted under this Contract. Notwithstanding the above, Milliman may retain one copy of any such Confidential Data necessary to comply with applicable professional actuarial standards and requirements for archival and work product documentation, for retention, and destruction. This condition is subject to the protections of this Exhibit which survive this contract. To this end, the Contractor must meet the following requirements:

A. Retention

1. The Contractor agrees it will not store, transfer or process data collected in connection with the services rendered under this Contract outside of the United States. This physical location requirement shall also apply in the implementation of cloud computing, cloud service or cloud storage capabilities, and includes backup data and Disaster Recovery locations.
2. The Contractor agrees to ensure proper security monitoring capabilities are in place to detect potential security events that can impact State of NH systems and/or Department confidential information for contractor provided systems.
3. The Contractor agrees to provide security awareness and education for its End Users in support of protecting Department confidential information.
4. The Contractor agrees to retain all electronic and hard copies of Confidential Data in a secure location and identified in section IV. A.2
5. The Contractor agrees Confidential Data stored in a Cloud must be in a FedRAMP/HITECH compliant solution and comply with all applicable statutes and regulations regarding the privacy and security. All servers and devices must have currently-supported and hardened operating systems, the latest anti-viral, anti-hacker, anti-spam, anti-spyware, and anti-malware utilities. The environment, as a

whole, must have aggressive intrusion-detection and firewall protection.

6. The Contractor agrees to and ensures its complete cooperation with the State's Chief Information Officer in the detection of any security vulnerability of the hosting infrastructure.

B. Disposition

1. If the Contractor will maintain any Confidential Information on its systems (or its sub-contractor systems), the Contractor will maintain a documented process for securely disposing of such data upon request or contract termination; and will obtain written certification for any State of New Hampshire data destroyed by the Contractor or any subcontractors as a part of ongoing, emergency, and or disaster recovery operations. When no longer in use, electronic media containing State of New Hampshire data shall be rendered unrecoverable via a secure wipe program in accordance with industry-accepted standards for secure deletion and media sanitization, or otherwise physically destroying the media (for example, degaussing) as described in NIST Special Publication 800-88, Rev 1, Guidelines for Media Sanitization, National Institute of Standards and Technology, U. S. Department of Commerce. The Contractor will document and certify in writing at time of the data destruction, and will provide written certification to the Department upon request. The written certification will include all details necessary to demonstrate data has been properly destroyed and validated. Where applicable, regulatory and professional standards for retention requirements will be jointly evaluated by the State and Contractor prior to destruction.
2. Unless otherwise specified, within thirty (30) days of the termination of this Contract, Contractor agrees to destroy all hard copies of Confidential Data using a secure method such as shredding.
3. Unless otherwise specified, within thirty (30) days of the termination of this Contract, Contractor agrees to completely destroy all electronic Confidential Data by means of data erasure, also known as secure data wiping.

IV. PROCEDURES FOR SECURITY

A. Contractor agrees to safeguard the DHHS Data received under this Contract, and any derivative data or files, as follows:

1. The Contractor will maintain proper security controls to protect Department confidential information collected, processed, managed, and/or stored in the delivery of contracted services.
2. The Contractor will maintain policies and procedures to protect Department confidential information throughout the information lifecycle, where applicable, (from creation, transformation, use, storage and secure destruction) regardless of the media used to store the data (i.e., tape, disk, paper, etc.).

3. The Contractor will maintain appropriate authentication and access controls to contractor systems that collect, transmit, or store Department confidential information where applicable.

4. The Contractor will ensure proper security monitoring capabilities are in place to detect potential security events that can impact State of NH systems and/or Department confidential information for contractor provided systems.

5. The Contractor will provide regular security awareness and education for its End Users in support of protecting Department confidential information.

6. If the Contractor will be sub-contracting any core functions of the engagement supporting the services for State of New Hampshire, the Contractor will maintain a program of an internal process or processes that defines specific security expectations, and monitoring compliance to security requirements that at a minimum match those for the Contractor, including breach notification requirements.

7. The Contractor will work with the Department to sign and comply with all applicable State of New Hampshire and Department system access and authorization policies and procedures, systems access forms, and computer use agreements as part of obtaining and maintaining access to any Department system(s). Agreements will be completed and signed by the Contractor and any applicable sub-contractors prior to system access being authorized.

8. If the Department determines the Contractor is a Business Associate pursuant to 45 CFR 160.103, the Contractor will execute a HIPAA Business Associate Agreement (BAA) with the Department and is responsible for maintaining compliance with the agreement.

9. The Contractor will work with the Department at its request to complete a System Management Survey. The purpose of the survey is to enable the Department and Contractor to monitor for any changes in risks, threats, and vulnerabilities that may occur over the life of the Contractor engagement. The survey will be completed annually, or an alternate time frame at the Departments discretion with agreement by the Contractor, or the Department may request the survey be completed when the scope of the engagement between the Department and the Contractor changes.

10. The Contractor will not store, knowingly or unknowingly, any State of New Hampshire or Department data offshore or outside the boundaries of the United States unless prior express written consent is obtained from the Information Security Office leadership member within the Department.

11. Data Security Breach Liability. In the event of any security breach Contractor shall make efforts to investigate the causes of the breach, promptly take measures to prevent future breach and minimize any damage or loss resulting from the breach. The State shall recover from the Contractor all costs of response and recovery from

the breach, including but not limited to: credit monitoring services, mailing costs and costs associated with website and telephone call center services necessary due to the breach.

12. Contractor must, comply with all applicable statutes and regulations regarding the privacy and security of Confidential Information, and must in all other respects maintain the privacy and security of PI and PHI at a level and scope that is not less than the level and scope of requirements applicable to federal agencies, including, but not limited to, provisions of the Privacy Act of 1974 (5 U.S.C. § 552a), DHHS Privacy Act Regulations (45 C.F.R. §5b), HIPAA Privacy and Security Rules (45 C.F.R. Parts 160 and 164) that govern protections for individually identifiable health information and as applicable under State law.

13. Contractor agrees to establish and maintain appropriate administrative, technical, and physical safeguards to protect the confidentiality of the Confidential Data and to prevent unauthorized use or access to it. The safeguards must provide a level and scope of security that is not less than the level and scope of security requirements established by the State of New Hampshire, Department of Information Technology. Refer to Vendor Resources/Procurement at https://www.nh.gov/doit/vendor/index.htm for the Department of Information Technology policies, guidelines, standards, and procurement information relating to vendors.

14. Contractor agrees to maintain a documented breach notification and incident response process. The Contractor will notify the State's Privacy Officer and the State's Security Officer of any security breach immediately, at the email addresses provided in Section VI. This includes a confidential information breach, computer security incident, or suspected breach which affects or includes any State of New Hampshire systems that connect to the State of New Hampshire network.

15. Contractor must restrict access to the Confidential Data obtained under this Contract to only those authorized End Users who need such DHHS Data to perform their official duties in connection with purposes identified in this Contract.

16. The Contractor must ensure that all End Users:

    a. comply with such safeguards as referenced in Section IV A. above, implemented to protect Confidential Information that is furnished by DHHS under this Contract from loss, theft or inadvertent disclosure.

    b. safeguard this information at all times.

    c. ensure that laptops and other electronic devices/media containing PHI, PI, or PFI are encrypted and password-protected.

    d. send emails containing Confidential Information only if encrypted and being sent to and being received by email addresses of persons authorized to receive such information.

e. limit disclosure of the Confidential Information to the extent permitted by law.

f. Confidential Information received under this Contract and individually identifiable data derived from DHHS Data, must be stored in an area that is physically and technologically secure from access by unauthorized persons during duty hours as well as non-duty hours (e.g., door locks, card keys, biometric identifiers, etc.).

g. only authorized End Users may transmit the Confidential Data, including any derivative files containing personally identifiable information, and in all cases, such data must be encrypted at all times when in transit, at rest, or when stored on portable media as required in section IV above.

h. in all other instances Confidential Data must be maintained, used and disclosed using appropriate safeguards, as determined by a risk-based assessment of the circumstances involved.

i. understand that their user credentials (user name and password) must not be shared with anyone. End Users will keep their credential information secure. This applies to credentials used to access the site directly or indirectly through a third party application.

Contractor is responsible for oversight and compliance of their End Users. DHHS reserves the right to conduct onsite inspections during normal business hours, and with reasonable prior written notice, to monitor compliance with this Contract, including the privacy and security requirements provided in herein, HIPAA, and other applicable laws and Federal regulations until such time the Confidential Data is disposed of in accordance with this Contract.

V. LOSS REPORTING

The Contractor must notify the DHHS's Information Security Officer, Privacy Officer, and Contracts Unit, via the email addresses provided in this Agreement, of any information security events, Computer Security Incidents, Incidents, or Breaches as soon as feasible, but no more than 24 hours after the Contractor has determined that the aforementioned has occurred and that Confidential Data may have been exposed or compromised.

If a suspected or known information security event, Computer Security Incident, Incident or Breach involves Social Security Administration (SSA) provided data or Internal Revenue Services (IRS) provided Federal Tax Information (FTI) then the Contractor must notify DHH Information Security immediately (without delay).

The Contractor must further handle and report Incidents and Breaches involving PHI in accordance with the agency's documented Incident Handling and Breach Notification procedures and in accordance with 42 C.F.R. §§ 431.300 - 306. In addition to, and notwithstanding, Contractor's compliance with all applicable obligations and procedures, Contractor's procedures must also address how the Contractor will:

1. Identify Incidents;
2. Determine if personally identifiable Information is involved in Incidents;

3. Report suspected or confirmed Incidents as required in this Exhibit or P-37;
4. Identify and convene a core response group to determine the risk level of Incidents and determine risk-based responses to Incidents; and
5. Determine whether Breach notification is required, and, if so, identify appropriate Breach notification methods, timing, source, and contents from among different options, and bear costs associated with the Breach notice as well as any mitigation measures.

Incidents and/or Breaches that implicate PI must be addressed and reported, as applicable, in accordance with NH RSA 359-C:20.

VI. PERSONS TO CONTACT

A. DHHS contact program and policy:

DHHS-Contracts@dhhs.nh.gov

(In subject line insert: Actuarial Services, SS-2018-OMS-03-ACTUA)

B. DHHS Privacy Officer:

DHHSPrivacyOfficer@dhhs.nh.gov

C. DHHS Security Officer:

DHHSInformationSecurityOffice@dhhs.nh.gov

AUG17'18 AM10:07 DAS

7 mac

STATE OF NEW HAMPSHIRE

DEPARTMENT OF HEALTH AND HUMAN SERVICES

OFFICE OF MEDICAID SERVICES

Jeffrey A. Meyers
Commissioner

Henry D. Lipman
Medicaid Director

129 PLEASANT STREET, CONCORD, NH 03301
603-271-9422 1-800-852-3345 Ext. 9422
Fax: 603-271-8431 TDD Access: 1-800-735-2964 www.dhhs.nh.gov

August 7, 2018

His Excellency, Governor Christopher T. Sununu
and the Honorable Council
State House
Concord, New Hampshire 03301

REQUESTED ACTION

Authorize the Department of Health and Human Services, Office of Medicaid Services to amend a **sole source** agreement with Milliman, Inc., Vendor # 173344, 15800 W. Bluemound Road, Suite 100 Brookfield, Wisconsin 53005, to expand Actuarial Services and Technical Support relative to Medicaid Care Management (MCM) by increasing the price limitation by $150,000 from $4,542,000 to an amount not to exceed $4,692,000, **retroactive** to April 1, 2018, effective upon Governor and Executive Council approval, through the unchanged completion date of June 30, 2019. The original contract was approved on June 21, 2017 (Item #11A). 50% Federal Funds, 43% General Funds,7% Other.

Funds are available in SFY 2018 and SFY 2019 with authority to adjust encumbrances between State Fiscal Years through the Budget Office if needed and justified, without approval from Governor and Executive Council.

05-95-047-470010-30990000, HEALTH AND SOCIAL SERVICES, HEALTH AND HUMAN SVCS DEPT OF 'HHS: OFC OF MEDICAID & BUS PLCY, OFF. OF MEDICAID & BUS, POLICY, NHHPP TRUST FUND

SFY	Class/Obj	Class Title	Current Budget	Increase / (Decrease)	Revised Budget
2018	102-500731	Contracts for Program Services	$200,000		$200,000
2019	102-500731	Contracts for Program Services	$100,000	$350,000	$450,000
		Subtotal	*$300,000*	*$350,000*	*$650,000*

05-00095-047-470010-7937,HEALTH AND SOCIAL SERVICES,HEALTH AND HUMAN SVCS DEPT OF HHS:OFC OF MEDICAID & BUS PLCY,OFF. OF MEDICAID & BUS. POLICY MEDICAID ADMINISTRATION

SFY	Class/Obj	Class Title	Current Budget	Increase / (Decrease)	Revised Budget
2018	102 -500731	Contracts for Program Services	$2,121,000	$0	$2,121,000
2019	102 -500731	Contracts for Program Services	$2,121,000	($200,000)	$1,921,000
		Subtotal	*$4,242,000*	*($200,000)*	*$4,042,000*
		Contract Total	**$4,542,000**	**$150,000**	**$4,692,000**

EXPLANATION

This amendment is **sole source** because Milliman, Inc. is the only vendor that can provide the Department with time critical actuarial services specific to the transition of the Premium Assistance Program to the State's Medicaid Care Management (MCM) program as well as deliver the funding analysis required by the Center for Medicare and Medicaid Services (CMS) in support of the submission of the waiver to necessary establish the New Hampshire Granite Advantage Health Care Program as stipulated in SB 313.

This amendment is **retroactive** because actuarial consultation and analysis for the State's Medicaid expansion waiver was required prior to the contract amendment to inform legislative determinations for SB 313 and meet CMS requirements. The purpose of this amendment is to expand actuarial services and technical support in the operation of the MCM program to comply with newly established requirements by both the State per SB 313 as well as to inform rate development for the transition of the Premium Assistance Program to MCM per legislative requirements.

In June of 2011, the New Hampshire State Legislature passed SB 147 (Chapter 125, Laws of New Hampshire 2011), that required the Department of Health and Human Services to develop a comprehensive statewide MCM program for New Hampshire Medicaid enrollees. On May 9, 2012 the Governor and Executive Council voted to approve the contract to implement full-risk capitated payments to managed care organizations to deliver acute care Medicaid Services. CMS approved New Hampshire's plan for statewide implementation. Under federal law, capitated rates paid to managed care organizations must be actuarially sound in order to be approved by CMS. NH Medicaid obtained services from Milliman to ensure the rates met this standard and would receive approval from CMS so that the initiative could go forward. The original Milliman agreement was sole source because Milliman provided technical assistance in the original development of the MCM Requests for Proposals, development of the rate book for potential vendors and provided the federally required certification of the actuarial soundness of the capitated rates proposed to be paid to the managed care organizations.

The following performance measures/objectives will be used to measure the effectiveness of the agreement:

- Timely delivery of reports and any other work products;
- Timely delivery of budget neutrality calculation and monitoring for the Section 1115(a) waivers;
- Timely delivery of Medicaid managed care capitation rates;
- On site visits for purposes of presentation of key reports to the Department of Health and Human Services leadership and stakeholders at least annually.

Should the Governor and Executive Council not approve this request, the Department of Health and Human Services would not be able to complete the actuarial tasks required to implement its MCM Program in a timely and accurate manner; thereby exposing the Department and State to increased risk of federal funds being withheld. In addition, the State would not be able to meet the requirements stipulated in SB 313 to submit all necessary waivers and state plan amendments by June 30, 2018.

Source of Funds: 50% Federal funds from Centers for Medicare and Medicaid Services, 43% General funds, and 7% Other. CFDA# 93.778. FAIN # 1705NH5MAP.

In the event that the Federal (or Other) Funds become no longer available, General Funds will not be requested to support this program.

Respectfully submitted,

Henry D. Lipman
Medicaid Director

Approved by:
for Jeffrey A. Meyers
Commissioner

State of New Hampshire
Department of Health and Human Services
Amendment #1 to the Actuarial Services Contract

This 1st Amendment to the Actuarial Services contract (hereinafter referred to as "Amendment #1") dated this 24th day of April, 2018, is by and between the State of New Hampshire, Department of Health and Human Services (hereinafter referred to as the "State" or "Department") and Milliman, Inc., (hereinafter referred to as "the Contractor"), a corporation with a place of business at 15800 W. Bluemound Rd. Suite 100, Brookfield, WI 53005-6069.

WHEREAS, pursuant to an agreement (the "Contract") approved by the Governor and Executive Council on June 21, 2017, (Item 11A), the Contractor agreed to perform certain services based upon the terms and conditions specified in the Contract as amended and in consideration of certain sums specified; and

WHEREAS, the State and the Contractor have agreed to make changes to the scope of work, payment schedules and terms and conditions of the contract; and

WHEREAS, pursuant to Form P-37, General Provisions, Paragraph 18, the State may modify the scope of work and the payment schedule of the contract upon written agreement of the parties and approval from the Governor and Executive Council; and

WHEREAS, the parties agree to increase the price limitation and modify the scope of services to support continued delivery of these services; and

NOW THEREFORE, in consideration of the foregoing and the mutual covenants and conditions contained in the Contract and set forth herein, the parties hereto agree to amend as follows:

1. Form P-37, General Provisions, Block 1.8, Price Limitation, to read:

   $4,692,000.

2. Form P-37, General Provisions, Block 1.9, Contracting Officer for State Agency, to read:

   E. Maria Reinemann, Esq., Director of Contracts and Procurement.

3. Form P-37, General Provisions, Block 1.10, State Agency Telephone Number, to read:

   603-271-9330.

4. Exhibit A, Scope of Services, Section 3, Provisions Applicable to All Services, add Subsection 3.3 to read:

   3.3 The Contractor agrees that if the performance of the contract involves the review, collection, transmission, storage or disclosure of substance use disorder (SUD) data created by a 42 CFR Part 2 provider, the Contractor is required to ensure that safeguards, consents and notices required by 42 CFR Part 2 are used.

5. Exhibit A, Scope of Services, Subsections 4.13, 4.14, 4.15, and 4.16 to read:

   4.13. The Contractor shall provide actuarial analysis for the transition of PAP members to the Medicaid Care Management program, inclusive of SFY19 rate setting for the adult expansion population.

   4.14 The Contractor shall submit a budget neutrality calculation to the Department for the Granite Advantage Healthcare Program Waiver to be submitted by the Department to the Centers for Medicare & Medicaid Services (CMS).

   4.15. The Contractor shall submit a budget neutrality calculation to the Department for the New Hampshire Substance Use Disorder Treatment and Recovery Access Section 1115 Research and Demonstration Waiver to be submitted by the Department to the Centers for

Medicare & Medicaid Services (CMS).

4.16. The Contractor shall provide assistance with the re-procurement of the Medicaid Care Management program related to the adult Medicaid expansion population.

6. Exhibit B, Method and Conditions Precedent to Payment, Subsection 2.6 to read:

2.6. In lieu of hard copies, all invoices may be assigned an electronic signature and emailed to:

Deborah Scheetz
Office of Medical Services
129 Pleasant Street
Concord, NH 03301
deborah.scheetz@dhhs.nh.gov

7. Delete Exhibit B-2, Budget, in its entirety and replace with Exhibit B-2 - Amendment #1.

Remainder of the page left intentionally blank.

New Hampshire Department of Health and Human Services
Actuarial Services

This amendment shall be effective upon the date of Governor and Executive Council approval.

IN WITNESS WHEREOF, the parties have set their hands as of the date written below.

State of New Hampshire
Department of Health and Human Services

8/8/2018
Date

Name: Henry D. Lipman
Title: Medicaid Director

Milliman, Inc.

8/3/2018
Date

Name: John D. Mearschaert
Title: Principal and Consulting Actuary

Acknowledgement of Contractor's signature:

State of WISCONSIN, County of WAUKESHA on AUGUST 3, 2018, before the undersigned officer, personally appeared the person identified directly above, or satisfactorily proven to be the person whose name is signed above, and acknowledged that s/he executed this document in the capacity indicated above.

Misty Munzinger
Signature of Notary Public or Justice of the Peace

MISTY MUNZINGER
Notary Public
State of Wisconsin

MISTY MUNZINGER, HR MANAGER
Name and Title of Notary or Justice of the Peace

My Commission Expires: 10/11/2019

New Hampshire Department of Health and Human Services
Actuarial Services

The preceding Amendment, having been reviewed by this office, is approved as to form, substance, and execution.

OFFICE OF THE ATTORNEY GENERAL

8/14/18
Date

Name: Megan A. Yost
Title: Attorney

I hereby certify that the foregoing Amendment was approved by the Governor and Executive Council of the State of New Hampshire at the Meeting on: _____ (date of meeting)

OFFICE OF THE SECRETARY OF STATE

_____
Date

_____
Name:
Title:

Exhibit B-2 – Amendment #1

Budget

Activity*	Cost SFY 18	Cost SFY 19
Develop actuarial sound rates for Medicaid managed care programs that meet CMS requirements and actuarial standards and practice, which include current and expansion Medicaid populations annually and as needed.	Deliverable: Medicaid managed care capitation rates Estimated Hours: 2,500 Cost: $812,500	Deliverable: Medicaid managed care capitation rates Estimated Hours: 2,000 Cost: $670,000
Support DHHS to plan and develop any amendments to the Department's managed care contracts, development of new programs, and any Medicaid managed care requests for proposal.	Deliverable: Various written reports Estimated Hours: 1,000 Cost: $325,000	Deliverable: Various written reports Estimated Hours: 1,400 Cost: $470,000
Provide actuarial support including rate modeling, financial analysis, and expert advice regarding integration of CFI waiver and nursing facility services into managed care, program planning, and budgeting, contracting and implementation.	Deliverable: Various written reports Estimated Hours: 1,000 Cost: $325,000	
Conduct continuous budget neutrality calculation and monitoring for the Section 1115(a) DSRIP and PAP Demonstration waivers.	Deliverable: Budget neutrality monitoring reports Estimated Hours: 300 Cost: $97,500	Deliverable: Budget neutrality monitoring reports Estimated Hours: 300 Cost: $100,500
Create draft(s), and final contracted Medicaid managed care rates and provide actuarial certification meeting standards of practice and CMS regulations and guidance.	Deliverable: Various rate certification reports and stakeholder communications Estimated Hours: 300 Cost: $97,500	Deliverable: Various rate certification reports and stakeholder communications Estimated Hours: 300 Cost: $100,500

Contractor's Initials JM

Date 8/3/2018

Activity*	Cost SFY 18	Cost SFY 19
Conduct other actuarial services, as requested, which may include: risk corridor analysis and settlement calculations, Federal health insurer fee calculation, quarterly risk adjustment of capitation rates, advice on managed care strategy, and validation of MCO encounter and financial data.	Deliverable: Various written reports Estimated Hours: 1,200 Cost: $390,000	Deliverable: Various written reports Estimated Hours: 1,200 Cost: $402,000
Provide technical support services, which may include but are not limited to: review PAP Qualified Health Plan rate filings for compliance with waiver cost effectiveness; calculating financial impact of proposed legislative changes and providing legislative testimony; Medicaid policy and program strategy, design, and development; and updating methodology for claiming enhanced federal match for family planning services under managed care.	Deliverable: Various written reports Estimated Hours: 250 Cost: $81,250	Deliverable: Various written reports Estimated Hours: 250 Cost: $83,750
Provide technical assistance training sessions as needed to increase the Department's understanding of actuarial procedures, standards and practices and CMS requirements.	Deliverable: Training materials Estimated Hours: 80 Cost: $26,000	Deliverable: Training materials Estimated Hours: 80 Cost: $26,800
Participate in regular planning meetings including teleconference planning meetings and onsite visits as related to rate development and review. Expenses will be reimbursed.	Deliverable: Meeting attendance Estimated Hours: 400 Cost: $153,250	Deliverable: Meeting attendance Estimated Hours: 400 Cost: $154,050
Develop, maintain and provide tasks specific work plans with milestones on a quarterly basis.	Deliverable: Task specific work plans Estimated Hours: 40 Cost: $13,000	Deliverable: Task specific work plans Estimated Hours: 40 Cost: $13,400
Analyze the transition of PAP, set rates for the adult expansion population, calculate budget neutrality for the Granite Advantage Healthcare Program waiver submission, calculate budget neutrality for the		Deliverable: Meeting attendance, rate reports, written reports for submission to CMS

Contractor's Initials SDM

Date 8/3/2018

submission of the New Hampshire Substance Use Disorder Treatment and Recovery Access Section 1115 Research and Demonstration, analyze re-procurement of the Medicaid Care Management program related to the adult Medicaid expansion population.		Estimated Hours:1,100 Cost: $350,000
Total	$2,321,000	$2,371,000

- **Refer to Scope of Work for details of each activity. Estimated hours must be tied to the Activity in column 1.**

11A mat

STATE OF NEW HAMPSHIRE

DEPARTMENT OF HEALTH AND HUMAN SERVICES

OFFICE OF MEDICAID SERVICES

Jeffrey A. Meyers
Commissioner

Deborah H. Fournier
Medicaid Director

129 PLEASANT STREET, CONCORD, NH 03301
603-271-9422 1-800-852-3345 Ext. 9422
Fax: 603-271-8431 TDD Access: 1-800-735-2964 www.dhhs.nh.gov

June 14, 2017

His Excellency, Governor Christopher T. Sununu
and the Honorable Council
State House
Concord, New Hampshire 03301

REQUESTED ACTION

Authorize the Department of Health and Human Services, Office of Medicaid Services to enter into a sole source agreement with Milliman, Inc., Vendor # 173344, 15800 W. Bluemound Road, Suite 100 Brookfield, Wisconsin 53005, in an amount not to exceed $4,542,000 to provide Actuarial Services and Technical Support relative to Medicaid Managed Care (MMC) , effective upon July 1, 2017 or date of Governor and Council approval, whichever is later, through June 30, 2019, 50% Federal Funds, 47% General Funds, 3% Other.

Funds are anticipated to be available in SFY 2018 and SFY 2019, upon the availability and continued appropriation of funds in the future operating budgets, with authority to adjust amounts within the price limitation and adjust encumbrances between State Fiscal Years through the Budget Office if needed and justified, without approval from Governor and Executive Council.

05-95-047-470010-30990000, HEALTH AND SOCIAL SERVICES, HEALTH AND HUMAN SVS DEPT OF HHS: OFF OF MEDICAID & BUS PLCY,OFF.OF MEDICAID 7 BUS POLICY,NH HPP TRUST FUND

Fiscal Year	Class / Account	Class Title	Budget
2018	102-500731	Contracts for Program Services	$200,000
2019	102-500731	Contracts for Program Services	$100,000
		Total	$300,000

05-00095-047-470010-7937 HEALTH AND SOCIAL SERVICES, HEALTH AND HUMAN SVS DEPT OF HHS: OFC OF MEDICAID & BUS PLCY,OFF.OF MEDICAID & BUS.POLICY MEDICAID ADMINISTRATION

Fiscal Year	Class / Account	Class Title	Budget
SFY 2018	102-500731	Contracts for Program Services	$2,121,000
SFY 2019	102-500731	Contracts for Program Services	$2,121,000
		Total	$4,542,000

EXPLANATION

The purpose of this sole source contract is to secure actuarial services and technical support in the operation of the MMC program to comply with federal requirements by both the State and Federal governments. The contract is identified as sole source because the agreement was not competitively bid. Milliman, Inc. has provided the Department with all actuarial services in the development of the MMC program to date.

In June of 2011, the New Hampshire State Legislature passed SB 147 (Chapter 125, Laws of New Hampshire 2011), that required the Department of Health and Human Services to develop a comprehensive statewide MMC program for New Hampshire Medicaid enrollees. On May 9, 2012 the Governor and Executive Council voted to approve the contract to implement "full-risk capitated payments to managed care organizations (MCOs) to deliver acute care Medicaid Services. The Centers for Medicare and Medicaid Services (CMS) approved New Hampshire's plan for statewide implementation. Under federal law, capitated rates paid to MCOs must be actuarially sound in order to be approved by CMS. NH Medicaid obtained services from Milliman to ensure the rates met this standard and would receive approval from CMS so that the initiative could go forward. The original Milliman agreement was sole source because Milliman provided technical assistance in the original development of the MMC Requests for Proposals, development of the databook for potential vendors and provided the federally required certification of the actuarial soundness of the capitated rates proposed to be paid to the MCOs. These services were originally provided through a subcontractor agreement through the Departments contract with the University of New Hampshire Institute of Health Policy and Practice.

Notwithstanding any other provision of the Contract to the contrary, no services shall be provided after June 30, 2017, and the Department shall not be liable for any payments for services provided after June 30, 2017, unless and until an appropriation for these services has been received from the state legislature and funds encumbered for the SFY 2018-2019 biennia.

Should the Governor and Executive Council not approve this request, the Department of Health and Human Services would not be able to complete the actuarial tasks required to implement its MMC Program in a timely and accurate manner; thereby exposing the Department and State to increased risk of federal funds being withheld.

The following performance measures/objectives will be used to measure the effectiveness of the agreement:

- Timely delivery of reports and any other work products;
- Timely delivery of budget neutrality calculation and monitoring for the Section 1115(a) DSRIP and PAP Demonstration waivers;
- Timely delivery of Medicaid managed care capitation rates;
- Onsite visits for purposes of presentation of key reports to the Department of Health and Human Services leadership and stakeholders at least annually.

Area served: statewide

Source of Funds: 50% Federal funds from Centers for Medicare and Medicaid Services, 47% General funds and 3% Other

In the event that the Federal (or Other) Funds become no longer available, General Funds will not be requested to support this program.

Respectfully submitted,

Lori Shibinette for
Deborah H. Fournier, Esq.
Medicaid Director

Approved by: Lori Shibinette for
Jeffrey A. Meyers
Commissioner

STATE OF NEW HAMPSHIRE
DEPARTMENT OF INFORMATION TECHNOLOGY
27 Hazen Dr., Concord, NH 03301
Fax: 603-271-1516 TDD Access: 1-800-735-2964
www.nh.gov/doit

Denis Goulet
Commissioner

June 9, 2017

Jeffrey A. Meyers, Commissioner
Department of Health and Human Services
State of New Hampshire
129 Pleasant Street
Concord, NH 03301

Dear Commissioner Meyers:

This letter represents formal notification that the Department of Information Technology (DoIT) has approved your agency's request to enter into a contract with Milliman, Inc., of Brookfield, WI as described below and referenced as DoIT No. 2018-009.

The purpose of this sole source contract is to secure actuarially sound rates for Medicaid Managed Care (MMC) programs that meet the Centers for Medicare and Medicaid Services (CMS) requirements and actuarial standards and practice. Milliman, Inc. will also provide actuarial support needed to plan and develop any amendments to the Department's managed care contracts, development of new programs, and any Medicaid requests for proposals.

The amount of the contract is not to exceed $4,542,000.00, and shall become effective July 1, 2017 or upon Governor and Executive Council approval, whichever is later, through June 30, 2019.

A copy of this letter should accompany the Department of Health and Human Services' submission to the Governor and Executive Council for approval.

Sincerely,

for Denis Goulet

DG/kaf
DoIT #2018-009

cc: Bruce Smith, IT Manager, DoIT

FORM NUMBER P-37 (version 5/8/15)

Subject: SS-2018-OMS-01-ACTUA (Milliman, Inc.)

Notice: This agreement and all of its attachments shall become public upon submission to Governor and Executive Council for approval. Any information that is private, confidential or proprietary must be clearly identified to the agency and agreed to in writing prior to signing the contract.

AGREEMENT

The State of New Hampshire and the Contractor hereby mutually agree as follows:

GENERAL PROVISIONS

1. IDENTIFICATION.			
1.1 State Agency Name NH Department of Health and Human Services		1.2 State Agency Address 129 Pleasant Street Concord, NH 03301-3857	
1.3 Contractor Name Milliman, Inc.		1.4 Contractor Address 15800 W. Bluemound Rd. Suite 100 Brookfield, WI 53005-6069	
1.5 Contractor Phone Number (262) 784-2250	1.6 Account Number 05-95-047-470010-30990000; 05-95-047-470010-79370000	1.7 Completion Date June 30, 2019	1.8 Price Limitation $4,542,000
1.9 Contracting Officer for State Agency Jonathan V. Gallo, Esq., Interim Director		1.10 State Agency Telephone Number 603-271-9246	
1.11 Contractor Signature		1.12 Name and Title of Contractor Signatory John D. Merschaert Principal and Consulting Actuary	

1.13 Acknowledgement: State of WISCONSIN, County of WAUKESHA

On JUNE 13, 2017, before the undersigned officer, personally appeared the person identified in block 1.12, or satisfactorily proven to be the person whose name is signed in block 1.11, and acknowledged that s/he executed this document in the capacity indicated in block 1.12.

1.13.1 Signature of Notary Public or Justice of the Peace

[Seal] Misty Munzinger

MISTY MUNZINGER
Notary Public
State of Wisconsin

1.13.2 Name and Title of Notary or Justice of the Peace

MISTY MUNZINGER, HR MANAGER

1.14 State Agency Signature	1.15 Name and Title of State Agency Signatory
Lori Shibinette Date: 6/14/17	Lori Shibinette, Deputy Commissioner

1.16 Approval by the N.H. Department of Administration, Division of Personnel *(if applicable)*

By: Director, On:

1.17 Approval by the Attorney General (Form, Substance and Execution) *(if applicable)*

By: On: 6/14/2017

1.18 Approval by the Governor and Executive Council *(if applicable)*

By: On:

2. EMPLOYMENT OF CONTRACTOR/SERVICES TO BE PERFORMED. The State of New Hampshire, acting through the agency identified in block 1.1 ("State"), engages contractor identified in block 1.3 ("Contractor") to perform, and the Contractor shall perform, the work or sale of goods, or both, identified and more particularly described in the attached EXHIBIT A which is incorporated herein by reference ("Services").

3. EFFECTIVE DATE/COMPLETION OF SERVICES.
3.1 Notwithstanding any provision of this Agreement to the contrary, and subject to the approval of the Governor and Executive Council of the State of New Hampshire, if applicable, this Agreement, and all obligations of the parties hereunder, shall become effective on the date the Governor and Executive Council approve this Agreement as indicated in block 1.18, unless no such approval is required, in which case the Agreement shall become effective on the date the Agreement is signed by the State Agency as shown in block 1.14 ("Effective Date").
3.2 If the Contractor commences the Services prior to the Effective Date, all Services performed by the Contractor prior to the Effective Date shall be performed at the sole risk of the Contractor, and in the event that this Agreement does not become effective, the State shall have no liability to the Contractor, including without limitation, any obligation to pay the Contractor for any costs incurred or Services performed. Contractor must complete all Services by the Completion Date specified in block 1.7.

4. CONDITIONAL NATURE OF AGREEMENT.
Notwithstanding any provision of this Agreement to the contrary, all obligations of the State hereunder, including, without limitation, the continuance of payments hereunder, are contingent upon the availability and continued appropriation of funds, and in no event shall the State be liable for any payments hereunder in excess of such available appropriated funds. In the event of a reduction or termination of appropriated funds, the State shall have the right to withhold payment until such funds become available, if ever, and shall have the right to terminate this Agreement immediately upon giving the Contractor notice of such termination. The State shall not be required to transfer funds from any other account to the Account identified in block 1.6 in the event funds in that Account are reduced or unavailable.

5. CONTRACT PRICE/PRICE LIMITATION/ PAYMENT.
5.1 The contract price, method of payment, and terms of payment are identified and more particularly described in EXHIBIT B which is incorporated herein by reference.
5.2 The payment by the State of the contract price shall be the only and the complete reimbursement to the Contractor for all expenses, of whatever nature incurred by the Contractor in the performance hereof, and shall be the only and the complete compensation to the Contractor for the Services. The State shall have no liability to the Contractor other than the contract price.
5.3 The State reserves the right to offset from any amounts otherwise payable to the Contractor under this Agreement those liquidated amounts required or permitted by N.H. RSA 80:7 through RSA 80:7-c or any other provision of law.
5.4 Notwithstanding any provision in this Agreement to the contrary, and notwithstanding unexpected circumstances, in no event shall the total of all payments authorized, or actually made hereunder, exceed the Price Limitation set forth in block 1.8.

6. COMPLIANCE BY CONTRACTOR WITH LAWS AND REGULATIONS/ EQUAL EMPLOYMENT OPPORTUNITY.
6.1 In connection with the performance of the Services, the Contractor shall comply with all statutes, laws, regulations, and orders of federal, state, county or municipal authorities which impose any obligation or duty upon the Contractor, including, but not limited to, civil rights and equal opportunity laws. This may include the requirement to utilize auxiliary aids and services to ensure that persons with communication disabilities, including vision, hearing and speech, can communicate with, receive information from, and convey information to the Contractor. In addition, the Contractor shall comply with all applicable copyright laws.
6.2 During the term of this Agreement, the Contractor shall not discriminate against employees or applicants for employment because of race, color, religion, creed, age, sex, handicap, sexual orientation, or national origin and will take affirmative action to prevent such discrimination.
6.3 If this Agreement is funded in any part by monies of the United States, the Contractor shall comply with all the provisions of Executive Order No. 11246 ("Equal Employment Opportunity"), as supplemented by the regulations of the United States Department of Labor (41 C.F.R. Part 60), and with any rules, regulations and guidelines as the State of New Hampshire or the United States issue to implement these regulations. The Contractor further agrees to permit the State or United States access to any of the Contractor's books, records and accounts for the purpose of ascertaining compliance with all rules, regulations and orders, and the covenants, terms and conditions of this Agreement.

7. PERSONNEL.
7.1 The Contractor shall at its own expense provide all personnel necessary to perform the Services. The Contractor warrants that all personnel engaged in the Services shall be qualified to perform the Services, and shall be properly licensed and otherwise authorized to do so under all applicable laws.
7.2 Unless otherwise authorized in writing, during the term of this Agreement, and for a period of six (6) months after the Completion Date in block 1.7, the Contractor shall not hire, and shall not permit any subcontractor or other person, firm or corporation with whom it is engaged in a combined effort to perform the Services to hire, any person who is a State employee or official, who is materially involved in the procurement, administration or performance of this

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Agreement. This provision shall survive termination of this Agreement.

7.3 The Contracting Officer specified in block 1.9, or his or her successor, shall be the State's representative. In the event of any dispute concerning the interpretation of this Agreement, the Contracting Officer's decision shall be final for the State.

8. EVENT OF DEFAULT/REMEDIES.

8.1 Any one or more of the following acts or omissions of the Contractor shall constitute an event of default hereunder ("Event of Default"):

8.1.1 failure to perform the Services satisfactorily or on schedule;

8.1.2 failure to submit any report required hereunder; and/or

8.1.3 failure to perform any other covenant, term or condition of this Agreement.

8.2 Upon the occurrence of any Event of Default, the State may take any one, or more, or all, of the following actions:

8.2.1 give the Contractor a written notice specifying the Event of Default and requiring it to be remedied within, in the absence of a greater or lesser specification of time, thirty (30) days from the date of the notice; and if the Event of Default is not timely remedied, terminate this Agreement, effective two (2) days after giving the Contractor notice of termination;

8.2.2 give the Contractor a written notice specifying the Event of Default and suspending all payments to be made under this Agreement and ordering that the portion of the contract price which would otherwise accrue to the Contractor during the period from the date of such notice until such time as the State determines that the Contractor has cured the Event of Default shall never be paid to the Contractor;

8.2.3 set off against any other obligations the State may owe to the Contractor any damages the State suffers by reason of any Event of Default; and/or

8.2.4 treat the Agreement as breached and pursue any of its remedies at law or in equity, or both.

9. DATA/ACCESS/CONFIDENTIALITY/ PRESERVATION.

9.1 As used in this Agreement, the word "data" shall mean all information and things developed or obtained during the performance of, or acquired or developed by reason of, this Agreement, including, but not limited to, all studies, reports, files, formulae, surveys, maps, charts, sound recordings, video recordings, pictorial reproductions, drawings, analyses, graphic representations, computer programs, computer printouts, notes, letters, memoranda, papers, and documents, all whether finished or unfinished.

9.2 All data and any property which has been received from the State or purchased with funds provided for that purpose under this Agreement, shall be the property of the State, and shall be returned to the State upon demand or upon termination of this Agreement for any reason.

9.3 Confidentiality of data shall be governed by N.H. RSA chapter 91-A or other existing law. Disclosure of data requires prior written approval of the State.

10. TERMINATION. In the event of an early termination of this Agreement for any reason other than the completion of the Services, the Contractor shall deliver to the Contracting Officer, not later than fifteen (15) days after the date of termination, a report ("Termination Report") describing in detail all Services performed, and the contract price earned, to and including the date of termination. The form, subject matter, content, and number of copies of the Termination Report shall be identical to those of any Final Report described in the attached EXHIBIT A.

11. CONTRACTOR'S RELATION TO THE STATE. In the performance of this Agreement the Contractor is in all respects an independent contractor, and is neither an agent nor an employee of the State. Neither the Contractor nor any of its officers, employees, agents or members shall have authority to bind the State or receive any benefits, workers' compensation or other emoluments provided by the State to its employees.

12. ASSIGNMENT/DELEGATION/SUBCONTRACTS. The Contractor shall not assign, or otherwise transfer any interest in this Agreement without the prior written notice and consent of the State. None of the Services shall be subcontracted by the Contractor without the prior written notice and consent of the State.

13. INDEMNIFICATION. The Contractor shall defend, indemnify and hold harmless the State, its officers and employees, from and against any and all losses suffered by the State, its officers and employees, and any and all claims, liabilities or penalties asserted against the State, its officers and employees, by or on behalf of any person, on account of, based or resulting from, arising out of (or which may be claimed to arise out of) the acts or omissions of the Contractor. Notwithstanding the foregoing, nothing herein contained shall be deemed to constitute a waiver of the sovereign immunity of the State, which immunity is hereby reserved to the State. This covenant in paragraph 13 shall survive the termination of this Agreement.

14. INSURANCE.

14.1 The Contractor shall, at its sole expense, obtain and maintain in force, and shall require any subcontractor or assignee to obtain and maintain in force, the following insurance:

14.1.1 comprehensive general liability insurance against all claims of bodily injury, death or property damage, in amounts of not less than $1,000,000per occurrence and $2,000,000 aggregate ; and

14.1.2 special cause of loss coverage form covering all property subject to subparagraph 9.2 herein, in an amount not less than 80% of the whole replacement value of the property.

14.2 The policies described in subparagraph 14.1 herein shall be on policy forms and endorsements approved for use in the State of New Hampshire by the N.H. Department of Insurance, and issued by insurers licensed in the State of New Hampshire.

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14.3 The Contractor shall furnish to the Contracting Officer identified in block 1.9, or his or her successor, a certificate(s) of insurance for all insurance required under this Agreement. Contractor shall also furnish to the Contracting Officer identified in block 1.9, or his or her successor, certificate(s) of insurance for all renewal(s) of insurance required under this Agreement no later than thirty (30) days prior to the expiration date of each of the insurance policies. The certificate(s) of insurance and any renewals thereof shall be attached and are incorporated herein by reference. Each certificate(s) of insurance shall contain a clause requiring the insurer to provide the Contracting Officer identified in block 1.9, or his or her successor, no less than thirty (30) days prior written notice of cancellation or modification of the policy.

15. WORKERS' COMPENSATION.

15.1 By signing this agreement, the Contractor agrees, certifies and warrants that the Contractor is in compliance with or exempt from, the requirements of N.H. RSA chapter 281-A *("Workers' Compensation").*

15.2 To the extent the Contractor is subject to the requirements of N.H. RSA chapter 281-A, Contractor shall maintain, and require any subcontractor or assignee to secure and maintain, payment of Workers' Compensation in connection with activities which the person proposes to undertake pursuant to this Agreement. Contractor shall furnish the Contracting Officer identified in block 1.9, or his or her successor, proof of Workers' Compensation in the manner described in N.H. RSA chapter 281-A and any applicable renewal(s) thereof, which shall be attached and are incorporated herein by reference. The State shall not be responsible for payment of any Workers' Compensation premiums or for any other claim or benefit for Contractor, or any subcontractor or employee of Contractor, which might arise under applicable State of New Hampshire Workers' Compensation laws in connection with the performance of the Services under this Agreement.

16. WAIVER OF BREACH. No failure by the State to enforce any provisions hereof after any Event of Default shall be deemed a waiver of its rights with regard to that Event of Default, or any subsequent Event of Default. No express failure to enforce any Event of Default shall be deemed a waiver of the right of the State to enforce each and all of the provisions hereof upon any further or other Event of Default on the part of the Contractor.

17. NOTICE. Any notice by a party hereto to the other party shall be deemed to have been duly delivered or given at the time of mailing by certified mail, postage prepaid, in a United States Post Office addressed to the parties at the addresses given in blocks 1.2 and 1.4, herein.

18. AMENDMENT. This Agreement may be amended, waived or discharged only by an instrument in writing signed by the parties hereto and only after approval of such amendment, waiver or discharge by the Governor and Executive Council of the State of New Hampshire unless no such approval is required under the circumstances pursuant to State law, rule or policy.

19. CONSTRUCTION OF AGREEMENT AND TERMS. This Agreement shall be construed in accordance with the laws of the State of New Hampshire, and is binding upon and inures to the benefit of the parties and their respective successors and assigns. The wording used in this Agreement is the wording chosen by the parties to express their mutual intent, and no rule of construction shall be applied against or in favor of any party.

20. THIRD PARTIES. The parties hereto do not intend to benefit any third parties and this Agreement shall not be construed to confer any such benefit.

21. HEADINGS. The headings throughout the Agreement are for reference purposes only, and the words contained therein shall in no way be held to explain, modify, amplify or aid in the interpretation, construction or meaning of the provisions of this Agreement.

22. SPECIAL PROVISIONS. Additional provisions set forth in the attached EXHIBIT C are incorporated herein by reference.

23. SEVERABILITY. In the event any of the provisions of this Agreement are held by a court of competent jurisdiction to be contrary to any state or federal law, the remaining provisions of this Agreement will remain in full force and effect.

24. ENTIRE AGREEMENT. This Agreement, which may be executed in a number of counterparts, each of which shall be deemed an original, constitutes the entire Agreement and understanding between the parties, and supersedes all prior Agreements and understandings relating hereto.

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Scope of Services

1. Introduction

1.1. Purpose

The purpose of this agreement is to set forth the terms and conditions for Milliman, Inc. to provide all actuarial services and technical support relative to Medicaid Care Management.

1.2. Type of Agreement

This contract is a time and material contract with a Not-To-Exceed price. This agreement consists of standard contract form (P-37), all exhibits A-K, all appendices and/or attachments, including the Certificate of Vote, Resumes, Certificate of Good Standing from the State of New Hampshire Secretary of State's Office, and Insurance Certificates.

1.3. Agreement Period

The term of this agreement shall be for two (2) years. The State of New Hampshire, Department of Health and Human Services (DHHS) in its sole discretion may decide to offer one agreement extension for two (2) years, for a total agreement of four (4) years.

2. General Terms and Conditions

2.1. Agreement Elements

The agreement between parties shall consist of the following:

2.1.1 P-37 - Agreement General Provisions
2.1.2 Exhibit A- Scope of Services
2.1.3 Exhibit B-Method and Conditions Precedent to Payment
2.1.4 Exhibit C-Standard Provisions and requirements set forth by the State of NH that must be adhered to in addition to those outlined in the P-37
2.1.5 Exhibit C-1- Special Provisions- Exceptions to Terms and Conditions
2.1.6 Exhibit D- Certification Regarding Drug Free Workplace Requirements
2.1.7 Exhibit E –Certification Regarding Lobbying
2.1.8 Exhibit F- Certification Regarding Debarment, Suspension and other Responsibility Matters
2.1.9 Exhibit G- Certification Regarding American with Disabilities Act Compliance
2.1.10 Exhibit H- Certification Regarding Environmental Tobacco Smoke
2.1.11 Exhibit I- HIPPA Business Associate Agreement
2.1.12 Exhibit J- Certification Regarding Federal Funding Accountability and Transparency Act (FFATA) Compliance

3. Provisions Applicable to All Services

3.1. The Contractor will submit a detailed description of the language assistance services they will provide to persons with limited English proficiency to ensure meaningful access to their programs and/or services within ten (10) days of the contract effective date.

3.2. The Contractor agrees that, to the extent future legislative action by the New Hampshire General Court or federal or state court orders may have an impact on the Services described herein, the State Agency has the right to modify Service priorities

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and expenditure requirements under this Agreement so as to achieve compliance therewith.

4. Scope of Services

4.1. The Contractor shall provide all actuarial services and technical support relative to the Medicaid Managed Care Program.

4.2. The Contractor shall develop actuarially sound rates for the Department's Medicaid Managed Care programs that meet Centers for Medicare & Medicaid Services (CMS) requirements and actuarial standards and practices which include current and expansive populations annually or as needed.

4.3. The Contractor shall provide actuarial support needed to plan and develop any amendments to the Department's managed care contracts, development of new programs, and any requests for proposals.

4.4. The Contractor shall provide actuarial support which shall include, but is not limited to:

4.4.1. Rate modeling.

4.4.2. Financial Analysis.

4.4.3. Consultation.

4.5. The Contractor shall provide technical assistance to SB 553 Medicaid Managed Care (MMC) Implementation planning workgroups to support the integration of Managed Care Long Term Services and Supports into the MMC program. This includes CFI waiver and nursing facility services into managed care which shall include, but not be limited to:

4.5.1. Program planning;

4.5.2. Budgeting;

4.5.3. Contracting; and

4.5.4. Implementation.

4.6. The Contractor shall conduct continuous budget neutrality calculation and monitoring for the Section 1115(a) Delivery System Reform Incentive Program (DSRIP) and Premium Assistance Program (PAP) Demonstration waivers. This may include, but is not limited to:

4.6.1. Developing budget neutrality calculations.

4.6.2. Completing CMS budget neutrality worksheets for Medicaid waivers.

4.6.3. Advising the Department on meeting budget neutrality approaches.

4.6.4. Supporting the Department on monitoring budget neutrality.

4.7. The Contractor shall create drafts and final Medicaid managed care rates and provide actuarial certifications that meet the standards and practices of CMS regulation and guidance. These duties include, but may not be limited to the following:

4.7.1. Provide responses to MCO questions.

4.7.2. Manage any data collection.

4.7.3. Respond to and communicate with CMS regarding any questions/concerns regarding the Department's Medicaid and managed care rates.

4.8. The Contractor shall conduct additional actuarial services, as requested by the Department, which may include but are not limited to:

4.8.1. Risk corridor analysis and settlement calculation for Medicaid Expansion managed care plans;

4.8.2. Federal health insurer fee calculation for applicable Medicaid managed care plans;

4.8.3. Quarterly risk adjustment of capitation rates according to contract terms and best practices;

4.8.4. Advise the Department on managed care strategies; and

4.8.5. Validation of MCO encounter and financial data for actuarial purposes.

4.9. The Contractor shall provide technical support services, which may include but are not limited to:

4.9.1. Review of the Premium Assistance Program Qualified Health Plan rate filings to ensure Department compliance with Section 1115(a) Demonstration waiver and state law requirements for cost effectiveness;

4.9.2. Calculate the financial impact of proposed legislative changes and providing legislative testimony;

4.9.3. Assist the Department with Medicaid policy and program strategy, design, and development; and

4.9.4. Update the methodology for claiming enhanced match for family planning services delivered under managed care, as needed.

4.10. The Contractor shall provide technical assistance training sessions as needed in order to:

4.10.1. Increase the Department's understanding of actuarial procedures;

4.10.2. Standards and practices; and

4.10.3. CMS requirements.

4.11. The Contractor shall coordinate, participate in, and make all necessary arrangements for planning meetings. These duties may include, but are not limited to:

4.11.1. Attend via teleconference;

4.11.2. Onsite visits related to rate development and review; and

4.11.3. Prepare presentations as requested.

4.12. The Contractor shall develop, maintain and provide tasks specific work plans with milestones on a quarterly basis.

5. Staffing

5.1. The Contractor shall provide the following key personnel to this Agreement:

5.1.1. Principal and Consulting Actuary – John D. Meerschaert, FSA, MAAA.

5.1.2. Consulting Actuary - Mathieu Doucet, FSA, MAAA.

5.1.3. Actuary - Gregory J. Herrle, FSA, MAAA.

5.2. The Contractor shall provide sufficient staff to perform all tasks specified in this Agreement.

5.3. The Contractor shall notify the Department at least thirty (30) days in advance of any plans to change, hire, or reassign designated key personnel.

5.4. The Contractor shall inform the Department within seven (7) calendar days of a key staff member being replaced for any reason. The Contractor shall submit proposed alternative staff to the Department for review and approval.

6. Subcontractors

6.1. The Contractor shall notify the Department of any subcontractors to be utilized during the term of this Agreement.

6.2. The Contractor shall remain fully responsible for the obligations, services, and functions performed by its subcontractors, including being subject to any remedies contained in this Agreement.

7. Errors and/or Omissions

7.1. The Contractor shall not take advantage of any errors and/or omissions in this Agreement. The Contractor shall promptly notify the Department of any such errors and/or omissions that are discovered.

Exhibit B

Method and Conditions Precedent to Payment

1) The State shall pay the contractor an amount not to exceed the Form P-37, Block 1.8, Price Limitation for the services provided by the Contractor pursuant to Exhibit A, Scope of Services.

1.1. This contract is funded with funds from CFDA #93.778, Federal Award Identification Number, FAIN # 1605NH5MAP and General Funds.

1.2. The Contractor agrees to provide the services in Exhibit A, Scope of Service in compliance with funding requirements. Failure to meet the scope of services may jeopardize the funded contractor's current and/or future funding.

1.3. The Contractor agrees to use and apply all payments made by the State for direct and indirect costs and expenses associated with the execution of this Agreement. The Contractor's expenses for administration of any subcontractors shall not exceed the amounts identified in the project budget. Allowable costs and expenses shall be determined by the State in accordance with the project budget and applicable State and federal laws and regulations.

1.4. The Contractor agrees to request and receive prior written approval from the State for any modifications to the project budget, which change any expenditure levels from the levels projected in the budget of this Agreement.

2) Payment for said services shall be made monthly as follows:

2.1. Payment shall be on an hourly reimbursement rate as per the schedule outlined in Exhibit B-1, exclusive of travel, for actual hours worked. The Contractor shall be paid for only the total number of hours actually worked.

2.2. The Contractor will submit an invoice for reimbursement in a form satisfactory to the State by the twentieth (20) working day of each month for expenses incurred in the prior month. The invoice shall include the date, the hours worked, who provided the work and a brief description of the work completed in accordance with Exhibit A, Scope of Services. The invoice must be completed, signed, dated and returned to the Department in order to initiate payment. The Contractor agrees to keep records of their activities related to Department programs and services.

2.3. The State shall make payment to the Contractor within thirty (30) days of receipt of each invoice, subsequent to approval of the submitted invoice and if sufficient funds are available. Contractors will keep detailed records of their activities related to DHHS-funded programs and services.

2.4. The Contractor agrees to not use or apply such payments for capital additions or improvements, dues to societies and organizations, entertainment costs, or any other costs not prior approved in writing by the State.

2.5. The final invoice shall be due to the State no later than forty (40) days after the contract Form P-37, Block 1.7 Completion Date.

2.6. In lieu of hard copies, all invoices may be assigned an electronic signature and emailed to:

Valerie Brown
Office of Medical Services
129 Pleasant Street
Concord, NH 03301
Valerie.Brown@dhhs.nh.gov

2.7. Payments may be withheld pending receipt of required reports or documentation as identified in Exhibit A, Scope of Services and in this Exhibit B.

3) Notwithstanding paragraph 18 of the General Provisions P-37, changes limited to adjusting amounts between budget line items, related items, amendments of related budget exhibits within the price limitation, and to adjusting encumbrances between State Fiscal Years, may be made by written agreement of both parties and may be made without obtaining approval of the Governor and Executive Council.

Exhibit B-1

Staff Hourly Rates

SFY 18 Staff Position	Rate Per Hour
Senior Principal	$600
Principal	$495
Senior Consultant	$435
Consultant	$380
Project Manager	$320
Senior Professional Staff	$270
Professional Staff	$225
Administrative Assistant	$150
SFY 19 Staff Position	**Rate Per Hour**
Senior Principal	$620
Principal	$505
Senior Consultant	$445
Consultant	$390
Project Manager	$330
Senior Professional Staff	$275
Professional Staff	$230
Administrative Assistant	$155

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Exhibit B-2

Budget

Activity*	Cost SFY 18	Cost SFY 19
Develop actuarial sound rates for Medicaid managed care programs that meet CMS requirements and actuarial standards and practice, which include current and expansion Medicaid populations annually and as needed.	Deliverable: Medicaid managed care capitation rates Estimated Hours: 2,500 Cost: $812,500	Deliverable: Medicaid managed care capitation rates Estimated Hours: 2,000 Cost: $670,000
Support DHHS to plan and develop any amendments to the Department's managed care contracts, development of new programs, and any Medicaid managed care requests for proposal.	Deliverable: Various written reports Estimated Hours: 1,000 Cost: $325,000	Deliverable: Various written reports Estimated Hours: 1,500 Cost: $502,500
Provide actuarial support including rate modeling, financial analysis, and expert advice regarding integration of CFI waiver and nursing facility services into managed care, program planning, and budgeting, contracting and implementation.	Deliverable: Various written reports Estimated Hours: 1,000 Cost: $325,000	Deliverable: TBD Estimated Hours: 500 Cost: $167,500
Conduct continuous budget neutrality calculation and monitoring for the Section 1115(a) DSRIP and PAP Demonstration waivers.	Deliverable: Budget neutrality monitoring reports Estimated Hours: 300 Cost: $97,500	Deliverable: Budget neutrality monitoring reports Estimated Hours: 300 Cost: $100,500
Create draft(s), and final contracted Medicaid managed care rates and provide actuarial certification meeting standards of practice and CMS regulations and guidance.	Deliverable: Various rate certification reports and stakeholder communications Estimated Hours: 300 Cost: $97,500	Deliverable: Various rate certification reports and stakeholder communications Estimated Hours: 300 Cost: $100,500

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Activity*	Cost SFY 18	Cost SFY 19
Conduct other actuarial services, as requested, which may include: risk corridor analysis and settlement calculations, Federal health insurer fee calculation, quarterly risk adjustment of capitation rates, advice on managed care strategy, and validation of MCO encounter and financial data.	Deliverable: Various written reports Estimated Hours: 1,200 Cost: $390,000	Deliverable: Various written reports Estimated Hours: 1,200 Cost: $402,000
Provide technical support services, which may include but are not limited to: review PAP Qualified Health Plan rate filings for compliance with waiver cost effectiveness; calculating financial impact of proposed legislative changes and providing legislative testimony; Medicaid policy and program strategy, design, and development; and updating methodology for claiming enhanced federal match for family planning services under managed care.	Deliverable: Various written reports Estimated Hours: 250 Cost: $81,250	Deliverable: Various written reports Estimated Hours: 250 Cost: $83,750
Provide technical assistance training sessions as needed to increase the Department's understanding of actuarial procedures, standards and practices and CMS requirements.	Deliverable: Training materials Estimated Hours: 80 Cost: $26,000	Deliverable: Training materials Estimated Hours: 80 Cost: $26,800.
Participate in regular planning meetings, including teleconference planning meetings and onsite visits as related to rate development and review. Expenses will be reimbursed.	Deliverable: Meeting attendance Estimated Hours: 400 Cost: $153,250	Deliverable: Meeting attendance Estimated Hours: 400 Cost: $154,050
Develop, maintain and provide tasks specific work plans with milestones on a quarterly basis.	Deliverable: Task specific work plans Estimated Hours: 40 Cost: $13,000	Deliverable: Task specific work plans Estimated Hours: 40 Cost: $13,400
Total	$2,321,000	$2,221,000

* Refer to Scope of Work for details of each activity.

** Estimated hours must be tied to the Activity in column 1.

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SPECIAL PROVISIONS

Contractors Obligations: The Contractor covenants and agrees that all funds received by the Contractor under the Contract shall be used only as payment to the Contractor for services provided to eligible individuals and, in the furtherance of the aforesaid covenants, the Contractor hereby covenants and agrees as follows:

1. **Compliance with Federal and State Laws:** If the Contractor is permitted to determine the eligibility of individuals such eligibility determination shall be made in accordance with applicable federal and state laws, regulations, orders, guidelines, policies and procedures.

2. **Time and Manner of Determination:** Eligibility determinations shall be made on forms provided by the Department for that purpose and shall be made and remade at such times as are prescribed by the Department.

3. **Documentation:** In addition to the determination forms required by the Department, the Contractor shall maintain a data file on each recipient of services hereunder, which file shall include all information necessary to support an eligibility determination and such other information as the Department requests. The Contractor shall furnish the Department with all forms and documentation regarding eligibility determinations that the Department may request or require.

4. **Fair Hearings:** The Contractor understands that all applicants for services hereunder, as well as individuals declared ineligible have a right to a fair hearing regarding that determination. The Contractor hereby covenants and agrees that all applicants for services shall be permitted to fill out an application form and that each applicant or re-applicant shall be informed of his/her right to a fair hearing in accordance with Department regulations.

5. **Gratuities or Kickbacks:** The Contractor agrees that it is a breach of this Contract to accept or make a payment, gratuity or offer of employment on behalf of the Contractor, any Sub-Contractor or the State in order to influence the performance of the Scope of Work detailed in Exhibit A of this Contract. The State may terminate this Contract and any sub-contract or sub-agreement if it is determined that payments, gratuities or offers of employment of any kind were offered or received by any officials, officers, employees or agents of the Contractor or Sub-Contractor.

6. **Retroactive Payments:** Notwithstanding anything to the contrary contained in the Contract or in any other document, contract or understanding, it is expressly understood and agreed by the parties hereto, that no payments will be made hereunder to reimburse the Contractor for costs incurred for any purpose or for any services provided to any individual prior to the Effective Date of the Contract and no payments shall be made for expenses incurred by the Contractor for any services provided prior to the date on which the individual applies for services or (except as otherwise provided by the federal regulations) prior to a determination that the individual is eligible for such services.

7. **Conditions of Purchase:** Notwithstanding anything to the contrary contained in the Contract, nothing herein contained shall be deemed to obligate or require the Department to purchase services hereunder at a rate which reimburses the Contractor in excess of the Contractors costs, at a rate which exceeds the amounts reasonable and necessary to assure the quality of such service, or at a rate which exceeds the rate charged by the Contractor to ineligible individuals or other third party funders for such service. If at any time during the term of this Contract or after receipt of the Final Expenditure Report hereunder, the Department shall determine that the Contractor has used payments hereunder to reimburse items of expense other than such costs, or has received payment in excess of such costs or in excess of such rates charged by the Contractor to ineligible individuals or other third party funders, the Department may elect to:
   7.1. Renegotiate the rates for payment hereunder, in which event new rates shall be established;
   7.2. Deduct from any future payment to the Contractor the amount of any prior reimbursement in excess of costs;

7.3. Demand repayment of the excess payment by the Contractor in which event failure to make such repayment shall constitute an Event of Default hereunder. When the Contractor is permitted to determine the eligibility of individuals for services, the Contractor agrees to reimburse the Department for all funds paid by the Department to the Contractor for services provided to any individual who is found by the Department to be ineligible for such services at any time during the period of retention of records established herein.

RECORDS: MAINTENANCE, RETENTION, AUDIT, DISCLOSURE AND CONFIDENTIALITY:

8. Maintenance of Records: In addition to the eligibility records specified above, the Contractor covenants and agrees to maintain the following records during the Contract Period:
   8.1. Fiscal Records: books, records, documents and other data evidencing and reflecting all costs and other expenses incurred by the Contractor in the performance of the Contract, and all income received or collected by the Contractor during the Contract Period, said records to be maintained in accordance with accounting procedures and practices which sufficiently and properly reflect all such costs and expenses, and which are acceptable to the Department, and to include, without limitation, all ledgers, books, records, and original evidence of costs such as purchase requisitions and orders, vouchers, requisitions for materials, inventories, valuations of in-kind contributions, labor time cards, payrolls, and other records requested or required by the Department.
   8.2. Statistical Records: Statistical, enrollment, attendance or visit records for each recipient of services during the Contract Period, which records shall include all records of application and eligibility (including all forms required to determine eligibility for each such recipient), records regarding the provision of services and all invoices submitted to the Department to obtain payment for such services.
   8.3. Medical Records: Where appropriate and as prescribed by the Department regulations, the Contractor shall retain medical records on each patient/recipient of services.

9. Audit: Contractor shall submit an annual audit to the Department within 60 days after the close of the agency fiscal year. It is recommended that the report be prepared in accordance with the provision of Office of Management and Budget Circular A-133, "Audits of States, Local Governments, and Non Profit Organizations" and the provisions of Standards for Audit of Governmental Organizations, Programs, Activities and Functions, issued by the US General Accounting Office (GAO standards) as they pertain to financial compliance audits.
   9.1. Audit and Review: During the term of this Contract and the period for retention hereunder, the Department, the United States Department of Health and Human Services, and any of their designated representatives shall have access to all reports and records maintained pursuant to the Contract for purposes of audit, examination, excerpts and transcripts.
   9.2. Audit Liabilities: In addition to and not in any way in limitation of obligations of the Contract, it is understood and agreed by the Contractor that the Contractor shall be held liable for any state or federal audit exceptions and shall return to the Department, all payments made under the Contract to which exception has been taken or which have been disallowed because of such an exception.

10. Confidentiality of Records: All information, reports, and records maintained hereunder or collected in connection with the performance of the services and the Contract shall be confidential and shall not be disclosed by the Contractor, provided however, that pursuant to state laws and the regulations of the Department regarding the use and disclosure of such information, disclosure may be made to public officials requiring such information in connection with their official duties and for purposes directly connected to the administration of the services and the Contract; and provided further, that the use or disclosure by any party of any information concerning a recipient for any purpose not directly connected with the administration of the Department or the Contractor's responsibilities with respect to purchased services hereunder is prohibited except on written consent of the recipient, his attorney or guardian.

Notwithstanding anything to the contrary contained herein the covenants and conditions contained in the Paragraph shall survive the termination of the Contract for any reason whatsoever.

11. **Reports: Fiscal and Statistical:** The Contractor agrees to submit the following reports at the following times if requested by the Department.
    11.1. Interim Financial Reports: Written interim financial reports containing a detailed description of all costs and non-allowable expenses incurred by the Contractor to the date of the report and containing such other information as shall be deemed satisfactory by the Department to justify the rate of payment hereunder. Such Financial Reports shall be submitted on the form designated by the Department or deemed satisfactory by the Department.
    11.2. Final Report: A final report shall be submitted within thirty (30) days after the end of the term of this Contract. The Final Report shall be in a form satisfactory to the Department and shall contain a summary statement of progress toward goals and objectives stated in the Proposal and other information required by the Department.

12. **Completion of Services:** Disallowance of Costs: Upon the purchase by the Department of the maximum number of units provided for in the Contract and upon payment of the price limitation hereunder, the Contract and all the obligations of the parties hereunder (except such obligations as, by the terms of the Contract are to be performed after the end of the term of this Contract and/or survive the termination of the Contract) shall terminate, provided however, that if, upon review of the Final Expenditure Report the Department shall disallow any expenses claimed by the Contractor as costs hereunder the Department shall retain the right, at its discretion, to deduct the amount of such expenses as are disallowed or to recover such sums from the Contractor.

13. **Credits:** All documents, notices, press releases, research reports and other materials prepared during or resulting from the performance of the services of the Contract shall include the following statement:
    13.1. The preparation of this (report, document etc.) was financed under a Contract with the State of New Hampshire, Department of Health and Human Services, with funds provided in part by the State of New Hampshire and/or such other funding sources as were available or required, e.g., the United States Department of Health and Human Services.

14. **Prior Approval and Copyright Ownership:** All materials (written, video, audio) produced or purchased under the contract shall have prior approval from DHHS before printing, production, distribution or use. The DHHS will retain copyright ownership for any and all original materials produced, including, but not limited to, brochures, resource directories, protocols or guidelines, posters, or reports. Contractor shall not reproduce any materials produced under the contract without prior written approval from DHHS.

15. **Operation of Facilities: Compliance with Laws and Regulations:** In the operation of any facilities for providing services, the Contractor shall comply with all laws, orders and regulations of federal, state, county and municipal authorities and with any direction of any Public Officer or officers pursuant to laws which shall impose an order or duty upon the contractor with respect to the operation of the facility or the provision of the services at such facility. If any governmental license or permit shall be required for the operation of the said facility or the performance of the said services, the Contractor will procure said license or permit, and will at all times comply with the terms and conditions of each such license or permit. In connection with the foregoing requirements, the Contractor hereby covenants and agrees that, during the term of this Contract the facilities shall comply with all rules, orders, regulations, and requirements of the State Office of the Fire Marshal and the local fire protection agency, and shall be in conformance with local building and zoning codes, by-laws and regulations.

16. **Equal Employment Opportunity Plan (EEOP):** The Contractor will provide an Equal Employment Opportunity Plan (EEOP) to the Office for Civil Rights, Office of Justice Programs (OCR), if it has received a single award of $500,000 or more. If the recipient receives $25,000 or more and has 50 or

more employees, it will maintain a current EEOP on file and submit an EEOP Certification Form to the OCR, certifying that its EEOP is on file. For recipients receiving less than $25,000, or public grantees with fewer than 50 employees, regardless of the amount of the award, the recipient will provide an EEOP Certification Form to the OCR certifying it is not required to submit or maintain an EEOP. Non-profit organizations, Indian Tribes, and medical and educational institutions are exempt from the EEOP requirement, but are required to submit a certification form to the OCR to claim the exemption. EEOP Certification Forms are available at: http://www.ojp.usdoj/about/ocr/pdfs/cert.pdf.

By signing this agreement the contractor certifies that it is not a recipient of funding from the Justice Department subject to the authority of the Omnibus Crime Control and Safe Streets Act of 1968 and therefore is not required to comply with EEOP requirements according to this paragraph.

17. **Limited English Proficiency (LEP):** As clarified by Executive Order 13166, Improving Access to Services for persons with Limited English Proficiency, and resulting agency guidance, national origin discrimination includes discrimination on the basis of limited English proficiency (LEP). To ensure compliance with the Omnibus Crime Control and Safe Streets Act of 1968 and Title VI of the Civil Rights Act of 1964, Contractors must take reasonable steps to ensure that LEP persons have meaningful access to its programs.

18. **Pilot Program for Enhancement of Contractor Employee Whistleblower Protections:** The following shall apply to all contracts that exceed the Simplified Acquisition Threshold as defined in 48 CFR 2.101 (currently, $150,000)

CONTRACTOR EMPLOYEE WHISTLEBLOWER RIGHTS AND REQUIREMENT TO INFORM EMPLOYEES OF WHISTLEBLOWER RIGHTS (SEP 2013)

(a) This contract and employees working on this contract will be subject to the whistleblower rights and remedies in the pilot program on Contractor employee whistleblower protections established at 41 U.S.C. 4712 by section 828 of the National Defense Authorization Act for Fiscal Year 2013 (Pub. L. 112-239) and FAR 3.908.

(b) The Contractor shall inform its employees in writing, in the predominant language of the workforce, of employee whistleblower rights and protections under 41 U.S.C. 4712, as described in section 3.908 of the Federal Acquisition Regulation.

(c) The Contractor shall insert the substance of this clause, including this paragraph (c), in all subcontracts over the simplified acquisition threshold.

19. **Subcontractors:** DHHS recognizes that the Contractor may choose to use subcontractors with greater expertise to perform certain health care services or functions for efficiency or convenience, but the Contractor shall retain the responsibility and accountability for the function(s). Prior to subcontracting, the Contractor shall evaluate the subcontractor's ability to perform the delegated function(s). This is accomplished through a written agreement that specifies activities and reporting responsibilities of the subcontractor and provides for revoking the delegation or imposing sanctions if the subcontractor's performance is not adequate. Subcontractors are subject to the same contractual conditions as the Contractor and the Contractor is responsible to ensure subcontractor compliance with those conditions.
When the Contractor delegates a function to a subcontractor, the Contractor shall do the following:
    19.1. Evaluate the prospective subcontractor's ability to perform the activities, before delegating the function
    19.2. Have a written agreement with the subcontractor that specifies activities and reporting responsibilities and how sanctions/revocation will be managed if the subcontractor's performance is not adequate
    19.3. Monitor the subcontractor's performance on an ongoing basis

19.4. Provide to DHHS an annual schedule identifying all subcontractors, delegated functions and responsibilities, and when the subcontractor's performance will be reviewed

19.5. DHHS shall, at its discretion, review and approve all subcontracts.

If the Contractor identifies deficiencies or areas for improvement are identified, the Contractor shall take corrective action.

DEFINITIONS
As used in the Contract, the following terms shall have the following meanings:

COSTS: Shall mean those direct and indirect items of expense determined by the Department to be allowable and reimbursable in accordance with cost and accounting principles established in accordance with state and federal laws, regulations, rules and orders.

DEPARTMENT: NH Department of Health and Human Services.

FINANCIAL MANAGEMENT GUIDELINES: Shall mean that section of the Contractor Manual which is entitled "Financial Management Guidelines" and which contains the regulations governing the financial activities of contractor agencies which have contracted with the State of NH to receive funds.

PROPOSAL: If applicable, shall mean the document submitted by the Contractor on a form or forms required by the Department and containing a description of the Services to be provided to eligible individuals by the Contractor in accordance with the terms and conditions of the Contract and setting forth the total cost and sources of revenue for each service to be provided under the Contract.

UNIT: For each service that the Contractor is to provide to eligible individuals hereunder, shall mean that period of time or that specified activity determined by the Department and specified in Exhibit B of the Contract.

FEDERAL/STATE LAW: Wherever federal or state laws, regulations, rules, orders, and policies, etc. are referred to in the Contract, the said reference shall be deemed to mean all such laws, regulations, etc. as they may be amended or revised from the time to time.

CONTRACTOR MANUAL: Shall mean that document prepared by the NH Department of Administrative Services containing a compilation of all regulations promulgated pursuant to the New Hampshire Administrative Procedures Act, NH RSA Ch 541-A, for the purpose of implementing State of NH and federal regulations promulgated thereunder.

SUPPLANTING OTHER FEDERAL FUNDS: The Contractor guarantees that funds provided under this Contract will not supplant any existing federal funds available for these services.

REVISIONS TO GENERAL PROVISIONS

1. Subparagraph 4 of the General Provisions of this contract, Conditional Nature of Agreement, is amended to read as follows:

4. Notwithstanding any provision of this Agreement to the contrary, all obligations of the State hereunder, including, without limitation, the continuance of payments hereunder, are contingent upon the availability and continued appropriation of funds, and in no event shall the State be liable for any payments hereunder in excess of such available appropriated funds. In the event of a reduction or termination of appropriated funds, the State shall provide the Contractor written notice (the "Funding Notice") and shall have the right to withhold payment until such funds become available, if ever, and shall have the right to terminate this Agreement immediately upon giving the Contractor notice of such termination. The State shall not be required to transfer funds from any other account to the Account identified in block 1.6 in the event funds in that Account are reduced or unavailable. Notwithstanding the foregoing, the State shall remain responsible to compensate Contractor for services rendered up to the date of any Funding Notice.

2. Subparagraph 5.2 of the General Provisions of this agreement is hereby amended to read:

5.2 The payment by the State of the contract price shall be the only and the complete reimbursement to the Contractor for all expenses, of whatever nature incurred by the Contractor in the performance hereof, and shall be the only and the complete compensation to the Contractor for the Services. The State shall have no payment liability to the Contractor other than the contract price.

3. Subparagraph 6.1 of the General Provisions of this agreement is hereby amended to read:

6.1 In connection with the performance of the Services, the Contractor shall comply with all applicable statutes, laws, regulations, and orders of federal, State, county or municipal authorities which impose any obligation or duty upon the Contractor, including, but not limited to, civil rights and equal opportunity laws. In addition, the Contractor shall comply with all applicable copyright laws.

4. Subparagraph 6.3 of the General Provisions of this agreement is hereby amended to read:

6.3 If this Agreement is funded in any part by monies of the United States, the Contractor shall comply with all the provisions of Executive Order No. 11246 ("Equal Employment Opportunity"), as supplemented by the regulations of the United States Department of Labor (41 C.F.R. Part 60), and with any rules, regulations, and guidelines as the State of New Hampshire or the United States issue to implement these regulations. The Contractor further agrees to permit the State or United States access to any of the Contractor's relevant books, records, and accounts for the purpose of ascertaining compliance with all rules, regulations, and orders, and the covenants, terms and conditions of this Agreement.

5. Subparagraph 7.3 of the General Provisions of this agreement is hereby amended to read:

7.3 The Contracting Officer specified in block 1.9, or his or her successor, shall be the State's representative. In the event of any dispute concerning the interpretation of this Agreement, The Contracting Officer's decision shall be final for the State; provided, however, any unresolved dispute between the parties may be litigated pursuant to Section 25.0 (Dispute Resolution) below.

6. Subparagraph 8.1.1. of the General Provisions of this agreement is hereby amended to read:

8.1.1 failure to perform the services satisfactorily and in accordance with Agreement or on schedule;

7. Subparagraph 8.2 of the General Provisions of this agreement is hereby amended to read:

8.2 Upon the occurrence of any Event of Default, the State shall take the following actions

8. Subparagraph 8.2.1 of the General Provisions of this agreement is hereby amended to read:

8.2.1 give the Contractor a written notice specifying the Event of Default and requiring it to be remedied within fifteen (15) days from the date of the notice (or such longer period of time as agreed by the parties) (the "Cure Period"); and if the Event of Default is not timely remedied within the Cure Period, terminate this Agreement, effective two (2) days after giving the Contractor notice of termination

9. Subparagraph 8.2.3 of the General Provisions of this agreement is hereby amended to read:

8.2.3 set off against any other obligations the State may owe to the Contractor any damages the State suffers by reason of any uncured Event of Default; and/or

10. Subparagraph 8.2.4 of the General Provisions of this agreement is hereby amended to read:

8.2.4 in the event of an uncured Event of Default, treat the Agreement as breached and pursue any of its remedies at law or in equity, or both."

11. Subparagraph 9 of the General Provisions of this agreement is hereby amended to read:

9. DATA/ACCESS/CONFIDENTIALITY/PRESERVATION/USE OF WORK PRODUCT.

12. Subparagraph 9 of the General Provisions of this agreement is hereby amended to add subparagraph 9.4 to read:

9.4 Contractor shall retain all rights, title, and interest (including, without limitation, all copyrights, patents, service marks, trademarks, trade secret, and other intellectual property rights) in and to all technical or internal designs, methods, ideas, concepts, know-how, techniques, generic documents, and templates that have been previously developed by Contractor or developed during the course of the provision of the services ("Contractor Tools") provided such Contractor Tools do not contain any confidential information or proprietary data of State. To the extent that Contractor may include in the materials any pre-existing Contractor proprietary information or other protected Contractor materials, Contractor agrees that the State shall be deemed to have a fully paid up license to make copies of the Contractor owned materials as

part of this engagement for its internal business purposes and provided that such materials cannot be modified or distributed outside the State without the written permission of the Contractor or except as otherwise permitted herein.

13. Subparagraph 9 of the General Provisions of this agreement is hereby amended to add subparagraph 9.5 to read:

9.5 The parties hereto do not intend to benefit any third parties and this Agreement shall not be construed to confer any such benefit. Contractor's work is prepared solely for the use and benefit of State in accordance with its statutory and regulatory requirements. Contractor recognizes that materials it delivers to the State may be public records subject to disclosure to third parties; however, Contractor does not intend to benefit and assumes no duty or liability to any third parties who receive Contractor's work and may include disclaimer language on its work product so stating. The State agrees not to remove any such disclaimer language from Contractor's work.

14. Subparagraph 9 of the General Provisions of this agreement is hereby amended to add subparagraph 9.6 to read:

9.6 In the event of an early termination of this Agreement due to an uncured Event of Default, bankruptcy, or for any reason other than completion of the Services, Contractor hereby consents to the State distributing copies of the Contractor owned materials, subject to the terms and conditions set forth in Section 9.5 herein, for the purposes of completion of the Services by the State or another vendor.

15. Subparagraph 9.2 of the General Provisions of this agreement is hereby amended to read:

9.2 Subject to 9.4 and 9.5 hereunder, all data and any property which has been received from the State or purchased with funds provided for that purpose under this Agreement, shall be the property of the State, and shall be returned to the State upon demand or upon termination of this Agreement for any reason.

16. Subparagraph 10 of the General Provisions of this contract, Termination, is amended by adding the following language;

10.1 The State may terminate the Agreement at any time for any reason, at the sole discretion of the State, 30 days after giving the Contractor written notice that the State is exercising its option to terminate the Agreement.

10.2 In the event of early termination, the Contractor shall, within 15 days of notice of early termination, develop and submit to the State a Transition Plan for services under the Agreement, including but not limited to, identifying the present and future needs of clients receiving services under the Agreement and establishes a process to meet those needs.

10.3 The Contractor shall fully cooperate with the State and shall promptly provide detailed information to support the Transition Plan including, but not limited to, any information or data requested by the State related to the termination of the Agreement and Transition Plan and shall provide ongoing communication and revisions of the Transition Plan to the State as requested.

10.4 In the event that services under the Agreement, including but not limited to clients receiving services under the Agreement are transitioned to having services delivered by another entity including contracted providers or the State, the Contractor shall provide a process for uninterrupted delivery of services in the Transition Plan.

10.5 The Contractor shall establish a method of notifying clients and other affected individuals about the transition. The Contractor shall include the proposed communications in its Transition Plan submitted to the State as described above.

17. Subparagraph 13 of the General Provisions of this agreement is hereby amended to read:

13 Subject to the limitation of liability in subparagraph 26, Limitation of Liability, the Contractor shall defend, indemnify, and hold harmless the State, its officers, and employees, from and against any and all losses suffered by the State, its officers, and employees, and any and all claims, liabilities or penalties asserted against the State, its officers, and employees, by or on behalf of any third party, to the extent arising out of the fraud, willful misconduct, or negligent acts or omissions of the Contractor. Notwithstanding the foregoing, nothing herein contained shall be deemed to constitute a waiver of the sovereign immunity of the State, which immunity is hereby reserved to the State. This covenant in paragraph 13 shall survive the termination of this Agreement

18. Subparagraph 14.3 of the General Provisions of this agreement is hereby amended to read:

14.3 The Contractor shall furnish to the Contracting Officer identified in block 1.9, or his or her successor, a certificate(s) of insurance for all insurance required under this Agreement. Contractor shall also furnish to the Contracting Officer identified in block 1.9, or his or her successor, certificate(s) of insurance for all renewal(s) of insurance required under this Agreement no later than fifteen (15) days prior to the expiration date of each of the insurance policies. The certificate(s) of insurance and any renewals thereof shall be attached and are incorporated herein by reference. Each certificate(s) of insurance shall contain a clause requiring the insurer to provide the Contracting Officer identified in block 1.9, or his or her successor, no less than ten (10) days prior written notice of cancellation of the policy.

19. Subparagraph 16 of the General Provisions of this agreement, Waiver of Breach, is hereby amended to read:

16 No failure by either party to enforce any provisions hereof after any breach or Event of Default shall be deemed a waiver of its rights with regard to that breach or Event of Default, or any subsequent breach or Event of Default. No express failure to enforce any breach or Event of Default shall be deemed a waiver of the right of a party to enforce each and all of the provisions hereof upon any further or other breach or Event of Default on the part of the other party.

20. Subparagraph 17 of the General Provisions of this agreement, Notice, is hereby amended to read:

17 Any notice by a party hereto to the other party shall be deemed to have been duly delivered or given when actually received by certified mail, postage prepaid and return receipt

requested, in a United States Post Office or if sent by overnight commercial courier with written evidence of delivery and addressed to the parties at the addresses given in blocks 1.2 and 1.4, herein.

21. Subparagraph 23 of the General Provisions of this agreement, Severability, is hereby amended to read:

23 In the event any of the provisions of this Agreement are held by a court of competent jurisdiction to be contrary to any State or federal law, that provision will be deemed to be restated to reflect as nearly as possible the original intent of the Parties in accordance with applicable law and the remaining provisions of this Agreement will remain in full force and effect.

22. Subparagraph 25 is hereby added to the General Provisions of this agreement, Dispute Resolution, to read:

25 The parties agree that any dispute between the parties not resolved pursuant to 7.3 herein and resulting in litigation will be filed and conducted in the New Hampshire State courts and the parties agree to waive the right to a trial by jury.

23. Subparagraph 26 is hereby added to the General Provisions of this agreement, Limitation of Liability, to read:

26 Contractor will perform all services in accordance with applicable professional standards. In the event of any claim arising from services provided by Contractor at any time, the total liability of Contractor, its officers, directors, agents and employees to the State shall not exceed five million dollars ($5,000,000). This limit applies regardless of the theory of law under which a claim is brought, including negligence, tort, contract, or otherwise. In no event shall Contractor be liable for lost profits of the State or any other type of incidental or consequential damages. The foregoing limitations shall not apply in the event of (i) the gross negligence, intentional fraud, or willful misconduct of Contractor, or (ii) Contractor's breach of its confidentiality obligations set forth herein or Contractor's breach of the Business Associate Agreement attached hereto.

24. Subparagraph 27 is hereby added to the General Provisions of this agreement, Force Majeure, to read:

27 Neither of the parties shall be liable to the other for any failure, delay or interruption in performing its obligations hereunder due to causes or conditions beyond its control including, without limitation, strikes, boycotts, picketing, slow-downs, work stoppages, or labor troubles of any other type, acts of God, wars, riots or national or local emergencies.

CERTIFICATION REGARDING DRUG-FREE WORKPLACE REQUIREMENTS

The Contractor identified in Section 1.3 of the General Provisions agrees to comply with the provisions of Sections 5151-5160 of the Drug-Free Workplace Act of 1988 (Pub. L. 100-690, Title V, Subtitle D; 41 U.S.C. 701 et seq.), and further agrees to have the Contractor's representative, as identified in Sections 1.11 and 1.12 of the General Provisions execute the following Certification:

ALTERNATIVE I - FOR GRANTEES OTHER THAN INDIVIDUALS

US DEPARTMENT OF HEALTH AND HUMAN SERVICES - CONTRACTORS
US DEPARTMENT OF EDUCATION - CONTRACTORS
US DEPARTMENT OF AGRICULTURE - CONTRACTORS

This certification is required by the regulations implementing Sections 5151-5160 of the Drug-Free Workplace Act of 1988 (Pub. L. 100-690, Title V, Subtitle D; 41 U.S.C. 701 et seq.). The January 31, 1989 regulations were amended and published as Part II of the May 25, 1990 Federal Register (pages 21681-21691), and require certification by grantees (and by inference, sub-grantees and sub-contractors), prior to award, that they will maintain a drug-free workplace. Section 3017.630(c) of the regulation provides that a grantee (and by inference, sub-grantees and sub-contractors) that is a State may elect to make one certification to the Department in each federal fiscal year in lieu of certificates for each grant during the federal fiscal year covered by the certification. The certificate set out below is a material representation of fact upon which reliance is placed when the agency awards the grant. False certification or violation of the certification shall be grounds for suspension of payments, suspension or termination of grants, or government wide suspension or debarment. Contractors using this form should send it to:

Commissioner
NH Department of Health and Human Services
129 Pleasant Street,
Concord, NH 03301-6505

1. The grantee certifies that it will or will continue to provide a drug-free workplace by:
   - 1.1. Publishing a statement notifying employees that the unlawful manufacture, distribution, dispensing, possession or use of a controlled substance is prohibited in the grantee's workplace and specifying the actions that will be taken against employees for violation of such prohibition;
   - 1.2. Establishing an ongoing drug-free awareness program to inform employees about
     - 1.2.1. The dangers of drug abuse in the workplace;
     - 1.2.2. The grantee's policy of maintaining a drug-free workplace;
     - 1.2.3. Any available drug counseling, rehabilitation, and employee assistance programs; and
     - 1.2.4. The penalties that may be imposed upon employees for drug abuse violations occurring in the workplace;
   - 1.3. Making it a requirement that each employee to be engaged in the performance of the grant be given a copy of the statement required by paragraph (a);
   - 1.4. Notifying the employee in the statement required by paragraph (a) that, as a condition of employment under the grant, the employee will
     - 1.4.1. Abide by the terms of the statement; and
     - 1.4.2. Notify the employer in writing of his or her conviction for a violation of a criminal drug statute occurring in the workplace no later than five calendar days after such conviction;
   - 1.5. Notifying the agency in writing, within ten calendar days after receiving notice under subparagraph 1.4.2 from an employee or otherwise receiving actual notice of such conviction. Employers of convicted employees must provide notice, including position title, to every grant officer on whose grant activity the convicted employee was working, unless the Federal agency

Contractor Initials JDM
Date 6/13/17

has designated a central point for the receipt of such notices. Notice shall include the identification number(s) of each affected grant;

1.6. Taking one of the following actions, within 30 calendar days of receiving notice under subparagraph 1.4.2, with respect to any employee who is so convicted

1.6.1. Taking appropriate personnel action against such an employee, up to and including termination, consistent with the requirements of the Rehabilitation Act of 1973, as amended; or

1.6.2. Requiring such employee to participate satisfactorily in a drug abuse assistance or rehabilitation program approved for such purposes by a Federal, State, or local health, law enforcement, or other appropriate agency;

1.7. Making a good faith effort to continue to maintain a drug-free workplace through implementation of paragraphs 1.1, 1.2, 1.3, 1.4, 1.5, and 1.6.

2. The grantee may insert in the space provided below the site(s) for the performance of work done in connection with the specific grant.

Place of Performance (street address, city, county, state, zip code) (list each location)

Check ☐ if there are workplaces on file that are not identified here.

Contractor Name:

6/13/2017
Date

Name:
Title: John D. Meerschaert
Principal and Consulting Actuary

CERTIFICATION REGARDING LOBBYING

The Contractor identified in Section 1.3 of the General Provisions agrees to comply with the provisions of Section 319 of Public Law 101-121, Government wide Guidance for New Restrictions on Lobbying, and 31 U.S.C. 1352, and further agrees to have the Contractor's representative, as identified in Sections 1.11 and 1.12 of the General Provisions execute the following Certification: . .

US DEPARTMENT OF HEALTH AND HUMAN SERVICES - CONTRACTORS
US DEPARTMENT OF EDUCATION - CONTRACTORS
US DEPARTMENT OF AGRICULTURE - CONTRACTORS

Programs (indicate applicable program covered):
*Temporary Assistance to Needy Families under Title IV-A
*Child Support Enforcement Program under Title IV-D
*Social Services Block Grant Program under Title XX
*Medicaid Program under Title XIX
*Community Services Block Grant under Title VI
*Child Care Development Block Grant under Title IV

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, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement (and by specific mention sub-grantee or sub-contractor).

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 (and by specific mention sub-grantee or sub-contractor), the undersigned shall complete and submit Standard Form LLL, (Disclosure Form to Report Lobbying, in accordance with its instructions, attached and identified as Standard Exhibit E-I.)

3. The undersigned shall require that the language of this certification be included in the award document for 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.

Contractor Name:

6/13/2017
Date

Name:
Title: John D. Meerschaert
Principal and Consulting Actuary

CERTIFICATION REGARDING DEBARMENT, SUSPENSION AND OTHER RESPONSIBILITY MATTERS

The Contractor identified in Section 1.3 of the General Provisions agrees to comply with the provisions of Executive Office of the President, Executive Order 12549 and 45 CFR Part 76 regarding Debarment, Suspension, and Other Responsibility Matters, and further agrees to have the Contractor's representative, as identified in Sections 1.11 and 1.12 of the General Provisions execute the following Certification:

INSTRUCTIONS FOR CERTIFICATION

1. By signing and submitting this proposal (contract), the prospective primary participant is providing the certification set out below.

2. The inability of a person to provide the certification required below will not necessarily result in denial of participation in this covered transaction. If necessary, the prospective participant shall submit an explanation of why it cannot provide the certification. The certification or explanation will be considered in connection with the NH Department of Health and Human Services' (DHHS) determination whether to enter into this transaction. However, failure of the prospective primary participant to furnish a certification or an explanation shall disqualify such person from participation in this transaction.

3. The certification in this clause is a material representation of fact upon which reliance was placed when DHHS determined to enter into this transaction. If it is later determined that the prospective primary participant knowingly rendered an erroneous certification, in addition to other remedies available to the Federal Government, DHHS may terminate this transaction for cause or default.

4. The prospective primary participant shall provide immediate written notice to the DHHS agency to whom this proposal (contract) is submitted if at any time the prospective primary participant learns that its certification was erroneous when submitted or has become erroneous by reason of changed circumstances.

5. The terms "covered transaction," "debarred," "suspended," "ineligible," "lower tier covered transaction," "participant," "person," "primary covered transaction," "principal," "proposal," and "voluntarily excluded," as used in this clause, have the meanings set out in the Definitions and Coverage sections of the rules implementing Executive Order 12549: 45 CFR Part 76. See the attached definitions.

6. The prospective primary participant agrees by submitting this proposal (contract) that, should the proposed covered transaction be entered into, it shall not knowingly enter into any lower tier covered transaction with a person who is debarred, suspended, declared ineligible, or voluntarily excluded from participation in this covered transaction, unless authorized by DHHS.

7. The prospective primary participant further agrees by submitting this proposal that it will include the clause titled "Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion - Lower Tier Covered Transactions," provided by DHHS, without modification, in all lower tier covered transactions and in all solicitations for lower tier covered transactions.

8. A participant in a covered transaction may rely upon a certification of a prospective participant in a lower tier covered transaction that it is not debarred, suspended, ineligible, or involuntarily excluded from the covered transaction, unless it knows that the certification is erroneous. A participant may decide the method and frequency by which it determines the eligibility of its principals. Each participant may, but is not required to, check the Nonprocurement List (of excluded parties).

9. Nothing contained in the foregoing shall be construed to require establishment of a system of records in order to render in good faith the certification required by this clause. The knowledge and

Contractor Initials JDM
Date 6/13/19

information of a participant is not required to exceed that which is normally possessed by a prudent person in the ordinary course of business dealings.

10. Except for transactions authorized under paragraph 6 of these instructions, if a participant in a covered transaction knowingly enters into a lower tier covered transaction with a person who is suspended, debarred, ineligible, or voluntarily excluded from participation in this transaction, in addition to other remedies available to the Federal government, DHHS may terminate this transaction for cause or default.

PRIMARY COVERED TRANSACTIONS

11. The prospective primary participant certifies to the best of its knowledge and belief, that it and its principals:
    - 11.1. are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from covered transactions by any Federal department or agency;
    - 11.2. have not within a three-year period preceding this proposal (contract) been convicted of or had a civil judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (Federal, State or local) transaction or a contract under a public transaction; violation of Federal or State antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property;
    - 11.3. are not presently indicted for otherwise criminally or civilly charged by a governmental entity (Federal, State or local) with commission of any of the offenses enumerated in paragraph (I)(b) of this certification; and
    - 11.4. have not within a three-year period preceding this application/proposal had one or more public transactions (Federal, State or local) terminated for cause or default.

12. Where the prospective primary participant is unable to certify to any of the statements in this certification, such prospective participant shall attach an explanation to this proposal (contract).

LOWER TIER COVERED TRANSACTIONS

13. By signing and submitting this lower tier proposal (contract), the prospective lower tier participant, as defined in 45 CFR Part 76, certifies to the best of its knowledge and belief that it and its principals:
    - 13.1. are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this transaction by any federal department or agency.
    - 13.2. where the prospective lower tier participant is unable to certify to any of the above, such prospective participant shall attach an explanation to this proposal (contract).

14. The prospective lower tier participant further agrees by submitting this proposal (contract) that it will include this clause entitled "Certification Regarding Debarment, Suspension, Ineligibility, and Voluntary Exclusion - Lower Tier Covered Transactions," without modification in all lower tier covered transactions and in all solicitations for lower tier covered transactions.

Contractor Name:

6/13/2017
Date

Name:
Title: John D. Meerschaert
Principal and Consulting Actuary

CERTIFICATION OF COMPLIANCE WITH REQUIREMENTS PERTAINING TO FEDERAL NONDISCRIMINATION, EQUAL TREATMENT OF FAITH-BASED ORGANIZATIONS AND WHISTLEBLOWER PROTECTIONS

The Contractor identified in Section 1.3 of the General Provisions agrees by signature of the Contractor's representative as identified in Sections 1.11 and 1.12 of the General Provisions, to execute the following certification:

Contractor will comply, and will require any subgrantees or subcontractors to comply, with any applicable federal nondiscrimination requirements, which may include:

- the Omnibus Crime Control and Safe Streets Act of 1968 (42 U.S.C. Section 3789d) which prohibits recipients of federal funding under this statute from discriminating, either in employment practices or in the delivery of services or benefits, on the basis of race, color, religion, national origin, and sex. The Act requires certain recipients to produce an Equal Employment Opportunity Plan;

- the Juvenile Justice Delinquency Prevention Act of 2002 (42 U.S.C. Section 5672(b)) which adopts by reference, the civil rights obligations of the Safe Streets Act. Recipients of federal funding under this statute are prohibited from discriminating, either in employment practices or in the delivery of services or benefits, on the basis of race, color, religion, national origin, and sex. The Act includes Equal Employment Opportunity Plan requirements;

- the Civil Rights Act of 1964 (42 U.S.C. Section 2000d, which prohibits recipients of federal financial assistance from discriminating on the basis of race, color, or national origin in any program or activity);

- the Rehabilitation Act of 1973 (29 U.S.C. Section 794), which prohibits recipients of Federal financial assistance from discriminating on the basis of disability, in regard to employment and the delivery of services or benefits, in any program or activity;

- the Americans with Disabilities Act of 1990 (42 U.S.C. Sections 12131-34), which prohibits discrimination and ensures equal opportunity for persons with disabilities in employment, State and local government services, public accommodations, commercial facilities, and transportation;

- the Education Amendments of 1972 (20 U.S.C. Sections 1681, 1683, 1685-86), which prohibits discrimination on the basis of sex in federally assisted education programs;

- the Age Discrimination Act of 1975 (42 U.S.C. Sections 6106-07), which prohibits discrimination on the basis of age in programs or activities receiving Federal financial assistance. It does not include employment discrimination;

- 28 C.F.R. pt. 31 (U.S. Department of Justice Regulations – OJJDP Grant Programs); 28 C.F.R. pt. 42 (U.S. Department of Justice Regulations – Nondiscrimination; Equal Employment Opportunity; Policies and Procedures); Executive Order No. 13279 (equal protection of the laws for faith-based and community organizations); Executive Order No. 13559, which provide fundamental principles and policy-making criteria for partnerships with faith-based and neighborhood organizations;

- 28 C.F.R. pt. 38 (U.S. Department of Justice Regulations – Equal Treatment for Faith-Based Organizations); and Whistleblower protections 41 U.S.C. §4712 and The National Defense Authorization Act (NDAA) for Fiscal Year 2013 (Pub. L. 112-239, enacted January 2, 2013) the Pilot Program for Enhancement of Contract Employee Whistleblower Protections, which protects employees against reprisal for certain whistle blowing activities in connection with federal grants and contracts.

The certificate set out below is a material representation of fact upon which reliance is placed when the agency awards the grant. False certification or violation of the certification shall be grounds for suspension of payments, suspension or termination of grants, or government wide suspension or debarment.

In the event a Federal or State court or Federal or State administrative agency makes a finding of discrimination after a due process hearing on the grounds of race, color, religion, national origin, or sex against a recipient of funds, the recipient will forward a copy of the finding to the Office for Civil Rights, to the applicable contracting agency or division within the Department of Health and Human Services, and to the Department of Health and Human Services Office of the Ombudsman.

The Contractor identified in Section 1.3 of the General Provisions agrees by signature of the Contractor's representative as identified in Sections 1.11 and 1.12 of the General Provisions, to execute the following certification:

1. By signing and submitting this proposal (contract) the Contractor agrees to comply with the provisions indicated above.

Contractor Name:

6/13/2017
Date

Name:
Title: John D. Meerschaert
Principal and Consulting Actuary

CERTIFICATION REGARDING ENVIRONMENTAL TOBACCO SMOKE

Public Law 103-227, Part C - Environmental Tobacco Smoke, also known as the Pro-Children Act of 1994 (Act), requires that smoking not be permitted in any portion of any indoor facility owned or leased or contracted for by an entity and used routinely or regularly for the provision of health, day care, education, or library services to children under the age of 18, if the services are funded by Federal programs either directly or through State or local governments, by Federal grant, contract, loan, or loan guarantee. The law does not apply to children's services provided in private residences, facilities funded solely by Medicare or Medicaid funds, and portions of facilities used for inpatient drug or alcohol treatment. Failure to comply with the provisions of the law may result in the imposition of a civil monetary penalty of up to $1000 per day and/or the imposition of an administrative compliance order on the responsible entity.

The Contractor identified in Section 1.3 of the General Provisions agrees, by signature of the Contractor's representative as identified in Section 1.11 and 1.12 of the General Provisions, to execute the following certification:

1. By signing and submitting this contract, the Contractor agrees to make reasonable efforts to comply with all applicable provisions of Public Law 103-227, Part C, known as the Pro-Children Act of 1994.

Contractor Name:

6/13/2017
Date

Name:
Title:

John D. Meerschaert
Principal and Consulting Actuary

HEALTH INSURANCE PORTABILITY AND ACCOUNTABILTY ACT BUSINESS ASSOCIATE AGREEMENT

Milliman, Inc. ("Milliman") agrees to comply with the Health Insurance Portability and Accountability Act, Public Law 104-191 and with the Standards for Privacy and Security of Individually Identifiable Health Information, 45 CFR Parts 160 and 164 and those parts of the HITECH Act applicable to business associates. As defined herein, "Business Associate" shall mean Milliman and subcontractors and agents of Milliman that receive, use or have access to protected health information under this Agreement and "Covered Entity" shall mean the State of New Hampshire, Department of Health and Human Services.

(1) Definitions.

a. "Breach" shall have the same meaning as the term "Breach" in Title XXX, Subtitle D. Sec. 13400.

b. "Business Associate" has the meaning given such term in section 160.103 of Tile 45, Code of Federal Regulations.

c. "Covered Entity" has the meaning given such term in section 160.103 of Title 45, Code of Federal Regulations.

d. "Designated Record Set" shall have the same meaning as the term "designated record set" in 45 CFR Section 164.501.

e. "Data Aggregation" shall have the same meaning as the term "data aggregation" in 45 CFR Section 164.501.

f. "Health Care Operations" shall have the same meaning as the term "health care operations" in 45 CFR Section 164.501.

g. "HITECH Act" means the Health Information Technology for Economic and Clinical Health Act, TitleXIII, Subtitle D, Part 1 & 2 of the American Recovery and Reinvestment Act of 2009.

h. "HIPAA" means the Health Insurance Portability and Accountability Act of 1996, Public Law 104-191 and the Standards for Privacy and Security of Individually Identifiable Health Information, 45 CFR Parts 160, 162 and 164.

i. "Individual" shall have the same meaning as the term "individual" in 45 CFR Section 164.501 and shall include a person who qualifies as a personal representative in accordance with 45 CFR Section 164.501(g).

j. "Privacy Rule" shall mean the Standards for Privacy of Individually Identifiable Health Information at 45 CFR Parts 160 and 164, promulgated under HIPAA by the United States Department of Health and Human Services.

k. "Protected Health Information" shall have the same meaning as the term "protected health information" in 45 CFR Section 164.501, limited to the

JDM
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information created or received by Business Associate from or on behalf of Covered Entity.

l. "Required by Law" shall have the same meaning as the term "required by law" in 45 CFR Section 164.501.

m. "Secretary" shall mean the Secretary of the Department of Health and Human Services or his/her designee.

n. "Security Rule" shall mean the Security Standards for the Protection of Electronic Protected Health Information at 45 CFR Part 164, Subpart C, and amendments thereto.

o. "Unsecured Protected Health Information" means protected health information that is not secured by a technology standard that renders protected health information unusable, unreasonable, or indecipherable to unauthorized individuals and is developed or endorsed by a standards developing organization that is accredited by the American National Standards Institute.

p. Other Definitions - All terms not otherwise defined herein shall have the meaning established under 45 C.F.R. Parts 160, 162 and 164, as amended from time to time, and the HITECH Act.

(2) Use and Disclosure of Protected Health Information.

a. Business Associate shall not use, disclose, maintain or transmit Protected Health Information (PHI) except as reasonably necessary to provide the services outlined under Exhibit A of the Agreement. Further, the Business Associate shall not, and shall ensure that its directors, officers, employees and agents, do not use, disclose, maintain or transmit PHI in any manner that would constitute a violation of the Privacy and Security Rule.

b. Business Associate may use or disclose PHI:

i. For the proper management and administration of the Business Associate;

ii. As required by law, pursuant to the terms set forth in paragraph d. below; or.

iii. For data aggregation purposes for the health care operations of Covered Entity.

iv. To de-identify PHI in accordance with the requirements of the Privacy Rule and maintain such de-identified health information indefinitely, provided that all identifiers are destroyed or returned in accordance with this Agreement.

v. To create a Limited Data Set for the purposes of performing its obligations and services for Covered Entity, provided that Business Associate complies with the provisions of this Agreement.

c. To the extent Business Associate is permitted to disclose PHI to a third party, Business Associate must obtain, prior to making any such disclosure, (i) reasonable assurances from the third party that such PHI will be held confidentially and used or further disclosed only as required by law or for the purpose for which it was disclosed to the third party; and (ii) an agreement from such third party to notify Business Associate, in accordance with the HITECH Act, Subtitle D, Part 1, Sec. 13402 of any breaches of the confidentiality of the PHI, to the extent it has obtained knowledge of such breach.

d. The Business Associate shall not, unless such disclosure is reasonably necessary to provide services of this Agreement, disclose any PHI in response to a request for disclosure on the basis that it is required by law, without first notifying Covered Entity so that Covered Entity has an opportunity to object to the disclosure and to seek appropriate relief. If Covered Entity objects to such disclosure, the Business Associate shall refrain from disclosing the PHI until Covered Entity has exhausted all remedies.

e. If the Covered Entity notifies the Business Associate that Covered Entity has agreed to be bound by additional restrictions over and above those uses or disclosures or security safeguards of PHI pursuant to the Privacy and Security Rule, the Business Associate shall be bound by such additional restrictions and shall not disclose PHI in violation of such additional restrictions and shall abide by any additional security safeguards.

(3) Obligations and Activities of Business Associate.

a. Business Associate shall report to the designated Privacy Officer of Covered Entity, in writing, any use or disclosure of PHI in violation of the Agreement, including any Breach of PHI and involving Covered Entity data, in accordance with the HITECH Act, Subtitle D, Part 1, Sec. 13402.

b. The Business Associate shall comply with all sections of the Privacy and Security Rule as set forth in, the HITECH Act, Subtitle D, Part 1, Sec. 13401 and Sec.13404.

c. Business Associate shall make available all of its internal policies and procedures, books and records relating to the use and disclosure of PHI received from, or created or received by the Business Associate on behalf of Covered Entity to the Secretary for purposes of determining Covered Entity's compliance with HIPAA and the Privacy and Security Rule.

d. Business Associate shall require all of its business associates that receive, use or have access to PHI under the Agreement, to agree in writing to adhere to the same or substantially similar restrictions and conditions on the use and disclosure of PHI contained herein, including the duty to return or destroy the PHI as provided under Section (3)b and (3)k herein. The Covered Entity shall

be considered a direct third party beneficiary of the Contractor's business associate agreements with Contractor's intended business associates, who will be receiving PHI pursuant to this Agreement, with rights of enforcement and indemnification from such business associates who shall be governed by standard provision #13 of this Agreement for the purpose of use and disclosure of protected health information.

e. Within five (5) business days of receipt of a written request from Covered Entity, Business Associate shall make available during normal business hours at its offices all records, books, agreements, policies and procedures relating to the use and disclosure of PHI to the Covered Entity, for purposes of enabling Covered Entity to determine Business Associate's compliance with the terms of the Agreement.

f. Within ten (10) business days of receiving a written request from Covered Entity, Business Associate shall provide access to PHI in a Designated Record Set to the Covered Entity in order to meet the requirements under 45 CFR Section 164.524.

g. Within ten (10) business days of receiving a written request from Covered Entity for an amendment of PHI or a record about an individual contained in a Designated Record Set, the Business Associate shall make such PHI available to Covered Entity for amendment and incorporate any such amendment to enable Covered Entity to fulfill its obligations under 45 CFR Section 164.526.

h. Business Associate shall, document such disclosures of PHI and information related to such disclosures as would be required for Covered Entity to respond to a request by an individual for an accounting of disclosures of PHI in accordance with 45 CFR Section 164.528.

i. Within ten (10) business days of receiving a written request from Covered Entity for a request for an accounting of disclosures of PHI, Business Associate shall make available to Covered Entity such information as Covered Entity may require to fulfill its obligations to provide an accounting of disclosures with respect to PHI in accordance with 45 CFR Section 164.528.

j. In the event any individual requests access to, amendment of, or accounting of PHI directly from the Business Associate, the Business Associate shall within two (2) business days forward such request to Covered Entity. Covered Entity shall have the responsibility of responding to forwarded requests.

k. Within ten (10) business days of termination of the Agreement, for any reason, the Business Associate shall return or destroy, as specified by Covered Entity, all PHI received from, or created or received by the Business Associate in connection with the Agreement, and shall not retain any copies or back-up tapes of such PHI. If return or destruction is not feasible, or the disposition of the PHI has been otherwise agreed to, Business Associate shall continue to

extend these protections to such PHI and limit further uses and disclosures of such PHI to those purposes that make the return or destruction infeasible, for so long as Business Associate maintains such PHI. If Covered Entity, in its sole discretion, requires that the Business Associate destroy any or all PHI, the Business Associate shall certify to Covered Entity that the PHI has been destroyed. Notwithstanding the above, upon written notice to Covered Entity, Business Associate may maintain one copy of the minimum necessary PHI, subject to the protections contained herein, for a period of seven (7) years in order to comply with applicable work product documentation standards to which Business Associate is subject.

(4) Obligations of Covered Entity

a. Covered Entity shall notify Business Associate of any changes or limitation(s) in its Notice of Privacy Practices provided to individuals in accordance with 45 CFR Section 164.520, to the extent that such change or limitation may affect Business Associate's use or disclosure of PHI.

b. Covered Entity shall promptly notify Business Associate of any changes in, or revocation of permission provided to Covered Entity by individuals whose PHI may be used or disclosed by Business Associate under this Agreement, pursuant to 45 CFR Section 164.506 or 45 CFR Section 164.508.

c. Covered entity shall promptly notify Business Associate of any restrictions on the use or disclosure of PHI that Covered Entity has agreed to in accordance with 45 CFR 164.522, to the extent that such restriction may affect Business Associate's use or disclosure of PHI.

d. Covered Entity shall not request Business Associate to use or disclose PHI in any manner that would not be permissible under the Privacy Rule or the Security Rule if done by Covered Entity, except as expressly permitted in paragraph (2)b, herein.

e. Covered Entity shall not provide Business Associate with more PHI than that which is minimally necessary for Business Associate to provide the services contemplated and, where possible, Covered Entity shall provide any PHI needed to provide the services in the form of a Limited Data Set, in accordance with HITECH Act regulations.

(5) Termination for Cause

Covered Entity may immediately terminate the Agreement upon Covered Entity's knowledge of a breach by Business Associate of the Business Associate Agreement set forth herein as Exhibit I. The Covered Entity may either immediately terminate the Agreement or provide an opportunity for Business Associate to cure the alleged breach within a timeframe specified by Covered Entity. If Covered Entity determines that neither termination nor cure is feasible, Covered Entity shall report the violation to the Secretary.

Contractor Initials JJM

Date 6/13/17

(6) Miscellaneous

a. Definitions and Regulatory References. All terms used, but not otherwise defined herein, shall have the same meaning as those terms in the Privacy and Security Rule, and the HITECH Act as amended from time to time. A reference in the Agreement, as amended to include this Exhibit I, to a Section in the Privacy and Security Rule means the Section as in effect or as amended.

b. Amendment. Covered Entity and Business Associate agree to take such action as is necessary to amend the Agreement, from time to time as is necessary for Covered Entity to comply with the changes in the requirements of HIPAA, the Privacy and Security Rule, and applicable federal and state law.

c. Data Ownership. The Business Associate acknowledges that it has no ownership rights with respect to the PHI provided by or created on behalf of Covered Entity.

d. Interpretation. The parties agree that any ambiguity in the Agreement shall be resolved to permit Covered Entity to comply with HIPAA, the Privacy and Security Rule and the HITECH Act.

e. Segregation. If any term or condition of this Exhibit I or the application thereof to any person(s) or circumstance is held invalid, such invalidity shall not affect other terms or conditions which can be given effect without the invalid term or condition; to this end the terms and conditions of this Exhibit I are declared severable.

f. Survival. Provisions in this Exhibit I regarding the use and disclosure of PHI, return or destruction of PHI, extensions of the protections of the Agreement in section 3 k, the defense and indemnification provisions of section 3 d and standard contract provision #13, shall survive the termination of the Agreement.

g. Independent Contractors. Business Associate and Covered Entity are independent contractors and this Agreement will not establish any relationship of partnership, joint venture, employment, franchise, or agency between Business Associate and Covered Entity. Neither Business Associate nor Covered Entity will have the power to bind the other or incur obligations on the other party's behalf without the other party's prior written consent, except as otherwise expressly provided in this Agreement.

h. Conflicts. In the event that any terms of this Exhibit I are inconsistent with the terms of the Agreement between the parties, then the terms of this Exhibit I shall control.

i. Entire Agreement. This Business Associate Agreement shall constitute the entire agreement of the parties hereto with respect to the subject matter hereof and supersedes all prior agreements, oral or written, and all other communications between the parties hereto relating to such subject matter.

IN WITNESS WHEREOF, the parties hereto have duly executed this Exhibit I.

Department of Health and Human Services	Milliman, Inc.
The State Agency Name	Name of the Contractor
Lori Shibinette	
Signature of Authorized Representative	Signature of Authorized Representative
Lori Shibinette	John D. Meerschaert
Name of Authorized Representative	Name of Authorized Representative
Deputy Commissioner	Principal and Consulting Actuary
Title of Authorized Representative	Title of Authorized Representative
6/14/17	6/13/2017
Date	Date

CERTIFICATION REGARDING THE FEDERAL FUNDING ACCOUNTABILITY AND TRANSPARENCY ACT (FFATA) COMPLIANCE

The Federal Funding Accountability and Transparency Act (FFATA) requires prime awardees of individual Federal grants equal to or greater than $25,000 and awarded on or after October 1, 2010, to report on data related to executive compensation and associated first-tier sub-grants of $25,000 or more. If the initial award is below $25,000 but subsequent grant modifications result in a total award equal to or over $25,000, the award is subject to the FFATA reporting requirements, as of the date of the award. In accordance with 2 CFR Part 170 (Reporting Subaward and Executive Compensation Information), the Department of Health and Human Services (DHHS) must report the following information for any subaward or contract award subject to the FFATA reporting requirements:

1. Name of entity
2. Amount of award
3. Funding agency
4. NAICS code for contracts / CFDA program number for grants
5. Program source
6. Award title descriptive of the purpose of the funding action
7. Location of the entity
8. Principle place of performance
9. Unique identifier of the entity (DUNS #)
10. Total compensation and names of the top five executives if:
    - 10.1. More than 80% of annual gross revenues are from the Federal government, and those revenues are greater than $25M annually and
    - 10.2. Compensation information is not already available through reporting to the SEC.

Prime grant recipients must submit FFATA required data by the end of the month, plus 30 days, in which the award or award amendment is made.

The Contractor identified in Section 1.3 of the General Provisions agrees to comply with the provisions of The Federal Funding Accountability and Transparency Act, Public Law 109-282 and Public Law 110-252, and 2 CFR Part 170 (Reporting Subaward and Executive Compensation Information), and further agrees to have the Contractor's representative, as identified in Sections 1.11 and 1.12 of the General Provisions execute the following Certification:

The below named Contractor agrees to provide needed information as outlined above to the NH Department of Health and Human Services and to comply with all applicable provisions of the Federal Financial Accountability and Transparency Act.

Contractor Name:

6/13/2017
Date

Name:
Title: John D. Merschaert
Principal and Consulting Actuary

FORM A

As the Contractor identified in Section 1.3 of the General Provisions, I certify that the responses to the below listed questions are true and accurate.

1. The DUNS number for your entity is: 07-183-5995

2. In your business or organization's preceding completed fiscal year, did your business or organization receive (1) 80 percent or more of your annual gross revenue in U.S. federal contracts, subcontracts, loans, grants, sub-grants, and/or cooperative agreements; and (2) $25,000,000 or more in annual gross revenues from U.S. federal contracts, subcontracts, loans, grants, subgrants, and/or cooperative agreements?

   X NO _____ YES

   If the answer to #2 above is NO, stop here

   If the answer to #2 above is YES, please answer the following:

3. Does the public have access to information about the compensation of the executives in your business or organization through periodic reports filed under section 13(a) or 15(d) of the Securities Exchange Act of 1934 (15 U.S.C.78m(a), 78o(d)) or section 6104 of the Internal Revenue Code of 1986?

   _____ NO _____ YES

   If the answer to #3 above is YES, stop here

   If the answer to #3 above is NO, please answer the following:

4. The names and compensation of the five most highly compensated officers in your business or organization are as follows:

   Name: _____ Amount: _____

   Name: _____ Amount: _____

   Name: _____ Amount: _____

   Name: _____ Amount: _____

   Name: _____ Amount: _____

DHHS INFORMATION SECURITY REQUIREMENTS

1. Confidential Information: In addition to Paragraph #9 of the General Provisions (P-37) for the purpose of this RFP, the Department's Confidential information includes any and all information owned or managed by the State of NH - created, received from or on behalf of the Department of Health and Human Services (DHHS) or accessed in the course of performing contracted services - of which collection, disclosure, protection, and disposition is governed by state or federal law or regulation. This information includes, but is not limited to Personal Health Information (PHI), Personally Identifiable Information (PII), Federal Tax Information (FTI), Social Security Numbers (SSN), Payment Card Industry (PCI), and or other sensitive and confidential information.

2. The vendor will maintain proper security controls to protect Department confidential information collected, processed, managed, and/or stored in the delivery of contracted services. Minimum expectations include:

   2.1. Maintain policies and procedures to protect Department confidential information throughout the information lifecycle, where applicable, (from creation, transformation, use, storage and secure destruction) regardless of the media used to store the data (i.e., tape, disk, paper, etc.).

   2.2. Maintain appropriate authentication and access controls to contractor systems that collect, transmit, or store Department confidential information where applicable.

   2.3. Encrypt, at a minimum, any Department confidential data stored on portable media, e.g., laptops, USB drives, as well as when transmitted over public networks like the Internet using current industry standards and best practices for strong encryption.

   2.4. Ensure proper security monitoring capabilities are in place to detect potential security events that can impact State of NH systems and/or Department confidential information for contractor provided systems.

   2.5. Provide security awareness and education for its employees, contractors and sub-contractors in support of protecting Department confidential information

   2.6. Maintain a documented breach notification and incident response process. The vendor will contact the Department within twenty-four 24 hours to the Department's contract manager, and additional email addresses provided in this section, of a confidential information breach, computer security incident, or suspected breach which affects or includes any State of New Hampshire systems that connect to the State of New Hampshire network.

      2.6.1. "Breach" shall have the same meaning as the term "Breach" in section 164.402 of Title 45, Code of Federal Regulations. "Computer Security Incident" shall have the same meaning "Computer Security Incident" in section two (2) of NIST Publication 800-61, Computer Security Incident Handling Guide, National Institute of Standards and Technology, U.S. Department of Commerce.

      Breach notifications will be sent to the following email addresses:

      2.6.1.1. DHHSChiefInformationOfficer@dhhs.nh.gov

      2.6.1.2. DHHSInformationSecurityOffice@dhhs.nh.gov

   2.7. If the vendor will maintain any Confidential Information on its systems (or its sub-contractor systems), the vendor will maintain a documented process for securely disposing of such data upon request or contract termination; and will obtain written certification for any State of New Hampshire data destroyed by the vendor or any subcontractors as a part of ongoing, emergency, and or disaster recovery operations. When no longer in use, electronic media containing State of New Hampshire data shall be rendered unrecoverable via a secure wipe program in accordance with industry-accepted standards for secure

Contractor Initials JDM
Date 6/13/17

deletion, or otherwise physically destroying the media (for example, degaussing). The vendor will document and certify in writing at time of the data destruction, and will provide written certification to the Department upon request. The written certification will include all details necessary to demonstrate data has been properly destroyed and validated. Where applicable, regulatory and professional standards for retention requirements will be jointly evaluated by the State and vendor prior to destruction.

2.8. If the vendor will be sub-contracting any core functions of the engagement supporting the services for State of New Hampshire, the vendor will maintain a program of an internal process or processes that defines specific security expectations, and monitoring compliance to security requirements that at a minimum match those for the vendor, including breach notification requirements.

3. The vendor will work with the Department to sign and comply with all applicable State of New Hampshire and Department system access and authorization policies and procedures, systems access forms, and computer use agreements as part of obtaining and maintaining access to any Department system(s). Agreements will be completed and signed by the vendor and any applicable sub-contractors prior to system access being authorized.

4. If the Department determines the vendor is a Business Associate pursuant to 45 CFR 160.103, the vendor will work with the Department to sign and execute a HIPAA Business Associate Agreement (BAA) with the Department and is responsible for maintaining compliance with the agreement.

5. The vendor will work with the Department at its request to complete a survey. The purpose of the survey is to enable the Department and vendor to monitor for any changes in risks, threats, and vulnerabilities that may occur over the life of the vendor engagement. The survey will be completed annually, or an alternate time frame at the Departments discretion with agreement by the vendor, or the Department may request the survey be completed when the scope of the engagement between the Department and the vendor changes. The vendor will not store, knowingly or unknowingly, any State of New Hampshire or Department data offshore or outside the boundaries of the United States unless prior express written consent is obtained from the appropriate authorized data owner or leadership member within the Department.

Contractor Initials JDM
Date 6/12/17