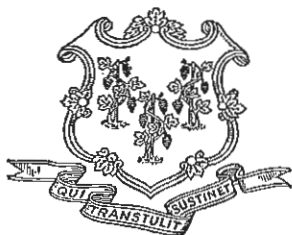


STATE OF CONNECTICUT
DEPARTMENT OF SOCIAL SERVICES



CONTRACT AMENDMENT

Contractor: CONNECTICUT CHILDREN'S MEDICAL CENTER, INC.
Contractor Address: 282 WASHINGTON STREET, HARTFORD, CT 06106
Contract Number: 064CMC-HUS-03 / 09DSS1101FI
Amendment Number: A3
Amount as Amended: \$2,653,403
Contract Term as Amended: 07/01/09 - 06/30/14

The contract between **Connecticut Children's Medical Center, Inc.** (the Contractor) and the Department of Social Services (the Department), which was last executed by the parties and approved by the Office of the Attorney General on 6/27/11, is hereby further amended as follows:

1. The total maximum amount payable under this contract is increased by \$602,000 from \$2,051,403 to \$2,653,403 to fund program services through 6/30/14.
2. The term of the contract is extended for one additional year and the end date of the contract is changed from 6/30/13 to 6/30/14.
3. The budget for SFY2012 and SFY2013 on pages 3 and 4 of Amendment 2 are deleted and replaced by the budgets on pages 3 and 4 of this amendment, and the budget for SFY2014 shall be as set forth on page 5 of this amendment.
4. The reporting and payment schedules for SFYs 2012, 2013, and 2014 shall be as set forth on page 6 of this amendment.
5. The Contractor shall reconcile payments against expenditures on an annual basis during the contract period. The final reconciliation shall include the budgeted payment for any service authorized by the Contractor in accordance to the terms of the contract through June 30 of each year and received by the Contractor no later than August 31 of each year unless the Contractor receives approval from the Department's representative for an exception by September 15.
6. The Department will designate its agent, the HUSKY Health's administrative service organization ("ASO") contractor, Community Health Network of Connecticut, Inc., to review for medical necessity for HUSKY Plus services that exceed \$5,000.00 or any service not listed in the list of HUSKY Plus covered services on pages 22 through 28 of the original contract.
7. All references to "MCO" or "Managed Care Organization" in the original contract and all previous amendments are deleted and replaced by "ASO" or "Administrative Service Organization."
8. The Contractor will secure written communication from the ASO contractor to exhaust HUSKY B benefits.
9. The Department and the Contractor shall mutually revise the "Grievance and Appeals Process" on pages 26 through 28 of the original contract. Such revision shall be communicated through a policy transmittal and made part of this contract.
10. The Part II on pages 30 through 54 of the original contract are deleted and replaced by the Part II on pages 7 through 30 of this amendment.

11. The contact persons listed Notices section F.1.a on pages 11 and 12 of the original section are deleted and replaced by the following persons:

In case of notice(s) to the Contractor:

Terry Dehnel

Associate Director of Director of Academic Administration,
Office of Grants and Sponsored Programs
Connecticut Children's Medical Center
282 Washington Street
Hartford, CT 06106
Phone: 860-837-5811
Fax: (860)-837-5826
e-mail: Tdehnel@ccmckids.org

Susan Roman, Program Director

Special Kids Support Center
Connecticut Children's Medical Center
282 Washington Street
Hartford, CT 06106
Phone: (860) 860-837-6207
e-mail: Sroman@ccmckids.org

In case of notice(s) to the Department:

Regarding contract terms

Andrea C. Alexander, Contract Administrator

Contract Administration Unit
Department of Social Services
25 Sigourney Street
Hartford, CT 06106
Phone (860) 424-5780 / Fax (860) 424-5800
e-mail: andrea.alexander@ct.gov

Regarding funding & payments:

Uma Ganesan, Assistant Director

Division of Health Services
Department of Social Services
25 Sigourney Street
Hartford, CT 06106
Phone 860-424-5695
Uma.ganesan@ct.gov

Regarding scope of services:

Judi Jordan, Director

Medical Care Administration
Department of Social Services
25 Sigourney Street
Hartford, CT 06106
Phone (860) 424-5860
e-mail: Judith.jordan@ct.gov

Laura Victoria Barrera, Program Representative

Managed Care, Medical Care Administration
Department of Social Services
25 Sigourney Street
Hartford, CT 06106
Phone (860) 424-4892 / Fax (860) 424-4958
e-mail laura-victoria.barrera@ct.gov

This document constitutes an amendment to the above numbered contract. All provisions of that contract, except those explicitly changed above by this amendment, shall remain in full force and effect.

PART I

FINANCIAL SUMMARY, SFY12

PROGRAM, CONTRACTOR NAME:
PROGRAM NUMBER:

Connecticut Children's Medical Center, HUSKY Plus
09DSS1101FI / 064CMC-HUS-03 Amendment 3

Contract Amount	Requested	Adjustments	Approved
<i>For Amendments Only</i>			
Previously Approved Contract Amount	\$2,051,403		
Amount of Amendment		\$602,000	\$ 2,653,403

Line #	Item	Subcategory (a)	Line Item Total (b)	Adjustments (c)	Revised Total (d)
1	UNIT RATE				
	1a. Bed Days				
	1b. Client Advocate				
	1c. Security Deposit				
	1d. Other Unit Rate Costs				
	TOTAL UNIT RATE				
2	CONTRACTUAL SERVICES				
	2a. Accounting				
	2b. Legal				
	2c. Independent Audit				
	2d. Other Contractual Services				
	TOTAL CONTRACTUAL SERVICES				
3	ADMINISTRATION				
	3a. Admin. Salaries				
	3b. Admin. Fringe Benefits				
	3c. Admin. Overhead				
	Indirect Costs @ 16.069%		\$ 25,912.00		
	TOTAL ADMINISTRATION		\$ 25,912.00		
4	DIRECT PROGRAM STAFF				
	4a. Program Salaries	Salaries	\$ 124,260		
	4b. Program Fringe Benefits	Fringe Benefits	\$ 36,036		
	TOTAL DIRECT PROGRAM		\$ 160,296		
5	OTHER COSTS				
	5a. Program Rent				
	5b. Consumable Supplies	Office supplies/copies	\$ 949		
	5c. Travel & Transportation				
	5d. Utilities	Phone & Beeper	\$ 15		
	5e. Repairs & Maintenance				
	5f. Insurance				
	5g. Food & Related Costs				
	5h. Other Project Expenses	Pst, Clin Svcs	\$ 307,828		
	TOTAL OTHER COSTS		\$ 308,792		
6	EQUIPMENT				
7	PROGRAM INCOME				
	7a. Fees				
	7b. Other Income				
	TOTAL PROGRAM INCOME				
8	TOTAL NET PROGRAM COST		\$ 495,000		

(Sum of 1 through 6, minus Line 7)

PART I

FINANCIAL SUMMARY, SFY13

PROGRAM, CONTRACTOR NAME:
PROGRAM NUMBER:

Connecticut Children's Medical Center, HUSKY Plus
09DSS1101FI / 064CMC-HUS-03 Amendment 3

Contract Amount	Requested	Adjustments	Approved
<i>For Amendments Only</i>			
Previously Approved Contract Amount	\$ 465,000		
Amount of Amendment		\$ 42,000	\$ 497,000

Line #	Item	Subcategory (a)	Line Item Total (b)	Adjustments (c)	Revised Total (d)
1	UNIT RATE				
	1a. Bed Days				
	1b. Client Advocate				
	1c. Security Deposit				
	1d. Other Unit Rate Costs				
	TOTAL UNIT RATE				
2	CONTRACTUAL SERVICES				
	2a. Accounting				
	2b. Legal				
	2c. Independent Audit				
	2d. Other Contractual Services				
	TOTAL CONTRACTUAL SERVICES				
3	ADMINISTRATION				
	3a. Admin. Salaries				
	3b. Admin. Fringe Benefits				
	3c. Admin. Overhead				
	Indirect Costs @ 18.000%		\$ 29,760		
	TOTAL ADMINISTRATION		\$ 29,760		
4	DIRECT PROGRAM STAFF				
	4a. Program Salaries	Salaries	\$ 127,291		
	4b. Program Fringe Benefits	Fringe Benefits	\$ 36,914		
	TOTAL DIRECT PROGRAM		\$ 164,205		
5	OTHER COSTS				
	5a. Program Rent				
	5b. Consumable Supplies	Office supplies/copies	\$ 1,126		
	5c. Travel & Transportation				
	5d. Utilities				
	5e. Repairs & Maintenance				
	5f. Insurance				
	5g. Food & Related Costs				
	5h. Other Project Expenses	Pst, Clin Svcs	\$ 311,909		
	TOTAL OTHER COSTS		\$ 313,035		
6	EQUIPMENT				
7	PROGRAM INCOME				
	7a. Fees				
	7b. Other Income				
	TOTAL PROGRAM INCOME				
8	TOTAL NET PROGRAM COST (Sum of 1 through 6, minus Line 7)		\$ 507,000		

PART I

FINANCIAL SUMMARY, SFY14

PROGRAM, CONTRACTOR NAME:
PROGRAM NUMBER:

Connecticut Children's Medical Center, HUSKY Plus
09DSS1101FI / 064CMC-HUS-03 Amendment 3

Contract Amount	Requested	Adjustments	Approved
<i>For Amendments Only</i>			
Previously Approved Contract Amount			
Amount of Amendment		\$ 530,000	\$ 530,000

Line #	Item	Subcategory (a)	Line Item Total (b)	Adjustments (c)	Revised Total (d)
1	<u>UNIT RATE</u>				
	1a. Bed Days				
	1b. Client Advocate				
	1c. Security Deposit				
	1d. Other Unit Rate Costs				
	TOTAL UNIT RATE				
2	<u>CONTRACTUAL SERVICES</u>				
	2a. Accounting				
	2b. Legal				
	2c. Independent Audit				
	2d. Other Contractual Services				
	TOTAL CONTRACTUAL SERVICES				
3	<u>ADMINISTRATION</u>				
	3a. Admin. Salaries				
	3b. Admin. Fringe Benefits				
	3c. Admin. Overhead				
	Indirect Costs @ 18.000%		\$ 29,760.00		
	TOTAL ADMINISTRATION		\$ 29,760.00		
4	<u>DIRECT PROGRAM STAFF</u>				
	4a. Program Salaries	Salaries	\$ 127,291		
	4b. Program Fringe Benefits	Fringe Benefits	\$ 36,914		
	TOTAL DIRECT PROGRAM		\$ 164,205		
5	<u>OTHER COSTS</u>				
	5a. Program Rent				
	5b. Consumable Supplies	Office supplies/copies	\$ 1,126		
	5c. Travel & Transportation				
	5d. Utilities				
	5e. Repairs & Maintenance				
	5f. Insurance				
	5g. Food & Related Costs				
	5h. Other Project Expenses	Pst, Clin Svcs	\$ 334,909		
	TOTAL OTHER COSTS		\$ 336,035		
6	<u>EQUIPMENT</u>				
7	<u>PROGRAM INCOME</u>				
	7a. Fees				
	7b. Other Income				
	TOTAL PROGRAM INCOME				
8	<u>TOTAL NET PROGRAM COST</u>		\$ 530,000		
	(Sum of 1 through 6, minus Line 7)				

Financial Expenditure Report Submission schedule for SFY12, 13, & 14

For the Period:	Financial report must be submitted to the Department by:
July 1 – September 30, 2012	November 15, 2012
October 1 – December 31, 2012	February 15, 2013
January 1 – March 31, 2013	May 15, 2013
April 1 – June 30, 2013 (preliminary)	August 15, 2013
July 1, 2012– June 30, 2013 (final)	September 30, 2013
July 1 – September 30, 2013	November 15, 2013
October 1 – December 31, 2013	February 15, 2014
January 1 – March 31, 2014	May 15, 2014
April 1 – June 30, 2014 (preliminary)	August 15, 2014
July 1, 2013– June 30, 2014 (final)	September 30, 2014

Payment Schedule for SFY12, 13, & 14

Department must receive programmatic & financial reports by:	On or after this date the Contractor shall request a payment:	The payment request shall be for the operation of the program through the period:	The maximum payment request shall be:
May 15, 2012	June 1, 2012	July 1, 2012 – September 30, 2012	\$126,750
August 15, 2012	September 1, 2012	October 1, 2012 – December 31, 2012	\$126,750
After September 30, 2012 per reconciliation			\$30,000
November 15, 2012	December 1, 2012	January 1, 2013 – March 31, 2013	\$126,750
February 15, 2013	March 1, 2013	April 1, 2013 – June 30, 2013	\$126,750
May 15, 2013	June 1, 2013	July 1, 2013 – September 30, 2013	\$132,500
August 15, 2013	September 1, 2013	October 1, 2013 – December 31, 2013	\$132,500
November 15, 2013	December 1, 2013	January 1, 2014 – March 31, 2014	\$132,500
February 15, 2014	March 1, 2014	April 1, 2014 – June 30, 2014	\$132,500

PART II. TERMS AND CONDITIONS

The Contractor shall comply with the following terms and conditions.

A. **Definitions.** Unless otherwise indicated, the following terms shall have the following corresponding definitions:

1. **"Bid"** shall mean a bid submitted in response to a solicitation.
2. **"Breach"** shall mean a party's failure to perform some contracted-for or agreed-upon act, or his failure to comply with a duty imposed by law which is owed to another or to society.
3. **"Cancellation"** shall mean an end to the Contract affected pursuant to a right which the Contract creates due to a Breach.
4. **"Claims"** shall mean all actions, suits, claims, demands, investigations and proceedings of any kind, open, pending or threatened, whether mature, unmatured, contingent, known or unknown, at law or in equity, in any forum.
5. **"Client"** shall mean a recipient of the Contractor's Services.
6. **"Contract"** shall mean this agreement, as of its effective date, between the Contractor and the State for Services.
7. **"Contractor Parties"** shall mean a Contractor's members, directors, officers, shareholders, partners, managers, principal officers, representatives, agents, servants, consultants, employees or any one of them or any other person or entity with whom the Contractor is in privity of oral or written contract (e.g. subcontractor) and the Contractor intends for such other person or entity to perform under the Contract in any capacity. For the purpose of this Contract, vendors of support services, not otherwise known as human service providers or educators, shall not be considered subcontractors, e.g. lawn care, unless such activity is considered part of a training, vocational or educational program.
8. **"Data"** shall mean all results, technical information and materials developed and/or obtained in the performance of the Services hereunder, including but not limited to all reports, survey and evaluation tools, surveys and evaluations, plans, charts, recordings (video and/or sound), pictures, curricula, electronically prepared presentations, public awareness or prevention campaign materials, drawings, analyses, graphic representations, computer programs and printouts, notes and memoranda, and documents, whether finished or unfinished, which result from or are prepared in connection with the Services performed hereunder.
9. **"Day"** shall mean all calendar days, other than Saturdays, Sundays and days designated as national or State of Connecticut holidays upon which banks in Connecticut are closed.
10. **"Expiration"** shall mean an end to the Contract due to the completion in full of the mutual performances of the parties or due to the Contract's term being completed.
11. **"Force Majeure"** shall mean events that materially affect the Services or the time schedule within which to perform and are outside the control of the party asserting that such an event has occurred, including, but not limited to, labor troubles unrelated to the Contractor, failure of or inadequate permanent power, unavoidable casualties, fire not caused by the Contractor, extraordinary weather conditions, disasters, riots, acts of God, insurrection or war.
12. **"Personal Information"** shall mean any name, number or other information that may be used, alone or in conjunction with any other information, to identify a specific individual including, but not limited to, such individual's name, date of birth, mother's maiden name, motor vehicle operator's license number, Social Security number, employee identification number, employer or taxpayer identification number, alien

registration number, government passport number, health insurance identification number, demand deposit account number, savings account number, credit card number, debit card number or unique biometric data such as fingerprint, voice print, retina or iris image, or other unique physical representation. Without limiting the foregoing, Personal Information shall also include any information regarding clients that the Department classifies as "confidential" or "restricted." Personal Information shall not include information that may be lawfully obtained from publicly available sources or from federal, state, or local government records which are lawfully made available to the general public.

13. **"Personal Information Breach"** shall mean an instance where an unauthorized person or entity accesses Personal Information in any manner, including but not limited to the following occurrences: (1) any Personal Information that is not encrypted or protected is misplaced, lost, stolen or in any way compromised; (2) one or more third parties have had access to or taken control or possession of any Personal Information that is not encrypted or protected without prior written authorization from the State; (3) the unauthorized acquisition of encrypted or protected Personal Information together with the confidential process or key that is capable of compromising the integrity of the Personal Information; or (4) if there is a substantial risk of identity theft or fraud to the client, the Contractor, the Department or State.
14. **"Records"** shall mean all working papers and such other information and materials as may have been accumulated and/or produced by the Contractor in performing the Contract, including but not limited to, documents, data, plans, books, computations, drawings, specifications, notes, reports, records, estimates, summaries and correspondence, kept or stored in any form.
15. **"Services"** shall mean the performance of Services as stated in Part I of this Contract.
16. **"State"** shall mean the State of Connecticut, including any agency, office, department, board, council, commission, institution or other executive branch agency of State Government.
17. **"Termination"** shall mean an end to the Contract affected pursuant to a right which the Contract creates, other than for a Breach.

B. Client-Related Safeguards.

1. Inspection of Work Performed.

- (a) The Agency or its authorized representative shall at all times have the right to enter into the Contractor or Contractor Parties' premises, or such other places where duties under the Contract are being performed, to inspect, to monitor or to evaluate the work being performed in accordance with Conn. Gen. Stat. § 4e-29 to ensure compliance with this Contract. The Contractor and all subcontractors must provide all reasonable facilities and assistance to Agency representatives. All inspections and evaluations shall be performed in such a manner as will not unduly delay work. The Contractor shall disclose information on clients, applicants and their families as requested unless otherwise prohibited by federal or state law. Written evaluations pursuant to this Section shall be made available to the Contractor.
- (b) The Contractor must incorporate this section verbatim into any Contract it enters into with any subcontractor providing services under this Contract.

2. **Safeguarding Client Information.** The Agency and the Contractor shall safeguard the use, publication and disclosure of information on all applicants for and all Clients who receive Services under this Contract with all applicable federal and state law concerning confidentiality and as may be further provided under the Contract.

3. **Reporting of Client Abuse or Neglect.** The Contractor shall comply with all reporting requirements relative to Client abuse and neglect, including but not limited to requirements as specified in C.G.S. §§ 17a-101 through 103, 19a-216, 46b-120 (related to children); C.G.S. § 46a-11b (relative to persons with mental retardation); and C.G.S. § 17b-407 (relative to elderly persons).

4. **Background Checks.** The State may require that the Contractor and Contractor Parties undergo criminal background checks as provided for in the State of Connecticut Department of Public Safety Administration and Operations Manual or such other State document as governs procedures for background checks. The Contractor and Contractor Parties shall cooperate fully as necessary or reasonably requested with the State and its agents in connection with such background checks.

C. Contractor Obligations.

1. **Cost Standards.** The Contractor and funding state Agency shall comply with the Cost Standards issued by OPM, as may be amended from time to time. The Cost Standards are published by OPM on the Web at http://ct.gov/opm/fin/cost_standards.
2. **Credits and Rights in Data.** Unless expressly waived in writing by the Agency, all Records and publications intended for public distribution during or resulting from the performances of this Contract shall include a statement acknowledging the financial support of the State and the Agency and, where applicable, the federal government. All such publications shall be released in conformance with applicable federal and state law and all regulations regarding confidentiality. Any liability arising from such a release by the Contractor shall be the sole responsibility of the Contractor and the Contractor shall indemnify and hold harmless the Agency, unless the Agency or its agents co-authored said publication and said release is done with the prior written approval of the Agency Head. All publications shall contain the following statement: "This publication does not express the views of the [insert Agency name] or the State of Connecticut. The views and opinions expressed are those of the authors." Neither the Contractor nor any of its agents shall copyright Data and information obtained under this Contract, unless expressly previously authorized in writing by the Agency. The Agency shall have the right to publish, duplicate, use and disclose all such Data in any manner, and may authorize others to do so. The Agency may copyright any Data without prior Notice to the Contractor. The Contractor does not assume any responsibility for the use, publication or disclosure solely by the Agency of such Data.
3. **Organizational Information, Conflict of Interest, IRS Form 990.** During the term of this Contract and for the one hundred eighty (180) days following its date of Termination and/or Cancellation, the Contractor shall upon the Agency's request provide copies of the following documents within ten (10) Days after receipt of the request:
 - (a) its most recent IRS Form 990 submitted to the Internal Revenue Service, and
 - (b) its most recent Annual Report filed with the Connecticut Secretary of the State's Office or such other information that the Agency deems appropriate with respect to the organization and affiliation of the Contractor and related entities.

This provision shall continue to be binding upon the Contractor for one hundred and eighty (180) Days following the termination or cancellation of the Contract.

4. **Federal Funds.**

- (a) The Contractor shall comply with requirements relating to the receipt or use of federal funds. The Agency shall specify all such requirements in Part I of this Contract.
- (b) The Contractor acknowledges that the Agency has established a policy, as mandated by section 6032 of the Deficit Reduction Act (DRA) of 2005, P.L. 109-171, that provides detailed information about the Federal False Claims Act, 31 U.S.C. §§ 3729-3733, and other laws supporting the detection and prevention of fraud and abuse.
 - (1) Contractor acknowledges that it has received a copy of said policy and shall comply with its terms, as amended, and with all applicable state and federal laws, regulations and rules. Contractor shall provide said policy to subcontractors and shall require compliance with the terms of the policy.

Failure to abide by the terms of the policy, as determined by the Agency, shall constitute a Breach of this Contract and may result in cancellation or termination of this Contract.

- (2) This section applies if, under this Contract, the Contractor or Contractor Parties furnishes, or otherwise authorizes the furnishing of health care items or services, performs billing or coding functions, or is involved in monitoring of health care provided by the Agency.
- (c) Contractor represents that it is not excluded, debarred, suspended or otherwise ineligible to participate in federal health care programs.
- (d) Contractor shall not, for purposes of performing the Contract with the Agency, knowingly employ or contract with, with or without compensation: (A) any individual or entity listed by a federal agency as excluded, debarred, suspended or otherwise ineligible to participate in federal health care programs; or (B) any person or entity who is excluded from contracting with the State of Connecticut or the federal government (as reflected in the General Services Administration List of Parties Excluded from Federal Procurement and Non-Procurement Programs, Department of Health and Human Services, Office of Inspector General (HHS/OIG) Excluded Parties list and the Office of Foreign Assets Control (OFAC) list of Specially Designated Nationals and Blocked Persons List). Contractor shall immediately notify the Agency should it become subject to an investigation or inquiry involving items or services reimbursable under a federal health care program or be listed as ineligible for participation in or to perform Services in connection with such program. The Agency may cancel or terminate this Contract immediately if at any point the Contractor, subcontractor or any of their employees are sanctioned, suspended, excluded from or otherwise become ineligible to participate in federal health care programs.

5. **Audit Requirements.**

- (a) The State Auditors of Public Accounts shall have access to all Records for the fiscal year(s) in which the award was made. The Contractor shall provide for an annual financial audit acceptable to the Agency for any expenditure of state-awarded funds made by the Contractor. Such audit shall include management letters and audit recommendations. The Contractor shall comply with federal and state single audit standards as applicable.
- (b) The Contractor shall make all of its and the Contractor Parties' Records available at all reasonable hours for audit and inspection by the State, including, but not limited to, the Agency, the Connecticut Auditors of Public Accounts, Attorney General and State's Attorney and their respective agents. Requests for any audit or inspection shall be in writing, at least ten (10) days prior to the requested date. All audits and inspections shall be at the requester's expense. The State may request an audit or inspection at any time during the Contract term and for three (3) years after Termination, Cancellation or Expiration of the Contract. The Contractor shall cooperate fully with the State and its agents in connection with an audit or inspection. Following any audit or inspection, the State may conduct and the Contractor shall cooperate with an exit conference.
- (c) For purposes of this subsection as it relates to State grants, the word "Contractor" shall be read to mean "nonstate entity," as that term is defined in C.G.S. § 4-230.
- (d) The Contractor must incorporate this section verbatim into any Contract it enters into with any subcontractor providing services under this Contract.

6. **Related Party Transactions.** The Contractor shall report all related party transactions, as defined in this section, to the Agency on an annual basis in the appropriate fiscal report as specified in Part I of this Contract. "Related party" means a person or organization related through marriage, ability to control, ownership, family or business association. Past exercise of influence or control need not be shown, only the potential or ability to directly or indirectly exercise influence or control. "Related party transactions" between a Contractor or Contractor Party and a related party include, but are not limited to:

- (a) Real estate sales or leases;
- (b) leases for equipment, vehicles or household furnishings;
- (c) Mortgages, loans and working capital loans; and
- (d) Contracts for management, consultant and professional services as well as for materials, supplies and other services purchased by the Contractor or Contractor Party.

7. Suspension or Debarment. In addition to the representations and requirements set forth in Section D.4:

- (a) The Contractor certifies for itself and Contractor Parties involved in the administration of federal or state funds that they:
 - (1) are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded by any governmental agency (federal, state or local);
 - (2) within a three year period preceding the effective date of this Contract, have not been convicted 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 contract under a public transaction; for 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;
 - (3) Are not presently indicted for or otherwise criminally or civilly charged by a governmental entity (federal, state or local) with commission of any of the above offenses; and
 - (4) Have not within a three year period preceding the effective date of this Contract had one or more public transactions terminated for cause or fault.
- (b) Any change in the above status shall be immediately reported to the Agency.

8. Liaison. Each Party shall designate a liaison to facilitate a cooperative working relationship between the Contractor and the Agency in the performance and administration of this Contract.

9. Subcontracts. Each Contractor Party's identity, services to be rendered and costs shall be detailed in Part I of this Contract. Absent compliance with this requirement, no Contractor Party may be used or expense paid under this Contract unless expressly otherwise provided in Part I of this Contract. No Contractor Party shall acquire any direct right of payment from the Agency by virtue of this section or any other section of this Contract. The use of Contractor Parties shall not relieve the Contractor of any responsibility or liability under this Contract. The Contractor shall make available copies of all subcontracts to the Agency upon request.

10. Independent Capacity of Contractor. The Contractor and Contractor Parties shall act in an independent capacity and not as officers or employees of the state of Connecticut or of the Agency.

11. Indemnification.

- (a) The Contractor shall indemnify, defend and hold harmless the state of Connecticut and its officers, representatives, agents, servants, employees, successors and assigns from and against any and all:
 - (1) claims arising directly or indirectly, in connection with the Contract, including the acts of commission or omission (collectively the "Acts") of the Contractor or Contractor Parties; and
 - (2) liabilities, damages, losses, costs and expenses, including but not limited to attorneys' and other professionals' fees, arising, directly or indirectly, in connection with Claims, Acts or the Contract.

The Contractor shall use counsel reasonably acceptable to the State in carrying out its indemnification and hold-harmless obligations under this Contract. The Contractor's obligations under this section to indemnify, defend and hold harmless against Claims includes Claims concerning confidentiality of any part of or all of the bid or any records, and intellectual property rights, other propriety rights of any person, or entity, copyrighted or uncopyrighted compositions, secret processes, patented or unpatented inventions, articles or appliances furnished or used in the performance of the Contract.

- (b) The Contractor shall reimburse the State for any and all damages to the real or personal property of the State caused by the Acts of the Contractor or any Contractor Parties. The State shall give the Contractor reasonable notice of any such Claims.
- (c) The Contractor's duties under this Section shall remain fully in effect and binding in accordance with the terms and conditions of the Contract, without being lessened or compromised in any way, even where the Contractor is alleged or is found to have merely contributed in part to the Acts giving rise to the Claims and/or where the State is alleged or is found to have contributed to the Acts giving rise to the Claims.
- (d) The Contractor shall carry and maintain at all times during the term of the Contract, and during the time that any sections survive the term of the Contract, sufficient general liability insurance to satisfy its obligations under this Contract. The Contractor shall name the State as an additional insured on the policy and shall provide a copy of the policy to the Agency prior to the effective date of the Contract. The Contractor shall not begin performance until the delivery of the policy to the Agency.
- (e) The rights provided in this section for the benefit of the State shall encompass the recovery of attorneys' and other professionals' fees expended in pursuing a Claim against a third party.
- (f) This section shall survive the Termination, Cancellation or Expiration of the Contract, and shall not be limited by reason of any insurance coverage.

12. Insurance. Before commencing performance, the Agency may require the Contractor to obtain and maintain specified insurance coverage. In the absence of specific Agency requirements, the Contractor shall obtain and maintain the following insurance coverage at its own cost and expense for the duration of the Contract:

- (a) Commercial General Liability. \$1,000,000 combined single limit per occurrence for bodily injury, personal injury and property damage. Coverage shall include Premises and Operations, Independent Contractors, Products and Completed Operations, Contractual Liability, and Broad Form Property Damage coverage. If a general aggregate is used, the general aggregate limit shall apply separately to the services to be performed under this Contract or the general aggregate limit shall be twice the occurrence limit;
- (b) Automobile Liability. \$1,000,000 combined single limit per accident for bodily injury. Coverage extends to owned, hired and non-owned automobiles. If the vendor/contractor does not own an automobile, but one is used in the execution of this Contract, then only hired and non-owned coverage is required. If a vehicle is not used in the execution of this Contract then automobile coverage is not required.
- (c) Professional Liability. \$1,000,000 limit of liability, if applicable; and/or
- (d) Workers' Compensation and Employers Liability. Statutory coverage in compliance with the Compensation laws of the State of Connecticut. Coverage shall include Employer's Liability with minimum limits of \$100,000 each accident, \$500,000 Disease – Policy limit, \$100,000 each employee.

13. Choice of Law/Choice of Forum, Settlement of Disputes, Claims Against the State.

- (a) The Contract shall be deemed to have been made in the City of Hartford, State of Connecticut. Both Parties agree that it is fair and reasonable for the validity and construction of the Contract to be, and it

shall be, governed by the laws and court decisions of the State of Connecticut, without giving effect to its principles of conflicts of laws. To the extent that any immunities provided by federal law or the laws of the State of Connecticut do not bar an action against the State, and to the extent that these courts are courts of competent jurisdiction, for the purpose of venue, the complaint shall be made returnable to the Judicial District of Hartford only or shall be brought in the United States District Court for the District of Connecticut only, and shall not be transferred to any other court, provided, however, that nothing here constitutes a waiver or compromise of the sovereign immunity of the State of Connecticut. The Contractor waives any objection which it may now have or will have to the laying of venue of any Claims in any forum and further irrevocably submits to such jurisdiction in any suit, action or proceeding.

- (b) Any dispute concerning the interpretation or application of this Contract shall be decided by the Agency Head or his/her designee whose decision shall be final, subject to any rights the Contractor may have pursuant to state law. In appealing a dispute to the Agency Head pursuant to this section, the Contractor shall be afforded an opportunity to be heard and to offer evidence in support of its appeal. Pending final resolution of a dispute, the Contractor and the Agency shall proceed diligently with the performance of the Contract.
- (c) The Contractor agrees that the sole and exclusive means for the presentation of any claim against the State arising from this Contract shall be in accordance with Title 4, Chapter 53 of the Connecticut General Statutes (Claims Against the State) and the Contractor further agrees not to initiate legal proceedings, except as authorized by that Chapter, in any state or federal court in addition to or in lieu of said Chapter 53 proceedings.

14. Compliance with Law and Policy, Facility Standards and Licensing. Contractor shall comply with all:

- (a) pertinent local, state and federal laws and regulations as well as Agency policies and procedures applicable to contractor's programs as specified in this Contract. The Agency shall notify the Contractor of any applicable new or revised laws, regulations, policies or procedures which the Agency has responsibility to promulgate or enforce; and
- (b) applicable local, state and federal licensing, zoning, building, health, fire and safety regulations or ordinances, as well as standards and criteria of pertinent state and federal authorities. Unless otherwise provided by law, the Contractor is not relieved of compliance while formally contesting the authority to require such standards, regulations, statutes, ordinance or criteria.

15. Representations and Warranties. Contractor shall:

- (a) perform fully under the Contract;
- (b) pay for and/or secure all permits, licenses and fees and give all required or appropriate notices with respect to the provision of Services as described in Part I of this Contract; and
- (c) adhere to all contractual sections ensuring the confidentiality of all Records that the Contractor has access to and are exempt from disclosure under the State's Freedom of Information Act or other applicable law.

16. Reports. The Contractor shall provide the Agency with such statistical, financial and programmatic information necessary to monitor and evaluate compliance with the Contract. All requests for such information shall comply with all applicable state and federal confidentiality laws. The Contractor shall provide the Agency with such reports as the Agency requests as required by this Contract.

17. Delinquent Reports. The Contractor shall submit required reports by the designated due dates as identified in this Contract. After notice to the Contractor and an opportunity for a meeting with an Agency representative, the Agency reserves the right to withhold payments for services performed under this Contract if the Agency has not received acceptable progress reports, expenditure reports, refunds, and/or audits as required by this Contract or

previous contracts for similar or equivalent services the Contractor has entered into with the Agency. This section shall survive any Termination of the Contract or the Expiration of its term.

18. **Record Keeping and Access.** The Contractor shall maintain books, Records, documents, program and individual service records and other evidence of its accounting and billing procedures and practices which sufficiently and properly reflect all direct and indirect costs of any nature incurred in the performance of this Contract. These Records shall be subject at all reasonable times to monitoring, inspection, review or audit by authorized employees or agents of the State or, where applicable, federal agencies. The Contractor shall retain all such Records concerning this Contract for a period of three (3) years after the completion and submission to the State of the Contractor's annual financial audit.
19. **Protection of Personal Information.**
- (a) Contractor and Contractor Parties, at their own expense, have a duty to and shall protect from a Personal Information Breach any and all Personal Information which they come to possess or control, wherever and however stored or maintained, in a commercially reasonable manner in accordance with current industry standards.
<http://www.ct.gov/doit/cwp/view.asp?a=1245&q=253968><http://www.ct.gov/doit/cwp/view.asp?a=1245&q=253968>
- (b) Each Contractor or Contractor Party shall implement and maintain a comprehensive data security program for the protection of Personal Information. The safeguards contained in such program shall be consistent with and comply with the safeguards for protection of Personal Information, and information of a similar character, as set forth in all applicable federal and state law and written policy of the Department or State concerning the confidentiality of Personal Information. Such data-security program shall include, but not be limited to, the following:
- (1) A security policy for employees related to the storage, access and transportation of data containing Personal Information;
 - (2) Reasonable restrictions on access to records containing Personal Information, including access to any locked storage where such records are kept;
 - (3) A process for reviewing policies and security measures at least annually;
 - (4) Creating secure access controls to Personal Information, including but not limited to passwords; and
 - (5) Encrypting of Personal Information that is stored on laptops, portable devices or being transmitted electronically.
- (c) The Contractor and Contractor Parties shall notify the Department and the Connecticut Office of the Attorney General as soon as practical, but no later than twenty-four (24) hours, after they become aware of or suspect that any Personal Information which Contractor or Contractor Parties possess or control has been subject to a Personal Information Breach. If a Personal Information Breach has occurred, the Contractor shall, within three (3) business days after the notification, present a credit monitoring and protection plan to the Commissioner of Administrative Services, the Department and the Connecticut Office of the Attorney General, for review and approval. Such credit monitoring or protection plan shall be made available by the Contractor at its own cost and expense to all individuals affected by the Personal Information Breach. Such credit monitoring or protection plan shall include, but is not limited to reimbursement for the cost of placing and lifting one (1) security freeze per credit file pursuant to Connecticut General Statutes § 36a-701a. Such credit monitoring or protection plans shall be approved by the State in accordance with this Section and shall cover a length of time commensurate with the circumstances of the Personal Information Breach. The Contractors' costs and expenses for the credit monitoring and protection plan shall not be recoverable from the Department, any State of Connecticut entity or any affected individuals.
- (d) The Contractor shall incorporate the requirements of this Section in all subcontracts requiring each Contractor Party to safeguard Personal Information in the same manner as provided for in this Section.

- (e) Nothing in this Section shall supersede in any manner Contractor's or Contractor Party's obligations pursuant to HIPAA or the provisions of this Contract concerning the obligations of the Contractor as a Business Associate of the Department.
20. **Workforce Analysis.** The Contractor shall provide a workforce Analysis Affirmative Action report related to employment practices and procedures.
21. **Litigation.**
- (a) The Contractor shall require that all Contractor Parties, as appropriate, disclose to the Contractor, to the best of their knowledge, any Claims involving the Contractor Parties that might reasonably be expected to materially adversely affect their businesses, operations, assets, properties, financial stability, business prospects or ability to perform fully under the Contract, no later than ten (10) days after becoming aware or after they should have become aware of any such Claims. Disclosure shall be in writing.
- (b) The Contractor shall provide written Notice to the Agency of any final decision by any tribunal or state or federal agency or court which is adverse to the Contractor or which results in a settlement, compromise or claim or agreement of any kind for any action or proceeding brought against the Contractor or its employee or agent under the Americans with Disabilities Act of 1990 as revised or amended from time to time, Executive Orders Nos. 3 & 17 of Governor Thomas J. Meskill and any other requirements of federal or state law concerning equal employment opportunities or nondiscriminatory practices.
22. **Sovereign Immunity.** The Contractor and Contractor Parties acknowledge and agree that nothing in the Contract, or the solicitation leading up to the Contract, shall be construed as a modification, compromise or waiver by the State of any rights or defenses of any immunities provided by Federal law or the laws of the State of Connecticut to the State or any of its officers and employees, which they may have had, now have or will have with respect to all matters arising out of the Contract. To the extent that this Section conflicts with any other Section, this Section shall govern.

D. Changes to the Contract, Termination, Cancellation and Expiration.

1. Contract Amendment.

- (a) No amendment to or modification or other alteration of this Contract shall be valid or binding upon the parties unless made in writing, signed by the parties and, if applicable, approved by the OAG.
- (b) The Agency may amend this Contract to reduce the contracted amount of compensation if:
- (1) the total amount budgeted by the State for the operation of the Agency or Services provided under the program is reduced or made unavailable in any way; or
- (2) federal funding reduction results in reallocation of funds within the Agency.
- (c) If the Agency decides to reduce the compensation, the Agency shall send written Notice to the Contractor. Within twenty (20) Days of the Contractor's receipt of the Notice, the Contractor and the Agency shall negotiate the implementation of the reduction of compensation unless the parties mutually agree that such negotiations would be futile. If the parties fail to negotiate an implementation schedule, then the Agency may terminate the Contract effective no earlier than sixty (60) Days from the date that the Contractor receives written notification of Termination and the date that work under this Contract shall cease.

2. Contractor Changes and Assignment.

- (a) The Contractor shall notify the Agency in writing:

- (1) at least ninety (90) days prior to the effective date of any fundamental changes in the Contractor's corporate status, including merger, acquisition, transfer of assets, and any change in fiduciary responsibility;
- (2) no later than ten (10) days from the effective date of any change in:
 - (A) its certificate of incorporation or other organizational document;
 - (B) more than a controlling interest in the ownership of the Contractor; or
 - (C) the individual(s) in charge of the performance.
- (b) No such change shall relieve the Contractor of any responsibility for the accuracy and completeness of the performance. The Agency, after receiving written Notice from the Contractor of any such change, may require such contracts, releases and other instruments evidencing, to the Agency's satisfaction, that any individuals retiring or otherwise separating from the Contractor have been compensated in full or that allowance has been made for compensation in full, for all work performed under terms of the Contract. The Contractor shall deliver such documents to the Agency in accordance with the terms of the Agency's written request. The Agency may also require, and the Contractor shall deliver, a financial statement showing that solvency of the Contractor is maintained. The death of any Contractor Party, as applicable, shall not release the Contractor from the obligation to perform under the Contract; the surviving Contractor Parties, as appropriate, must continue to perform under the Contract until performance is fully completed.
- (c) Assignment. The Contractor shall not assign any of its rights or obligations under the Contract, voluntarily or otherwise, in any manner without the prior written consent of the Agency.
 - (1) The Contractor shall comply with requests for documentation deemed to be appropriate by the Agency in considering whether to consent to such assignment.
 - (2) The Agency shall notify the Contractor of its decision no later than forty-five (45) Days from the date the Agency receives all requested documentation.
 - (3) The Agency may void any assignment made without the Agency's consent and deem such assignment to be in violation of this Section and to be in Breach of the Contract. Any cancellation of this Contract by the Agency for a Breach shall be without prejudice to the Agency's or the State's rights or possible claims against the Contractor.

3. Breach.

- (a) If either party Breaches this Contract in any respect, the non-breaching party shall provide written notice of the Breach to the breaching party and afford the breaching party an opportunity to cure within ten (10) Days from the date that the breaching party receives the notice. In the case of a Contractor Breach, the Agency may modify the ten (10) day cure period in the notice of Breach. The right to cure period shall be extended if the non-breaching party is satisfied that the breaching party is making a good faith effort to cure, but the nature of the Breach is such that it cannot be cured within the right to cure period. The Notice may include an effective Contract cancellation date if the Breach is not cured by the stated date and, unless otherwise modified by the non-breaching party in writing prior to the cancellation date, no further action shall be required of any party to effect the cancellation as of the stated date. If the notice does not set forth an effective Contract cancellation date, then the non-breaching party may cancel the Contract by giving the breaching party no less than twenty four (24) hours' prior written Notice after the expiration of the cure period.
- (b) If the Agency believes that the Contractor has not performed according to the Contract, the Agency may:

- (1) withhold payment in whole or in part pending resolution of the performance issue, provided that the Agency notifies the Contractor in writing prior to the date that the payment would have been due in accordance with the budget;
 - (2) temporarily discontinue all or part of the Services to be provided under the Contract;
 - (3) permanently discontinue part of the Services to be provided under the Contract;
 - (4) assign appropriate State personnel to provide contracted for Services to assure continued performance under the Contract until such time as the contractual Breach has been corrected to the satisfaction of the Agency;
 - (5) require that contract funding be used to enter into a subcontract with a person or persons designated by the Agency in order to bring the program into contractual compliance;
 - (6) take such other actions of any nature whatsoever as may be deemed appropriate for the best interests of the State or the program(s) provided under this Contract or both; or
 - (7) any combination of the above actions.
- (c) The Contractor shall return all unexpended funds to the Agency no later than thirty (30) calendar days after the Contractor receives a demand from the Agency.
- (d) In addition to the rights and remedies granted to the Agency by this Contract, the Agency shall have all other rights and remedies granted to it by law in the event of Breach of or default by the Contractor under the terms of this Contract.
- (e) The action of the Agency shall be considered final. If at any step in this process the Contractor fails to comply with the procedure and, as applicable, the mutually agreed plan of correction, the Agency may proceed with Breach remedies as listed under this section.
4. **Non-enforcement Not to Constitute Waiver.** No waiver of any Breach of the Contract shall be interpreted or deemed to be a waiver of any other or subsequent Breach. All remedies afforded in the Contract shall be taken and construed as cumulative, that is, in addition to every other remedy provided in the Contract or at law or in equity. A party's failure to insist on strict performance of any section of the Contract shall only be deemed to be a waiver of rights and remedies concerning that specific instance of performance and shall not be deemed to be a waiver of any subsequent rights, remedies or Breach.
5. **Suspension.** If the Agency determines in its sole discretion that the health and welfare of the Clients or public safety is being adversely affected, the Agency may immediately suspend in whole or in part the Contract without prior notice and take any action that it deems to be necessary or appropriate for the benefit of the Clients. The Agency shall notify the Contractor of the specific reasons for taking such action in writing within five (5) Days of immediate suspension. Within five (5) Days of receipt of this notice, the Contractor may request in writing a meeting with the Agency Head or designee. Any such meeting shall be held within five (5) Days of the written request, or such later time as is mutually agreeable to the parties. At the meeting, the Contractor shall be given an opportunity to present information on why the Agency's actions should be reversed or modified. Within five (5) Days of such meeting, the Agency shall notify the Contractor in writing of his/her decision upholding, reversing or modifying the action of the Agency head or designee. This action of the Agency head or designee shall be considered final.
6. **Ending the Contractual Relationship.**
- (a) This Contract shall remain in full force and effect for the duration of its entire term or until such time as it is terminated earlier by either party or cancelled. Either party may terminate this contract by providing at least sixty (60) days prior written notice pursuant to the Notice requirements of this Contract.

- (b) The Agency may immediately terminate the Contract in whole or in part whenever the Agency makes a determination that such termination is in the best interest of the State. Notwithstanding Section D.2, the Agency may immediately terminate or cancel this Contract in the event that the Contractor or any subcontractors becomes financially unstable to the point of threatening its ability to conduct the services required under this Contract, ceases to conduct business in the normal course, makes a general assignment for the benefit of creditors, suffers or permits the appointment of a receiver for its business or its assets.
- (c) The Agency shall notify the Contractor in writing of Termination pursuant to subsection (b) above, which shall specify the effective date of termination and the extent to which the Contractor must complete or immediately cease performance. Such Notice of Termination shall be sent in accordance with the Notice provision contained on page 1 of this Contract. Upon receiving the Notice from the Agency, the Contractor shall immediately discontinue all Services affected in accordance with the Notice, undertake all reasonable and necessary efforts to mitigate any losses or damages, and deliver to the Agency all Records as defined in Section A.14, unless otherwise instructed by the Agency in writing, and take all actions that are necessary or appropriate, or that the Agency may reasonably direct, for the protection of Clients and preservation of any and all property. Such Records are deemed to be the property of the Agency and the Contractor shall deliver them to the Agency no later than thirty (30) days after the Termination of the Contract or fifteen (15) days after the Contractor receives a written request from the Agency for the specified records whichever is less. The Contractor shall deliver those Records that exist in electronic, magnetic or other intangible form in a non-proprietary format, such as, but not limited to ASCII or .TXT.
- (d) The Agency may terminate the Contract at any time without prior notice when the funding for the Contract is no longer available.
- (e) The Contractor shall deliver to the Agency any deposits, prior payment, advance payment or down payment if the Contract is terminated by either party or cancelled within thirty (30) days after receiving demand from the Agency. The Contractor shall return to the Agency any funds not expended in accordance with the terms and conditions of the Contract and, if the Contractor fails to do so upon demand, the Agency may recoup said funds from any future payments owing under this Contract or any other contract between the State and the Contractor. Allowable costs, as detailed in audit findings, incurred until the date of termination or cancellation for operation or transition of program(s) under this Contract shall not be subject to recoupment.

7. Transition after Termination or Expiration of Contract.

- (a) If this Contract is terminated for any reason, cancelled or it expires in accordance with its term, the Contractor shall do and perform all things which the Agency determines to be necessary or appropriate to assist in the orderly transfer of Clients served under this Contract and shall assist in the orderly cessation of Services it performs under this Contract. In order to complete such transfer and wind down the performance, and only to the extent necessary or appropriate, if such activities are expected to take place beyond the stated end of the Contract term then the Contract shall be deemed to have been automatically extended by the mutual consent of the parties prior to its expiration without any affirmative act of either party, including executing an amendment to the Contract to extend the term, but only until the transfer and winding down are complete.
- (b) If this Contract is terminated, cancelled or not renewed, the Contractor shall return to the Agency any equipment, deposits or down payments made or purchased with start-up funds or other funds specifically designated for such purpose under this Contract in accordance with the written instructions from the Agency in accordance with the Notice provision of this Contract. Written instructions shall include, but not be limited to, a description of the equipment to be returned, where the equipment shall be returned to and who is responsible to pay for the delivery/shipping costs. Unless the Agency specifies a shorter time frame in the letter of instructions, the Contractor shall affect the returns to the Agency no later than sixty (60) days from the date that the Contractor receives Notice.

E. Statutory and Regulatory Compliance.**1. Health Insurance Portability and Accountability Act of 1996.**

- (a) If the Contactor is a Business Associate under the requirements of the Health Insurance Portability and Accountability Act of 1996 ("HIPAA"), the Contactor must comply with all terms and conditions of this Section of the Contract. If the Contactor is not a Business Associate under HIPAA, this Section of the Contract does not apply to the Contactor for this Contract.
- (b) The Contactor is required to safeguard the use, publication and disclosure of information on all applicants for, and all clients who receive, services under the Contract in accordance with all applicable federal and state law regarding confidentiality, which includes but is not limited to HIPAA, more specifically with the Privacy and Security Rules at 45 C.F.R. Part 160 and Part 164, subparts A, C, and E; and
- (c) The State of Connecticut Agency named on page 1 of this Contract ("Agency") is a "covered entity" as that term is defined in 45 C.F.R. § 160.103; and
- (d) The Contactor, on behalf of the Agency, performs functions that involve the use or disclosure of "individually identifiable health information," as that term is defined in 45 C.F.R. § 160.103; and
- (e) The Contactor is a "business associate" of the Agency, as that term is defined in 45 C.F.R. § 160.103; and
- (f) The Contactor and the Agency agree to the following in order to secure compliance with the HIPAA, the requirements of Subtitle D of the Health Information Technology for Economic and Clinical Health Act ("HITECH Act"), (Pub. L. 111-5, §§ 13400 to 13423), and more specifically with the Privacy and Security Rules at 45 C.F.R. Part 160 and Part 164, subparts A, C, and E.
- (g) Definitions
 - (1) "Breach" shall have the same meaning as the term is defined in section 13400 of the HITECH Act (42 U.S.C. § 17921(1)).
 - (2) "Business Associate" shall mean the Contactor.
 - (3) "Covered Entity" shall mean the Agency of the State of Connecticut named on page 1 of this Contract.
 - (4) "Designated Record Set" shall have the same meaning as the term "designated record set" in 45 C.F.R. § 164.501.
 - (5) "Electronic Health Record" shall have the same meaning as the term is defined in section 13400 of the HITECH Act (42 U.S.C. § 17921(5)).
 - (6) "Individual" shall have the same meaning as the term "individual" in 45 C.F.R. § 160.103 and shall include a person who qualifies as a personal representative as defined in 45 C.F.R. § 164.502(g).
 - (7) "Privacy Rule" shall mean the Standards for Privacy of Individually Identifiable Health Information at 45 C.F.R. part 160 and part 164, subparts A and E.
 - (8) "Protected Health Information" or "PHI" shall have the same meaning as the term "protected health information" in 45 C.F.R. § 160.103, limited to information created or received by the Business Associate from or on behalf of the Covered Entity.

- 3 (9) "Required by Law" shall have the same meaning as the term "required by law" in 45 C.F.R. § 164.103.
 - (10) "Secretary" shall mean the Secretary of the Department of Health and Human Services or his designee.
 - (11) "More stringent" shall have the same meaning as the term "more stringent" in 45 C.F.R. § 160.202.
 - (12) "This Section of the Contract" refers to the HIPAA Provisions stated herein, in their entirety.
 - (13) "Security Incident" shall have the same meaning as the term "security incident" in 45 C.F.R. § 164.304.
 - (14) "Security Rule" shall mean the Security Standards for the Protection of Electronic Protected Health Information at 45 C.F.R. part 160 and part 164, subpart A and C.
 - (15) "Unsecured protected health information" shall have the same meaning as the term as defined in section 13402(h)(1)(A) of HITECH. Act. (42 U.S.C. §17932(h)(1)(A)).
- (h) Obligations and Activities of Business Associates.
- (1) Business Associate agrees not to use or disclose PHI other than as permitted or required by this Section of the Contract or as Required by Law.
 - (2) Business Associate agrees to use appropriate safeguards to prevent use or disclosure of PHI other than as provided for in this Section of the Contract.
 - (3) Business Associate agrees to use administrative, physical and technical safeguards that reasonably and appropriately protect the confidentiality, integrity, and availability of electronic protected health information that it creates, receives, maintains, or transmits on behalf of the Covered Entity.
 - (4) Business Associate agrees to mitigate, to the extent practicable, any harmful effect that is known to the Business Associate of a use or disclosure of PHI by Business Associate in violation of this Section of the Contract.
 - (5) Business Associate agrees to report to Covered Entity any use or disclosure of PHI not provided for by this Section of the Contract or any security incident of which it becomes aware.
 - (6) Business Associate agrees to insure that any agent, including a subcontractor, to whom it provides PHI received from, or created or received by Business Associate, on behalf of the Covered Entity, agrees to the same restrictions and conditions that apply through this Section of the Contract to Business Associate with respect to such information.
 - (7) Business Associate agrees to provide access, at the request of the Covered Entity, and in the time and manner agreed to by the parties, to PHI in a Designated Record Set, to Covered Entity or, as directed by Covered Entity, to an Individual in order to meet the requirements under 45 C.F.R. § 164.524.
 - (8) Business Associate agrees to make any amendments to PHI in a Designated Record Set that the Covered Entity directs or agrees to pursuant to 45 C.F.R. § 164.526 at the request of the Covered Entity, and in the time and manner agreed to by the parties.
 - (9) Business Associate agrees to make internal practices, books, and records, including policies and procedures and PHI, relating to the use and disclosure of PHI received from, or created or received

by, Business Associate on behalf of Covered Entity, available to Covered Entity or to the Secretary in a time and manner agreed to by the parties or designated by the Secretary, for purposes of the Secretary determining Covered Entity's compliance with the Privacy Rule.

- (10) Business Associate agrees to 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 C.F.R. § 164.528 and section 13405 of the HITECH Act (42 U.S.C. § 17935) and any regulations promulgated thereunder.
- (11) Business Associate agrees to provide to Covered Entity, in a time and manner agreed to by the parties, information collected in accordance with subsection (h)(10) of this Section of the Contract, to permit Covered Entity to respond to a request by an Individual for an accounting of disclosures of PHI in accordance with 45 C.F.R. § 164.528 and section 13405 of the HITECH Act (42 U.S.C. § 17935) and any regulations promulgated thereunder. Business Associate agrees at the Covered Entity's direction to provide an accounting of disclosures of PHI directly to an individual in accordance with 45 C.F.R. § 164.528 and section 13405 of the HITECH Act (42 U.S.C. § 17935) and any regulations promulgated thereunder.
- (12) Business Associate agrees to comply with any state or federal law that is more stringent than the Privacy Rule.
- (13) Business Associate agrees to comply with the requirements of the HITECH Act relating to privacy and security that are applicable to the Covered Entity and with the requirements of 45 C.F.R. §§ 164.504(e), 164.308, 164.310, 164.312, and 164.316.
- (14) In the event that an individual requests that the Business Associate
 - (A) restrict disclosures of PHI;
 - (B) provide an accounting of disclosures of the individual's PHI; or
 - (C) provide a copy of the individual's PHI in an electronic health record,
 - (D) the Business Associate agrees to notify the covered entity, in writing, within five (5) business days of the request.
- (15) Business Associate agrees that it shall not, directly or indirectly, receive any remuneration in exchange for PHI of an individual without
 - (A) the written approval of the covered entity, unless receipt of remuneration in exchange for PHI is expressly authorized by this Contract and
 - (B) the valid authorization of the individual, except for the purposes provided under section 13405(d)(2) of the HITECH Act, (42 U.S.C. § 17935(d)(2)) and in any accompanying regulations
- (16) Obligations in the Event of a Breach.
 - (A) The Business Associate agrees that, following the discovery of a breach of unsecured protected health information, it shall notify the Covered Entity of such breach in accordance with the requirements of section 13402 of HITECH (42 U.S.C. § 17932(b)) and this Section of the Contract.
 - (B) Such notification shall be provided by the Business Associate to the Covered Entity without unreasonable delay, and in no case later than 30 days after the breach is discovered by the

Business Associate, except as otherwise instructed in writing by a law enforcement official pursuant to section 13402(g) of HITECH (42 U.S.C. § 17932(g)). A breach is considered discovered as of the first day on which it is, or reasonably should have been, known to the Business Associate. The notification shall include the identification and last known address, phone number and email address of each individual (or the next of kin of the individual if the individual is deceased) whose unsecured protected health information has been, or is reasonably believed by the Business Associate to have been, accessed, acquired, or disclosed during such breach.

(C) The Business Associate agrees to include in the notification to the Covered Entity at least the following information:

1. A brief description of what happened, including the date of the breach and the date of the discovery of the breach, if known.
2. A description of the types of unsecured protected health information that were involved in the breach (such as full name, Social Security number, date of birth, home address, account number, or disability code).
3. The steps the Business Associate recommends that individuals take to protect themselves from potential harm resulting from the breach.
4. A detailed description of what the Business Associate is doing to investigate the breach, to mitigate losses, and to protect against any further breaches.
5. Whether a law enforcement official has advised either verbally or in writing the Business Associate that he or she has determined that notification or notice to individuals or the posting required under section 13402 of the HITECH Act would impede a criminal investigation or cause damage to national security and; if so, include contact information for said official.

(D) Business Associate agrees to provide appropriate staffing and have established procedures to ensure that individuals informed by the Covered Entity of a breach by the Business Associate have the opportunity to ask questions and contact the Business Associate for additional information regarding the breach. Such procedures shall include a toll-free telephone number, an e-mail address, a posting on its Web site or a postal address. For breaches involving ten or more individuals whose contact information is insufficient or out of date to allow written notification under 45 C.F.R. § 164.404(d)(1)(i), the Business Associate shall notify the Covered Entity of such persons and maintain a toll-free telephone number for ninety (90) days after said notification is sent to the Covered Entity. Business Associate agrees to include in the notification of a breach by the Business Associate to the Covered Entity, a written description of the procedures that have been established to meet these requirements. Costs of such contact procedures will be borne by the Contractor.

(E) Business Associate agrees that, in the event of a breach, it has the burden to demonstrate that it has complied with all notifications requirements set forth above, including evidence demonstrating the necessity of a delay in notification to the Covered Entity.

(i) Permitted Uses and Disclosure by Business Associate.

- (1) General Use and Disclosure Provisions Except as otherwise limited in this Section of the Contract, Business Associate may use or disclose PHI to perform functions, activities, or services for, or on behalf of, Covered Entity as specified in this Contract, provided that such use or disclosure would not violate the Privacy Rule if done by Covered Entity or the minimum necessary policies and procedures of the Covered Entity.

- (2) Specific Use and Disclosure Provisions
- (A) Except as otherwise limited in this Section of the Contract, Business Associate may use PHI for the proper management and administration of Business Associate or to carry out the legal responsibilities of Business Associate.
- (B) Except as otherwise limited in this Section of the Contract, Business Associate may disclose PHI for the proper management and administration of Business Associate, provided that disclosures are Required by Law, or Business Associate obtains reasonable assurances from the person to whom the information is disclosed that it will remain confidential and used or further disclosed only as Required by Law or for the purpose for which it was disclosed to the person, and the person notifies Business Associate of any instances of which it is aware in which the confidentiality of the information has been breached.
- (C) Except as otherwise limited in this Section of the Contract, Business Associate may use PHI to provide Data Aggregation services to Covered Entity as permitted by 45 C.F.R. § 164.504(e)(2)(i)(B).
- (j) Obligations of Covered Entity.
- (1) Covered Entity shall notify Business Associate of any limitations in its notice of privacy practices of Covered Entity, in accordance with 45 C.F.R. § 164.520, or to the extent that such limitation may affect Business Associate's use or disclosure of PHI.
- (2) Covered Entity shall notify Business Associate of any changes in, or revocation of, permission by Individual to use or disclose PHI, to the extent that such changes may affect Business Associate's use or disclosure of PHI.
- (3) Covered Entity shall notify Business Associate of any restriction to the use or disclosure of PHI that Covered Entity has agreed to in accordance with 45 C.F.R. § 164.522, to the extent that such restriction may affect Business Associate's use or disclosure of PHI.
- (k) Permissible Requests by Covered Entity. Covered Entity shall not request Business Associate to use or disclose PHI in any manner that would not be permissible under the Privacy Rule if done by the Covered Entity, except that Business Associate may use and disclose PHI for data aggregation, and management and administrative activities of Business Associate, as permitted under this Section of the Contract.
- (l) Term and Termination.
- (1) Term. The Term of this Section of the Contract shall be effective as of the date the Contract is effective and shall terminate when the information collected in accordance with provision (h)(10) of this Section of the Contract is provided to the Covered Entity and all of the PHI provided by Covered Entity to Business Associate, or created or received by Business Associate on behalf of Covered Entity, is destroyed or returned to Covered Entity, or, if it is infeasible to return or destroy PHI, protections are extended to such information, in accordance with the termination provisions in this Section.
- (2) Termination for Cause Upon Covered Entity's knowledge of a material breach by Business Associate, Covered Entity shall either:
- (A) Provide an opportunity for Business Associate to cure the breach or end the violation and terminate the Contract if Business Associate does not cure the breach or end the violation within the time specified by the Covered Entity; or

- (B) Immediately terminate the Contract if Business Associate has breached a material term of this Section of the Contract and cure is not possible; or
 - (C) If neither termination nor cure is feasible, Covered Entity shall report the violation to the Secretary.
- (3) Effect of Termination.
- (A) Except as provided in (l)(2) of this Section of the Contract, upon termination of this Contract, for any reason, Business Associate shall return or destroy all PHI received from Covered Entity, or created or received by Business Associate on behalf of Covered Entity. Business Associate shall also provide the information collected in accordance with section (h)(10) of this Section of the Contract to the Covered Entity within ten business days of the notice of termination. This section shall apply to PHI that is in the possession of subcontractors or agents of Business Associate. Business Associate shall retain no copies of the PHI.
 - (B) In the event that Business Associate determines that returning or destroying the PHI is infeasible, Business Associate shall provide to Covered Entity notification of the conditions that make return or destruction infeasible. Upon documentation by Business Associate that return or destruction of PHI is infeasible, Business Associate shall extend the protections of this Section of the Contract to such PHI and limit further uses and disclosures of PHI to those purposes that make return or destruction infeasible, for as long as Business Associate maintains such PHI. Infeasibility of the return or destruction of PHI includes, but is not limited to, requirements under state or federal law that the Business Associate maintains or preserves the PHI or copies thereof.
- (m) Miscellaneous Sections.
- (1) Regulatory References. A reference in this Section of the Contract to a section in the Privacy Rule means the section as in effect or as amended.
 - (2) Amendment. The Parties agree to take such action as is necessary to amend this Section of the Contract from time to time as is necessary for Covered Entity to comply with requirements of the Privacy Rule and the Health Insurance Portability and Accountability Act of 1996, Pub. L. No. 104-191.
 - (3) Survival. The respective rights and obligations of Business Associate shall survive the termination of this Contract.
 - (4) Effect on Contract. Except as specifically required to implement the purposes of this Section of the Contract, all other terms of the Contract shall remain in force and effect.
 - (5) Construction. This Section of the Contract shall be construed as broadly as necessary to implement and comply with the Privacy Standard. Any ambiguity in this Section of the Contract shall be resolved in favor of a meaning that complies, and is consistent with, the Privacy Standard.
 - (6) Disclaimer. Covered Entity makes no warranty or representation that compliance with this Section of the Contract will be adequate or satisfactory for Business Associate's own purposes. Covered Entity shall not be liable to Business Associate for any claim, civil or criminal penalty, loss or damage related to or arising from the unauthorized use or disclosure of PHI by Business Associate or any of its officers, directors, employees, contractors or agents, or any third party to whom Business Associate has disclosed PHI contrary to the sections of this Contract or applicable law. Business Associate is solely responsible for all decisions made, and actions taken, by Business Associate regarding the safeguarding, use and disclosure of PHI within its possession, custody or control.

- (7) **Indemnification.** The Business Associate shall indemnify and hold the Covered Entity harmless from and against any and all claims, liabilities, judgments, fines, assessments, penalties, awards and any statutory damages that may be imposed or assessed pursuant to HIPAA, as amended or the HITECH Act, including, without limitation, attorney's fees, expert witness fees, costs of investigation, litigation or dispute resolution, and costs awarded thereunder, relating to or arising out of any violation by the Business Associate and its agents, including subcontractors, of any obligation of Business Associate and its agents, including subcontractors, under this section of the contract, under HIPAA, the HITECH Act, the Privacy Rule and the Security Rule.
2. **Americans with Disabilities Act.** The Contractor shall be and remain in compliance with the Americans with Disabilities Act of 1990 (<http://www.ada.gov/>) as amended from time to time ("Act") to the extent applicable, during the term of the Contract. The Agency may cancel or terminate this Contract if the Contractor fails to comply with the Act. The Contractor represents that it is familiar with the terms of this Act and that it is in compliance with the law. The Contractor warrants that it shall hold the State harmless from any liability which may be imposed upon the state as a result of any failure of the Contractor to be in compliance with this Act. As applicable, the Contractor shall comply with section 504 of the Federal Rehabilitation Act of 1973, as amended from time to time, 29 U.S.C. § 794 (Supp. 1993), regarding access to programs and facilities by people with disabilities.
3. **Utilization of Minority Business Enterprises.** The Contractor shall perform under this Contract in accordance with 45 C.F.R. Part 74; and, as applicable, C.G.S. §§ 4a-60 to 4a-60a and 4a-60g to carry out this policy in the award of any subcontracts.
4. **Priority Hiring.** Subject to the Contractor's exclusive right to determine the qualifications for all employment positions, the Contractor shall give priority to hiring welfare recipients who are subject to time-limited welfare and must find employment. The Contractor and the Agency shall work cooperatively to determine the number and types of positions to which this Section shall apply.
5. **Non-discrimination.**

 - (a) For purposes of this Section, the following terms are defined as follows:

 - (1) "Commission" means the Commission on Human Rights and Opportunities;
 - (2) "Contract" and "contract" include any extension or modification of the Contract or contract;
 - (3) "Contractor" and "contractor" include any successors or assigns of the Contractor or contractor;
 - (4) "Gender identity or expression" means a person's gender-related identity, appearance or behavior, whether or not that gender-related identity, appearance or behavior is different from that traditionally associated with the person's physiology or assigned sex at birth, which gender-related identity can be shown by providing evidence including, but not limited to, medical history, care or treatment of the gender-related identity, consistent and uniform assertion of the gender-related identity or any other evidence that the gender-related identity is sincerely held, part of a person's core identity or not being asserted for an improper purpose.
 - (5) "good faith" means that degree of diligence which a reasonable person would exercise in the performance of legal duties and obligations;
 - (6) "good faith efforts" shall include, but not be limited to, those reasonable initial efforts necessary to comply with statutory or regulatory requirements and additional or substituted efforts when it is determined that such initial efforts will not be sufficient to comply with such requirements;
 - (7) "marital status" means being single, married as recognized by the State of Connecticut, widowed, separated or divorced;
 - (8) "mental disability" means one or more mental disorders, as defined in the most recent edition of the American Psychiatric Association's "Diagnostic and Statistical Manual of Mental Disorders", or a record of or regarding a person as having one or more such disorders;
 - (9) "minority business enterprise" means any small contractor or supplier of materials fifty-one percent or more of the capital stock, if any, or assets of which is owned by a person or persons: (1) who are

active in the daily affairs of the enterprise, (2) who have the power to direct the management and policies of the enterprise, and (3) who are members of a minority, as such term is defined in subsection (a) of Connecticut General Statutes § 32-9n; and

- (10) "public works contract" means any agreement between any individual, firm or corporation and the State or any political subdivision of the State other than a municipality for construction, rehabilitation, conversion, extension, demolition or repair of a public building, highway or other changes or improvements in real property, or which is financed in whole or in part by the State, including, but not limited to, matching expenditures, grants, loans, insurance or guarantees.

For purposes of this Section, the terms "Contract" and "contract" do not include a contract where each contractor is (1) a political subdivision of the state, including, but not limited to, a municipality, (2) a quasi-public agency, as defined in Conn. Gen. Stat. Section 1-120, (3) any other state, including but not limited to any federally recognized Indian tribal governments, as defined in Conn. Gen. Stat. Section 1-267, (4) the federal government, (5) a foreign government, or (6) an agency of a subdivision, agency, state or government described in the immediately preceding enumerated items (1), (2), (3), (4) or (5).

(b)

- (1) The Contractor agrees and warrants that in the performance of the Contract such Contractor will not discriminate or permit discrimination against any person or group of persons on the grounds of race, color, religious creed, age, marital status, national origin, ancestry, sex, gender identity or expression, mental retardation, mental disability or physical disability, including, but not limited to, blindness, unless it is shown by such Contractor that such disability prevents performance of the work involved, in any manner prohibited by the laws of the United States or of the State of Connecticut; and the Contractor further agrees to take affirmative action to insure that applicants with job-related qualifications are employed and that employees are treated when employed without regard to their race, color, religious creed, age, marital status, national origin, ancestry, sex, gender identity or expression, mental retardation, mental disability or physical disability, including, but not limited to, blindness, unless it is shown by the Contractor that such disability prevents performance of the work involved;
- (2) the Contractor agrees, in all solicitations or advertisements for employees placed by or on behalf of the Contractor, to state that it is an "affirmative action-equal opportunity employer" in accordance with regulations adopted by the Commission;
- (3) the Contractor agrees to provide each labor union or representative of workers with which the Contractor has a collective bargaining Agreement or other contract or understanding and each vendor with which the Contractor has a contract or understanding, a notice to be provided by the Commission, advising the labor union or workers' representative of the Contractor's commitments under this section and to post copies of the notice in conspicuous places available to employees and applicants for employment;
- (4) the Contractor agrees to comply with each provision of this Section and Connecticut General Statutes §§ 46a-68e and 46a-68f and with each regulation or relevant order issued by said Commission pursuant to Connecticut General Statutes §§ 46a-56, 46a-68e and 46a-68f; and
- (5) the Contractor agrees to provide the Commission on Human Rights and Opportunities with such information requested by the Commission, and permit access to pertinent books, records and accounts, concerning the employment practices and procedures of the Contractor as relate to the provisions of this Section and Connecticut General Statutes § 46a-56. If the contract is a public works contract, the Contractor agrees and warrants that he will make good faith efforts to employ minority business enterprises as subcontractors and suppliers of materials on such public works projects.

- (c) Determination of the Contractor's good faith efforts shall include, but shall not be limited to, the following factors: The Contractor's employment and subcontracting policies, patterns and practices;

affirmative advertising, recruitment and training; technical assistance activities and such other reasonable activities or efforts as the Commission may prescribe that are designed to ensure the participation of minority business enterprises in public works projects.

- (d) The Contractor shall develop and maintain adequate documentation, in a manner prescribed by the Commission, of its good faith efforts.
- (e) The Contractor shall include the provisions of subsection (b) of this Section in every subcontract or purchase order entered into in order to fulfill any obligation of a contract with the State and such provisions shall be binding on a subcontractor, vendor or manufacturer unless exempted by regulations or orders of the Commission. The Contractor shall take such action with respect to any such subcontract or purchase order as the Commission may direct as a means of enforcing such provisions including sanctions for noncompliance in accordance with Connecticut General Statutes §46a-56; provided if such Contractor becomes involved in, or is threatened with, litigation with a subcontractor or vendor as a result of such direction by the Commission, the Contractor may request the State of Connecticut to enter into any such litigation or negotiation prior thereto to protect the interests of the State and the State may so enter.
- (f) The Contractor agrees to comply with the regulations referred to in this Section as they exist on the date of this Contract and as they may be adopted or amended from time to time during the term of this Contract and any amendments thereto.
- (g)
 - (1) The Contractor agrees and warrants that in the performance of the Contract such Contractor will not discriminate or permit discrimination against any person or group of persons on the grounds of sexual orientation, in any manner prohibited by the laws of the United States or the State of Connecticut, and that employees are treated when employed without regard to their sexual orientation;
 - (2) the Contractor agrees to provide each labor union or representative of workers with which such Contractor has a collective bargaining Agreement or other contract or understanding and each vendor with which such Contractor has a contract or understanding, a notice to be provided by the Commission on Human Rights and Opportunities advising the labor union or workers' representative of the Contractor's commitments under this section, and to post copies of the notice in conspicuous places available to employees and applicants for employment;
 - (3) the Contractor agrees to comply with each provision of this section and with each regulation or relevant order issued by said Commission pursuant to Connecticut General Statutes § 46a-56; and
 - (4) the Contractor agrees to provide the Commission on Human Rights and Opportunities with such information requested by the Commission, and permit access to pertinent books, records and accounts, concerning the employment practices and procedures of the Contractor which relate to the provisions of this Section and Connecticut General Statutes § 46a-56.
- (h) The Contractor shall include the provisions of the foregoing paragraph in every subcontract or purchase order entered into in order to fulfill any obligation of a contract with the State and such provisions shall be binding on a subcontractor, vendor or manufacturer unless exempted by regulations or orders of the Commission. The Contractor shall take such action with respect to any such subcontract or purchase order as the Commission may direct as a means of enforcing such provisions including sanctions for noncompliance in accordance with Connecticut General Statutes § 46a-56; provided, if such Contractor becomes involved in, or is threatened with, litigation with a subcontractor or vendor as a result of such direction by the Commission, the Contractor may request the State of Connecticut to enter into any such litigation or negotiation prior thereto to protect the interests of the State and the State may so enter.

6. Freedom of Information.

- (a) Contractor acknowledges that the Agency must comply with the Freedom of Information Act, C.G.S. §§ 1-200 *et seq.* ("FOIA") which requires the disclosure of documents in the possession of the State upon

request of any citizen, unless the content of the document falls within certain categories of exemption, as defined by C.G.S. § 1-210(b).

- (b) **Governmental Function.** In accordance with C.G.S. § 1-218, if the amount of this Contract exceeds two million five hundred thousand dollars (\$2,500,000), and the Contractor is a “person” performing a “governmental function”, as those terms are defined in C.G.S. §§ 1-200(4) and (11), the Agency is entitled to receive a copy of the Records and files related to the Contractor’s performance of the governmental function, which may be disclosed by the Agency pursuant to the FOIA.
7. **Whistleblowing.** This Contract is subject to C.G.S. § 4-61dd if the amount of this Contract is a “large state contract” as that term is defined in C.G.S. § 4-61dd(h). In accordance with this statute, if an officer, employee or appointing authority of the Contractor takes or threatens to take any personnel action against any employee of the Contractor in retaliation for such employee’s disclosure of information to any employee of the Contracting state or quasi-public agency or the Auditors of Public Accounts or the Attorney General under subsection (a) of such statute, the Contractor shall be liable for a civil penalty of not more than five thousand dollars (\$5,000) for each offense, up to a maximum of twenty per cent (20%) of the value of this Contract. Each violation shall be a separate and distinct offense and in the case of a continuing violation, each calendar day’s continuance of the violation shall be deemed to be a separate and distinct offense. The State may request that the Attorney General bring a civil action in the Superior Court for the Judicial District of Hartford to seek imposition and recovery of such civil penalty. In accordance with subsection (f) of such statute, each large state Contractor, as defined in the statute, shall post a notice of the relevant sections of the statute relating to large state Contractors in a conspicuous place which is readily available for viewing by the employees of the Contractor.
8. **Executive Orders.** This Contract is subject to Executive Order No. 3 of Governor Thomas J. Meskill, promulgated June 16, 1971, concerning labor employment practices; Executive Order No. 17 of Governor Thomas J. Meskill, promulgated February 15, 1973, concerning the listing of employment openings; Executive Order No. 16 of Governor John G. Rowland, promulgated August 4, 1999, concerning violence in the workplace. This Contract may also be subject to Executive Order 7C of Governor M. Jodi Rell, promulgated July 13, 2006, concerning contracting reforms and Executive Order 14 of Governor M. Jodi Rell, promulgated April 17, 2006, concerning procurement of cleaning products and services, in accordance with their respective terms and conditions. All of these Executive orders are incorporated into and made a part of the Contract as if they had been fully set forth in it. At the Contractor’s request, the Agency shall provide a copy of these Orders to the Contractor.
9. **Campaign Contribution Restrictions.** For all State contracts as defined in C.G.S. § 9-612(g) the authorized signatory to this Contract expressly acknowledges receipt of the State Elections Enforcement Commission’s (“SEEC”) notice advising state contractors of state campaign contribution and solicitation prohibitions, and will inform its principals of the contents of the notice. See SEEC Form 11 reproduced below:
www.ct.gov/seec

CONNECTICUT STATE ELECTIONS ENFORCEMENT COMMISSION
 Rev. 1/11
 Page 1 of 2



Notice to Executive Branch State Contractors and Prospective State Contractors of Campaign Contribution and Solicitation Limitations

This notice is provided under the authority of Connecticut General Statutes §9-612(g)(2), as amended by P.A. 10-1, and is for the purpose of informing state contractors and prospective state contractors of the following law (italicized words are defined on the reverse side of this page).

CAMPAIGN CONTRIBUTION AND SOLICITATION LIMITATIONS

No *state contractor, prospective state contractor, principal of a state contractor or principal of a prospective state contractor*, with regard to a *state contract or state contract solicitation* with or from a state agency in the executive branch or a quasi-public agency or a holder, or principal of a holder of a valid prequalification certificate, shall make a contribution to (i) an exploratory committee or candidate committee established by a candidate for nomination or election to the office of Governor, Lieutenant Governor, Attorney General, State Comptroller, Secretary of the State or State Treasurer, (ii) a political committee authorized to make contributions or expenditures to or for the benefit of such candidates, or (iii) a party committee (which includes town committees).

In addition, no holder or principal of a holder of a valid prequalification certificate, shall make a contribution to (i) an exploratory committee or candidate committee established by a candidate for nomination or election to the office of State senator or State representative, (ii) a political committee authorized to make contributions or expenditures to or for the benefit of such candidates, or (iii) a party committee.

On and after January 1, 2011, no state contractor, prospective state contractor, principal of a state contractor or principal of a prospective state contractor, with regard to a state contract or state contract solicitation with or from a state agency in the executive branch or a quasi-public agency or a holder, or principal of a holder of a valid prequalification certificate, shall knowingly *solicit* contributions from the state contractor's or prospective state contractor's employees or from a *subcontractor or principals of the subcontractor* on behalf of (i) an exploratory committee or candidate committee established by a candidate for nomination or election to the office of Governor, Lieutenant Governor, Attorney General, State Comptroller, Secretary of the State or State Treasurer, (ii) a political committee authorized to make contributions or expenditures to or for the benefit of such candidates, or (iii) a party committee.

DUTY TO INFORM

State contractors and prospective state contractors are required to inform their principals of the above prohibitions, as applicable, and the possible penalties and other consequences of any violation thereof.

PENALTIES FOR VIOLATIONS

Contributions or solicitations of contributions made in violation of the above prohibitions may result in the following civil and criminal penalties:

Civil penalties—Up to \$2,000 or twice the amount of the prohibited contribution, whichever is greater, against a principal or a contractor. Any state contractor or prospective state contractor which fails to make reasonable efforts to comply with the provisions requiring notice to its principals of these prohibitions and the possible consequences of their violations may also be subject to civil penalties of up to \$2,000 or twice the amount of the prohibited contributions made by their principals.

Criminal penalties—Any knowing and willful violation of the prohibition is a Class D felony, which may subject the violator to imprisonment of not more than 5 years, or not more than \$5,000 in fines, or both.

CONTRACT CONSEQUENCES

In the case of a state contractor, contributions made or solicited in violation of the above prohibitions may result in the contract being voided.

In the case of a prospective state contractor, contributions made or solicited in violation of the above prohibitions shall result in the contract described in the state contract solicitation not being awarded to the prospective state contractor, unless the State Elections Enforcement Commission determines that mitigating circumstances exist concerning such violation.

The State shall not award any other state contract to anyone found in violation of the above prohibitions for a period of one year after the election for which such contribution is made or solicited, unless the State Elections Enforcement Commission determines that mitigating circumstances exist concerning such violation.

Additional information may be found on the website of the State Elections Enforcement Commission, www.ct.gov/segc. Click on the link to "Lobbyist/Contractor Limitations."



DEFINITIONS

"State contractor" means a person, business entity or nonprofit organization that enters into a state contract. Such person, business entity or nonprofit organization shall be deemed to be a state contractor until December thirty-first of the year in which such contract terminates. "State contractor" does not include a municipality or any other political subdivision of the state, including any entities or associations duly created by the municipality or political subdivision exclusively amongst themselves to further any purpose authorized by statute or charter, or an employee in the executive or legislative branch of state government or a quasi-public agency, whether in the classified or unclassified service and full or part-time, and only in such person's capacity as a state or quasi-public agency employee.

"Prospective state contractor" means a person, business entity or nonprofit organization that (i) submits a response to a state contract solicitation by the state, a state agency or a quasi-public agency, or a proposal in response to a request for proposals by the state, a state agency or a quasi-public agency, until the contract has been entered into, or (ii) holds a valid prequalification certificate issued by the Commissioner of Administrative Services under section 4a-100.

"Prospective state contractor" does not include a municipality or any other political subdivision of the state, including any entities or associations duly created by the municipality or political subdivision exclusively amongst themselves to further any purpose authorized by statute or charter, or an employee in the executive or legislative branch of state government or a quasi-public agency, whether in the classified or unclassified service and full or part-time, and only in such person's capacity as a state or quasi-public agency employee.

"Principal of a state contractor or prospective state contractor" means (i) any individual who is a member of the board of directors of, or has an ownership interest of five per cent or more in, a state contractor or prospective state contractor, which is a business entity, except for an individual who is a member of the board of directors of a nonprofit organization, (ii) an individual who is employed by a state contractor or prospective state contractor, which is a business entity, as president, treasurer or executive vice president, (iii) an individual who is the chief executive officer of a state contractor or prospective state contractor, which is not a business entity, or if a state contractor or prospective state contractor has no such officer, then the officer who duly possesses comparable powers and duties, (iv) an officer or an employee of any state contractor or prospective state contractor who has *managerial or discretionary responsibilities with respect to a state contract*, (v) the spouse or a *dependent child* who is eighteen years of age or older of an individual described in this subparagraph, or (vi) a political committee established or controlled by an individual described in this subparagraph or the business entity or nonprofit organization that is the state contractor or prospective state contractor.

"State contract" means an agreement or contract with the state or any state agency or any quasi-public agency, let through a procurement process or otherwise, having a value of fifty thousand dollars or more, or a combination or series of such agreements or contracts having a value of one hundred thousand dollars or more in a calendar year, for (i) the rendition of services, (ii) the furnishing of any goods, material, supplies, equipment or any items of any kind, (iii) the construction, alteration or repair of any public building or public work, (iv) the acquisition, sale or lease of any land or building, (v) a licensing arrangement, or (vi) a grant, loan or loan guarantee. "State contract" does not include any agreement or contract with the state, any state agency or any quasi-public agency that is exclusively federally funded, an education loan, a loan to an individual for other than commercial purposes or any agreement or contract between the state or any state agency and the United States Department of the Navy or the United States Department of Defense.

"State contract solicitation" means a request by a state agency or quasi-public agency, in whatever form issued, including, but not limited to, an invitation to bid, request for proposals, request for information or request for quotes, inviting bids, quotes or other types of submittals, through a competitive procurement process or another process authorized by law waiving competitive procurement.

"Managerial or discretionary responsibilities with respect to a state contract" means having direct, extensive and substantive responsibilities with respect to the negotiation of the state contract and not peripheral, clerical or ministerial responsibilities.

"Dependent child" means a child residing in an individual's household who may legally be claimed as a dependent on the federal income tax of such individual.

"Solicit" means (A) requesting that a contribution be made, (B) participating in any fund-raising activities for a candidate committee, exploratory committee, political committee or party committee, including, but not limited to, forwarding tickets to potential contributors, receiving contributions for transmission to any such committee or bundling contributions, (C) serving as chairperson, treasurer or deputy treasurer of any such committee, or (D) establishing a political committee for the sole purpose of soliciting or receiving contributions for any committee. Solicit does not include: (i) making a contribution that is otherwise permitted by Chapter 155 of the Connecticut General Statutes; (ii) informing any person of a position taken by a candidate for public office or a public official, (iii) notifying the person of any activities of, or contact information for, any candidate for public office; or (iv) serving as a member in any party committee or as an officer of such committee that is not otherwise prohibited in this section.

"Subcontractor" means any person, business entity or nonprofit organization that contracts to perform part or all of the obligations of a state contractor's state contract. Such person, business entity or nonprofit organization shall be deemed to be a subcontractor until December thirty first of the year in which the subcontract terminates. "Subcontractor" does not include (i) a municipality or any other political subdivision of the state, including any entities or associations duly created by the municipality or political subdivision exclusively amongst themselves to further any purpose authorized by statute or charter, or (ii) an employee in the executive or legislative branch of state government or a quasi-public agency, whether in the classified or unclassified service and full or part-time, and only in such person's capacity as a state or quasi-public agency employee.

"Principal of a subcontractor" means (i) any individual who is a member of the board of directors of, or has an ownership interest of five per cent or more in, a subcontractor, which is a business entity, except for an individual who is a member of the board of directors of a nonprofit organization, (ii) an individual who is employed by a subcontractor, which is a business entity, as president, treasurer or executive vice president, (iii) an individual who is the chief executive officer of a subcontractor, which is not a business entity, or if a subcontractor has no such officer, then the officer who duly possesses comparable powers and duties, (iv) an officer or an employee of any subcontractor who has *managerial or discretionary responsibilities with respect to a subcontract with a state contractor*, (v) the spouse or a *dependent child* who is eighteen years of age or older of an individual described in this subparagraph, or (vi) a political committee established or controlled by an individual described in this subparagraph or the business entity or nonprofit organization that is the subcontractor.

SIGNATURES AND APPROVALS

064CMC-HUS-03 / 09DSS1101FI A3

The Contractor IS a Business Associate under the Health Insurance Portability and Accountability Act of 1996 as amended.

Documentation necessary to demonstrate the authorization to sign must be attached.

CONTRACTOR - CONNECTICUT CHILDREN'S MEDICAL CENTER, INC.



GERALD J. BOISVERT, *Executive Vice President and CFO*

1/21/13
Date


DEPARTMENT OF SOCIAL SERVICES



RODERICK L. BREMBY, *Commissioner*

2/6/2013
Date

OFFICE OF THE ATTORNEY GENERAL



ASST. / ASSOC. ATTORNEY GENERAL (*Approved as to form & legal sufficiency*)
Joseph Rubin

2/13/13
Date

STATE OF CONNECTICUT
DEPARTMENT OF SOCIAL SERVICES



CONTRACT AMENDMENT

Contractor: CONNECTICUT CHILDREN'S MEDICAL CENTER, INC.
Contractor Address: 282 WASHINGTON STREET, HARTFORD, CT 06106
Contract Number: 064CMC-HUS-03 / 09DSS1101FI
Amendment Number: A2
Amount as Amended: \$2,051,403
Contract Term as Amended: 07/01/09 - 06/30/13

The contract between **Connecticut Children's Medical Center, Inc.** (the Contractor) and the Department of Social Services (the Department), which was last executed by the parties and approved by the Office of the Attorney General on 7/23/2010, is hereby further amended as follows:

1. The total maximum amount payable under this contract is increased by \$943,595 from \$1,107,808 to \$2,051,403, composed of
 - a. A reduction of \$32,000 from SFY2010 funding paid during SFY2011;
 - b. An increase of \$45,595 to SFY2011 funding; and
 - c. An increase of \$465,000 per year to fund Program services during SFY2012 and 2013.
2. The budgets for SFY2011, SFY2012, and SFY2013 shall be as set forth on pages 2, 3, and 4 of this amendment.
3. The term of the contract is extended for an additional two years and the end date of the contract is changed from 6/30/2011 to 6/30/2013.
4. Effective 5/10/2011, the Contractor shall provide on a monthly basis to the State HUSKY Managed Care Organizations a file in a format approved by the Department including but not limited to HUSKY Plus member information.

This document constitutes an amendment to the above numbered contract. All provisions of that contract, except those explicitly changed above by this amendment, shall remain in full force and effect.

PART I

FINANCIAL SUMMARY, SFY11

PROGRAM, CONTRACTOR NAME:
PROGRAM NUMBER:

Connecticut Children's Medical Center, Husky Plus
064CMC-HUS-03/09DSS1101FI A2

Contract Amount	Requested	Adjustments	Approved
<i>For Amendments Only</i>			
Previously Approved Contract Amount			
Amount of Amendment			\$

Line #	Item	Subcategory (a)	Line Item Total (b)	Adjustments (c)	Revised Total (d)
1	UNIT RATE				
	1a. Bed Days				
	1b. Client Advocate				
	1c. Security Deposit				
	1d. Other Unit Rate Costs				
	TOTAL UNIT RATE				
2	CONTRACTUAL SERVICES				
	2a. Accounting				
	2b. Legal				
	2c. Independent Audit				
	2d. Other Contractual Services				
	TOTAL CONTRACTUAL SERVICES				
3	ADMINISTRATION				
	3a. Admin. Salaries				
	3b. Admin. Fringe Benefits				
	3c. Admin. Overhead				
	Indirect Costs 6.2%			\$29,722	\$29,722
	TOTAL ADMINISTRATION			\$29,722	\$29,722
4	DIRECT PROGRAM STAFF				
	4a. Program Salaries	Salaries	\$147,275	(\$3,538)	\$143,737
	4b. Program Fringe Benefits	Fringe Benefits	\$36,818	(\$884)	\$35,934
	TOTAL DIRECT PROGRAM		\$184,093	(\$4,422)	\$179,671
5	OTHER COSTS				
	5a. Program Rent				
	5b. Consumable Supplies	Office supplies/copies	\$1,600	\$-	\$1,600
	5c. Travel & Transportation				
	5d. Utilities	Phone & Beeper	\$350	(\$300)	\$50
	5e. Repairs & Maintenance				
	5f. Insurance				
	5g. Food & Related Costs				
	5h. Other Project Expenses	Pst, Clin Svcs	\$321,956	(\$25,000)	\$296,956
	TOTAL OTHER COSTS		\$323,906	(\$25,300)	\$298,606
6	EQUIPMENT				
7	PROGRAM INCOME				
	7a. Fees				
	7b. Other Income				
	TOTAL PROGRAM INCOME				
8	TOTAL NET PROGRAM COST (Sum of 1 through 6, minus Line 7)		\$507,999		\$507,999

PART I

FINANCIAL SUMMARY, SFY12

PROGRAM, CONTRACTOR NAME:
PROGRAM NUMBER:

Connecticut Children's Medical Center, Husky Plus
064CMC-HUS-03/09DSS1101FI A2

Contract Amount	Requested	Adjustments	Approved
<i>For Amendments Only</i>			
Previously Approved Contract Amount			
Amount of Amendment			\$

Line #	Item	Subcategory (a)	Line Item Total (b)	Adjustments (c)	Revised Total (d)
1	<u>UNIT RATE</u>				
	1a. Bed Days				
	1b. Client Advocate				
	1c. Security Deposit				
	1d. Other Unit Rate Costs				
	TOTAL UNIT RATE				
2	<u>CONTRACTUAL SERVICES</u>				
	2a. Accounting				
	2b. Legal				
	2c. Independent Audit				
	2d. Other Contractual Services				
	TOTAL CONTRACTUAL SERVICES				
3	<u>ADMINISTRATION</u>				
	3a. Admin. Salaries				
	3b. Admin. Fringe Benefits				
	3c. Admin. Overhead				
	Indirect Costs		\$ 5,967.00		
	TOTAL ADMINISTRATION		\$ 5,967.00		
4	<u>DIRECT PROGRAM STAFF</u>				
	4a. Program Salaries	Salaries	\$ 124,123		
	4b. Program Fringe Benefits	Fringe Benefits	\$ 35,996		
	TOTAL DIRECT PROGRAM		\$ 160,119		
5	<u>OTHER COSTS</u>				
	5a. Program Rent				
	5b. Consumable Supplies	Office supplies/copies	\$ 1,558		
	5c. Travel & Transportation		\$ -		
	5d. Utilities	Phone & Beeper	\$ 400		
	5e. Repairs & Maintenance				
	5f. Insurance				
	5g. Food & Related Costs				
	5h. Other Project Expenses	Pst, Clin Svcs	\$ 296,956		
	TOTAL OTHER COSTS		\$ 298,914		
6	<u>EQUIPMENT</u>				
7	<u>PROGRAM INCOME</u>				
	7a. Fees				
	7b. Other Income				
	TOTAL PROGRAM INCOME				
8	<u>TOTAL NET PROGRAM COST</u> (Sum of 1 through 6, minus Line 7)		\$ 465,000	\$ -	\$ -

PART III

FINANCIAL SUMMARY, SFY13

PROGRAM, CONTRACTOR NAME:
PROGRAM NUMBER:

Connecticut Children's Medical Center, Husky Plus
064CMC-HUS-03/09DSS1101FI A2

Contract Amount	Requested	Adjustments	Approved
<i>For Amendments Only</i>			
Previously Approved Contract Amount			
Amount of Amendment			\$

Line #	Item	Subcategory (a)	Line Item Total (b)	Adjustments (c)	Revised Total (d)
1	<u>UNIT RATE</u>				
	1a. Bed Days				
	1b. Client Advocate				
	1c. Security Deposit				
	1d. Other Unit Rate Costs				
	TOTAL UNIT RATE				
2	<u>CONTRACTUAL SERVICES</u>				
	2a. Accounting				
	2b. Legal				
	2c. Independent Audit				
	2d. Other Contractual Services				
	TOTAL CONTRACTUAL SERVICES				
3	<u>ADMINISTRATION</u>				
	3a. Admin. Salaries				
	3b. Admin. Fringe Benefits				
	3c. Admin. Overhead				
	TOTAL ADMINISTRATION	Indirect Costs	\$ 2,313.00		
			\$ 2,313.00		
4	<u>DIRECT PROGRAM STAFF</u>				
	4a. Program Salaries	Salaries	\$ 127,291		
	4b. Program Fringe Benefits	Fringe Benefits	\$ 36,914		
	TOTAL DIRECT PROGRAM		\$ 164,205		
5	<u>OTHER COSTS</u>				
	5a. Program Rent				
	5b. Consumable Supplies	Office supplies/copies	\$ 1,126		
	5c. Travel & Transportation		\$ -		
	5d. Utilities	Phone & Beeper	\$ 400		
	5e. Repairs & Maintenance				
	5f. Insurance				
	5g. Food & Related Costs				
	5h. Other Project Expenses	Pst, Clin Svcs	\$ 296,956		
	TOTAL OTHER COSTS		\$ 298,482		
6	<u>EQUIPMENT</u>				
7	<u>PROGRAM INCOME</u>				
	7a. Fees				
	7b. Other Income				
	TOTAL PROGRAM INCOME				
8	<u>TOTAL NET PROGRAM COST</u> (Sum of 1 through 6, minus Line 7)		\$ 465,000	\$ -	\$ -

SIGNATURE AND APPROVALS

064CMC-HUS-03 / 09DSS1101FI A2

The Contractor IS a Business Associate under the Health Insurance Portability and Accountability Act of 1996 as amended.

Documentation necessary to demonstrate the authorization to sign must be attached.

CONTRACTOR - CONNECTICUT CHILDREN'S MEDICAL CENTER, INC.



Gerald J. Boisvert, Exec. VP & CFO

6/13/2011

Date

DEPARTMENT OF SOCIAL SERVICES



Roderick L. Bremby, Commissioner

6/17/2011

Date

OFFICE OF THE ATTORNEY GENERAL

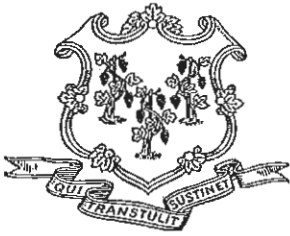


ASST. / Assoc. Attorney General (Approved as to form & legal sufficiency)

ASSOC. ATTY. GENERAL

6/27/11

Date



STATE OF CONNECTICUT
DEPARTMENT OF SOCIAL SERVICES

CONTRACT AMENDMENT

Contractor: CONNECTICUT CHILDREN'S MEDICAL CENTER, INC.
Contractor Address: 282 WASHINGTON STREET, HARTFORD, CT 06106
Contract Number: 064CMC-HUS-03 / 09DSS1101FI
Amendment Number: A1
Amount as Amended: \$1,107,808.00
Contract Term as Amended: 07/01/09 – 06/30/11

The contract between **Connecticut Children's Medical Center, Inc.** (the Contractor) and the Department of Social Services (the Department), which was last executed by the parties and signed by the Commissioner on 05/20/10, is hereby amended as follows:

1. The total maximum amount payable under this contract is increased by \$462,404 from \$645,404 to \$1,107,808 for the continuation of services for an additional term of one year from July 1, 2010 through June 30, 2011.
2. During the period July 1, 2010 through June 30, 2011 the Contractor shall utilize funds in accordance with the budget set forth on page 3 of this amendment.
3. The term of the contract is extended for an additional one-year and the end date of the contract is changed from 06/30/10 to 06/30/11.
4. The Contractor shall continue to provide services in accordance with the terms of the original contract.
5. Effective July 1, 2010 the Part I Section J – Financial Reporting Requirements is amended by the addition of the following requirements for the budget period July 1, 2010 through June 30, 2011:

Part I Section J Financial Reporting Requirements:

1. The Contractor shall provide a quarterly financial expenditure report to the Department's Program Representative according to the following schedule:

Financial Report due date:	For the Period:
November 15, 2010	July 1 – September 30, 2010
February 15, 2011	October 1 – December 31, 2010
May 15, 2011	January 1, 2011 – March 31, 2011
August 31, 2011	April 1 – June 30, 2011
September 15, 2011	July 1, 2010 – June 30, 2011 (preliminary)
October 31, 2011	July 1, 2010– June 30, 2011 (final)

2. **Interest:** Any interest earned by the Contractor as a result of payments authorized by the Department shall be reported to the Department by the Contractor on the next Quarterly Financial Report submitted after that interest income is earned. The Contractor agrees to follow the Department's direction as to the disposition of such interest income.
3. **Sanction:** If the Contractor fails to submit any financial report required or requested by the Department, the Department may impose a Class A sanction pursuant to Part I Section G of the original contract.
6. Effective July 1, 2010 the Part I Section K – BUDGET AND PAYMENT PROVISIONS is amended by the addition of the following terms for the period July 1, 2010 through June 30, 2011.
 1. The Department agrees to fund contracted services at the maximum amount of **\$462,404.00** for the period **July 1, 2010 to June 30, 2011.**
 2. The Contractor agrees to utilize Department funds in accordance with the budget on page 3 of this contract amendment.
 3. The Contractor shall submit payment requests, quarterly and in advance, to the Department's Program Representative on a **DSS W-1270 Form.**
 4. The Department shall review such requests and, subject to the availability of funds and the Contractor's satisfactory compliance with the terms of the contract shall process the same for payment.
 5. **Surplus/Excess Payments:** When the Department's review of any financial report, final reconciliation or on-site examination of the Contractor's financial records indicate that under expenditure or under utilization of contract funds has or is likely to occur , or in the event the Department has advanced funds to the Contractor or overpaid the Contractor, by the end of the contract period or upon termination of the contract, with advance notice to the Contractor the Department may demand the return to the Department any unexpended funds in full within 30 days; alter the payment schedule for the balance of the contract period; or authorize that the unexpended funds be carried over and used as part of a new contract period if a new similar contract is executed.

This document constitutes an amendment to the above numbered contract. All provisions of that contract, except those explicitly changed above by this amendment, shall remain in full force and effect.

BUDGET

SIGNATURES AND APPROVALS

064CMC-HUS-03 / 09DSS1101FI A1

The Contractor IS a Business Associate under the Health Insurance Portability and Accountability Act of 1996 as amended.

Documentation necessary to demonstrate the authorization to sign must be attached.

CONTRACTOR - CONNECTICUT CHILDREN'S MEDICAL CENTER, INC.



Gerald Boisvert, Executive VP & CFO

6/30/10

Date

DEPARTMENT OF SOCIAL SERVICES



Michael P. Starkowski, Commissioner

4/30/10

Date

OFFICE OF THE ATTORNEY GENERAL



____/____/____
ASST. / Assoc. Attorney General (Approved as to form & legal sufficiency)

7/23/10

Date

ASSOS. ATTY. GENERAL



Original Contract Number: 064CMC-HUS-03 / 09DSS1101FI
 Amendment Number: _____
 Maximum Contract Value: \$645,404.00
 Contractor Contact Person: Lisa Butler Tel: (860) 545-9377
 DSS Contact - Contract: Andrea Alexander Tel: (860) 424-5780
 Program: Laura Victoria Barrera Tel: (860) 424-

**STATE OF CONNECTICUT
 PURCHASE OF SERVICE CONTRACT
 ("POS", "Contract" and/or "contract")
 Revised December 2009**

The State of Connecticut DEPARTMENT OF SOCIAL SERVICES

Street: 25 SIGOURNEY STREET

City: HARTFORD State: CT Zip: 06106

Tel#: (800) 842-1508 ("Agency" and/or "Department"), hereby enters into a Contract with:

Contractor's Name: CONNECTICUT CHILDREN'S MEDICAL CENTER, INC.

Street: 282 WASHINGTON STREET

City: HARTFORD State: CT Zip: 06106

Tel#: (860) 545-9343

("Contractor"), for the provision of services outlined in Part I and for the compliance with Part II. The Agency and the Contractor shall collectively be referred to as "Parties". The Contractor shall comply with the terms and conditions set forth in this Contract as follows:

Contract Term	This Contract is in effect from 07/01/09 through 06/30/10 .
Statutory Authority	The Agency is authorized to enter into this Contract pursuant to § 4-8 and 17b-3 of the Connecticut General Statutes ("C.G.S.").
Set-Aside Status	Contractor <input type="checkbox"/> IS or <input checked="" type="checkbox"/> IS NOT a set aside Contractor pursuant to C.G.S. § 4a-60g.
Effective Date	This Contract shall become effective only as of the date of signature by the Agency's authorized official(s) and, where applicable, the date of approval by the Office of the Attorney General ("OAG"). Upon such execution, this Contract shall be deemed effective for the entire term specified above.
Contract Amendment	Part I of this Contract may be amended only by means of a written instrument signed by the Agency, the Contractor, and, if required, the OAG. Part II of this Contract may be amended only in consultation with, and with the approval of, the OAG and the State of Connecticut, Office of Policy and Management ("OPM").

All notices, demands, requests, consents, approvals or other communications required or permitted to be given or which are given with respect to this Contract (collectively called "Notices") shall be deemed to have been effected at such time as the Notice is hand-delivered, placed in the U.S. mail, first class and postage prepaid, return receipt requested, or placed with a recognized, overnight express delivery service that provides for a return receipt. All such Notices shall be in writing and shall be addressed as follows:

If to the Agency:	STATE OF CONNECTICUT DEPARTMENT OF SOCIAL SERVICES 25 SIGOURNEY STREET HARTFORD, CT 06106 Attention: Andrea Alexander	If to the Contractor:	CONNECTICUT CHILDREN'S MEDICAL CENTER, INC. 282 WASHINGTON STREET HARTFORD, CT 06106 Attention: Lisa Butler
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A party may modify the addressee or address for Notices by providing fourteen (14) days' prior written Notice to the other party. No formal amendment is required.

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PART I. SCOPE OF SERVICES, CONTRACT PERFORMANCE, BUDGET, REPORTS, PROGRAM-SPECIFIC AND AGENCY-SPECIFIC SECTIONS

The Contractor shall provide the following specific services for the HUSKY PLUS PHYSICAL PROGRAM and agree to comply with the terms and conditions set forth as required by the Department, including but not limited to the requirements and measurements for scope of services, contract performance, quality assurance, reports, terms of payment, and budget. No provisions shall be contained in this Part I that negate, supersede, or contradict any provision of Part II. In the event of such inconsistency between Part I and Part II, the provisions of Part II shall control.

A. DESCRIPTION OF SERVICES.

1. Clients. The Contractor shall provide HUSKY Plus Physical (“HPP”) services as set forth herein to Children enrolled in the Department’s HUSKY Part B program (“HUSKY B”) that have been determined by the Contractor to be medically eligible to receive HPP services. For purposes of this contract a “Child” or “Children” are individuals between birth and eighteen years of age; HPP services are supplemental services to manage intensive physical health diagnoses and conditions beyond those covered under HUSKY B and a Child is determined medically eligible to receive HPP services if the Contractor has determined the Child to be a “Child with Special Health Care Needs”, defined as a child having an elevated risk for biologic or acquired chronic physical or development conditions and requiring health and related services, not including education or recreational services, of a type and amount not usually required by a child of the same age.
2. Determination of HPP Eligibility.
 - a. The Contractor shall determine medical eligibility to receive HPP services for those Children who have self-referred to the Contractor, those Children that have been referred to the Contractor by the Department or the Child’s family or have been referred to the Contractor by the Child’s HUSKY B Managed Care Organization (“MCO”), their Primary Care Provider (“PCP”), Specialty Provider, or other provider with knowledge of the special physical health needs of the Child.
 - b. The Contractor shall utilize the Screener and Complexity Index Tool approved by the Department to collect data that will be used during the initial eligibility process and at the yearly rescreening to determine whether the referred child meets the definition of a “Child with Special Health Care Needs” and is therefore medically eligible to receive HPP services.
 - c. During the initial eligibility determination process, and annually thereafter, the Contractor shall verify with the Department’s HUSKY Enrollment Broker that the referred Child or HPP client is, at that time, enrolled in HUSKY B’s Band 1 or Band 2. When the child needs clinical services, the Contractor will verify through the child’s HUSKY B MCO that the child’s HUSKY B benefits will be exhausted first..
 - d. If the Contractor fails to confirm HUSKY B enrollment and the likely exhaustion of HUSKY B benefits and authorizes and/or provides HPP services to a HPP client who has been disenrolled from HUSKY B or is not likely to exhaust his or her HUSKY B benefits, such authorization and/or payment of services may be disallowed by the Department and the Contractor shall disenroll such HPP client from the HPP program.
 - e. The Contractor shall determine eligibility and provide parents of referred children and the referral source with written notice of the determination of eligibility for HPP services. Such notice shall be mailed to the parents and the referral source no later than twenty-one (21) business days after the Contractor’s receipt of the referral. If the Child has not been determined

eligible for HPP services, the written determination shall state the reason(s) for the Child's ineligibility.

- f. If less than 90% of referrals are determined and noticed to the parents of the referred Child and referral source within 21 business days, the Department may impose a sanction upon the Contractor and/or withhold the next scheduled payment to the Contractor until performance measures are met.
- g. All letters and forms must be reviewed and approved by the Department prior to use by the Contractor.

3. Medical Records.

- a. The Contractor shall establish a confidential, centralized record ("medical record") for each referred child and HPP client, which shall include the personal information used to determine initial and continuous HPP Program eligibility including, but not limited to the initial referral form and assessments; the HPP Client's Global Plan of Care ("GPC") as described herein, care coordination and case management documentation, progress notes that refer to the GPC, and other documentation supporting service delivery and all medical goods and services received
- b. The Contractor shall ensure that all medical records are maintained and protected in compliance with the Federal Health Insurance Privacy and Portability Act as amended from time to time and with the standards of the National Committee for Quality Assurance; and shall meet the Department's requirements for medical records as set forth in the applicable Regulations of Connecticut State Agencies, Section 38a-975, known as the "Connecticut Insurance Information and Privacy Act".
- c. The Contractor may delegate maintenance of HPP clients' medical records to the clients' PCP provided that such records shall be made available to the Department or its agent(s) at a centralized location upon request and reasonable notice to the Contractor.

4. HPP Program Enrollment.

- a. The Contractor shall enroll each referred child determined eligible to receive HPP services ("HPP client") into the HPP Program within 60 days from the date that eligibility has been determined. The "date of enrollment" shall be the date that the HPP client's enrollment into the HPP program is complete.
- b. The Contractor provide parent(s) of enrolled HPP clients with a welcome packet within one week of the date of enrollment. The HPP welcome packet shall be approved by the Department in advance and shall contain forms, mutually approved by both the Department and the Contractor, that the parent of the enrolled HPP client will use to obtain HPP services.
- c. The Department shall authorize the Contractor to enroll HPP clients and authorize reimbursement to HPP service providers for HPP services provided retroactively up to 30 days prior to the date of determination of HPP Program eligibility.
- d. If the Contractor fails to complete the eligibility and enrollment process for any HPP client within 60 days of the initial referral date, the Contractor shall obtain a new referral from the initial referral source and re-determine HPP Program eligibility.

5. HPP Program Disenrollment.

- a. The Contractor shall disenroll a HPP client from the HPP program if:

- i. The Contractor determines by use of the Screener and Complexity Index Tool that the HPP client no longer meets the HPP program eligibility requirements set forth in section 17b-304-28 of the Regulations of the State of Connecticut Department of Social Services. In such case the date of disenrollment shall be the date of ineligibility determination; or
 - ii. The Contractor is notified that the HPP client is disenrolled from HUSKY B. In this case, the date of disenrollment from the HPP Program shall be concurrent with the date the Contractor confirms such disenrollment with the HUSKY Enrollment Broker
 - b. The Contractor shall inform such HPP clients and the HPP client's MCO of the client's HPP Program disenrollment status.
6. Case Coordination and Global Plan of Care.
 - a. Care Coordination. Contractor shall assign a Lead Case Manager to each HPP client to communicate with the HPP client's PCP and MCO to coordinate care.
 - i. Each HPP client's Lead Case Manager shall establish a case management/treatment team for such HPP client. Such case management/treatment team shall include but not be limited to the Lead Case Manager, the HPP client and/or parent(s); clinicians and/or other providers of HPP services participating in the HPP client's care; and the HPP client's HUSKY B Case Manager.
 - ii. Global Plan of Care ("GPC"). Each HPP client's Lead Case Manager, with the assistance of the case management/treatment team, shall develop a GPC identifying and addressing such HPP client's special health care needs. The GPC shall be developed within 30 days of the HPP client's date of eligibility determination.
 - iii. The GPC shall be based on the initial need assessment of the HPP client performed by the Contractor's staff to integrate the needed services from the benefit packages of the HUSKY B and the HPP Programs.
 - iv. The Contractor shall monitor and coordinate HUSKY B and HPP program services and other services, which the HPP client may be receiving. No less frequently than semiannually the Contractor shall reassess and update the GPC based on the HPP client's MCO and HPP treatment plans.
 - v. GPC's may be reassessed or updated at any time if there are obstacles related to the services currently being provided under the GPC or if there is a change in the HPP client's health status.
 - vi. Sanction: If the Contractor fails to develop an initial GPC for any HPP client within 30 days of the date of enrollment or fails to complete reassessments of the GPC on a semiannual basis thereafter, the Department may impose Class A sanctions pursuant to Part I Section G.
 - vii. The Lead Case Manager shall provide a copy of the HPP client's initial GPC, and all subsequent updates of the GPC, to the HPP client and/or parent(s) and to the HPP client's MCO and PCP. The Contractor shall also maintain a copy of the initial GPC and all subsequent updates to the GPC in the HPP client's medical record.

- viii. The Lead Case manager shall transmit all changes to the GPC at least annually, or upon request, to the HPP client's MCO and PCP.
 - ix. The Lead Case Manager shall seek input from the case management /treatment team as needed for the Lead Case Manager to reassess the HPP client's needs and make recommendations for necessary changes to the HPP client's GPC.
- b. The Contractor shall communicate with each HPP client's MCO at least annually to coordinate service delivery and facilitate the exchange of information.
 - c. The Contractor shall coordinate HUSKY B and HPP benefits received by each HPP client to avoid replication of special education services previously authorized under the HPP client's Individual Education Plan or Individualized Family Service Plan.
7. **Case management services.** For each HPP client, the Contractor shall coordinate and provide HPP program case management services to assist in the implementation of the HPP client's GPC. Such HPP program case management services shall include but not be limited to:
- a. Making or assisting with making referrals to providers of clinical and other services required under the GPC;
 - b. Providing assistance to the HPP client with scheduling services required under the GPC;
 - c. Providing coordination between the HPP client's health, educational and social services providers;
 - d. Monitoring the delivery of, and facilitating the HPP client's access to, those resources and services identified in the HPP client's GPC;
 - e. Coordinating and integrating the services required under the GPC, through contact with other individuals or agencies within the HPP client's family system and direct service providers;
 - f. Monitoring the quality, effectiveness and quantity of needed services and evaluating, assessing future needs that may support positive changes in the HPP client's medical condition;
 - g. Identifying needed resources and advocating for the HPP client to obtain family support for the smooth flow of information between the HPP client and their family, the HPP client's MCO, and service providers and agencies; and
 - h. Providing transition services for HPP clients who are approaching their 19th birthday, including but not limited to linkage to specialty services for adults, assistance with enrollment in financial, clinical, educational, social, and vocational programs and services for adults with disabilities.
8. **Covered Services**
- a. The Contractor shall directly, or indirectly through third party providers, provide HPP clients with the HPP covered services listed in the "HUSKY Plus Physical Supplemental Insurance Coverage" section included on pages 22 through 28 of this contract.
 - b. The Department shall provide the Contractor with updates to the list of HPP covered services,
 - c. The Department shall provide the Contractor with a list of HUSKY B covered services in a separate policy transmittal prior to execution of this contract to assist the Contractor in coordinating with HUSKY B and avoiding duplication of services.

- d. The Contractor shall ensure that HPP clients receive HPP services to the fullest extent possible in the least restrictive setting.
- e. The Contractor shall take reasonable measures to provide those HPP clients with limited English proficiency, visual disabilities, and/or hearing disabilities with appropriate accommodations to facilitate access to HPP services.
- f. The Contractor shall provide, refer, or arrange for a third party to provide HPP services to clients.
- g. The Contractor shall provide or arrange for the provision of HPP services that are determined to be "medically necessary and medically appropriate" as that term is defined herein. Medical necessity" or "medically necessary" means health care provided to correct or diminish the adverse effects of a medical condition or mental illness; to assist an individual in attaining or maintaining an optimal level of health; to diagnose a condition; or to prevent a medical condition from occurring; Medical appropriateness" or "medically appropriate" means health care that is provided in a timely manner and meets professionally recognized standards of acceptable medical care; is delivered in the appropriate medical setting; and is the least costly of multiple, equally-effective alternative treatments or diagnostic modalities;
- h. Throughout the term of this Contract the Contractor shall be notified by the Department if the definition of "medically necessary and medically appropriate" is changed. Until such time as the Contractor receives notice from the Department in the change of the definition, the Contractor shall rely on and utilize the definition herein.

9. Authorization of Services

- a. The Contractor shall authorize the provision of medically appropriate and necessary covered services to HPP clients in accordance with the Service Authorization Protocol on pages 19 and 20 of this contract and shall pay the providers for the provision of such authorized services following the providers' submission of a claim for services rendered so long as such claim is submitted to the Contractor within one-hundred and twenty days of the date of service.
- b. During the period July 1, 2009 through June 30, 2010 the funds available for the payment of claims for authorized services shall not exceed \$301,624.00. Therefore, throughout the term of the contract the Contractor shall monitor the funds available for the payment of claims and immediately notify the Department when further authorizations would result in the payment of claims(s) that would exceed the funds available for payment. Upon notification from the Contractor the Department shall direct the Contractor to either authorize or deny the services. If authorized the Department shall bear the responsibility for the cost of the service. If the Contractor directs the provision of services that have not been authorized in accordance with the Service Authorization Protocol or that have not been authorized by the Department following the exhaustion of available funds, the Department shall bear no responsibility for the payment of such services and its related claims.
- c. All HPP covered services are subject to prior authorization by the Contractor, except for the period of up to 30 days if the child is enrolled retroactively.
- d. The Contractor shall document receipt of a request for and approval of prior authorization for each service provided.
- e. Each HPP client's MCO shall have final approval of requests for prior authorization of services for which HUSKY B is at risk, and the Contractor shall have final approval of requests for prior authorization of services for those services for which the HPP Program is at risk. The

Contractor shall act as payer of last resort and determine that each HPP client has exhausted all medically necessary coverage and benefit limits under HUSKY B prior to authorizing HPP services.

- f. The Contractor shall refer to the ICD-9-CM Manual for diagnostic conditions and codes. The Contractor may only authorize provision of HPP services for diagnostic conditions and codes not listed in the ICD-9-CM with the Department's prior approval.
- g. Services provided by the Contractor that have not been authorized in accordance with the Service Authorization Protocol set forth herein or as amended by the Department may not be reimbursed with funding provided under this contract.
- h. The Department may request the Contractor to develop a priority list for enrollment and services to HPP clients that will take in consideration several factors including HUSKY B Band level and diagnostic severity.
- i. In the event of a dispute between any HPP client's HUSKY B MCO and the Contractor regarding responsibility for reimbursement of a service authorized under the HPP client's GPC, the Contractor shall refer the dispute to the Department's Commissioner or his/her designee for resolution.

10. Outreach and Education

- a. The Contractor may, if directed to or approved by the Department, conduct outreach and education activities and distribute outreach and education materials to promote the HUSKY and HUSKY Plus programs to organizations and individuals providing services to children with special health care needs. The Contractor may also, if directed to or approved by the Department, educate and distribute educational and outreach materials to organizations and individuals responsible for conducting outreach, application assistance and eligibility determinations for the HUSKY program.
- b. Contractor shall obtain prior approval from the Department before undertaking HUSKY and HUSKY Plus program outreach and education activities. The Department shall designate an outreach contact person who shall act as liaison to the Contractor for the purposes of the development and approval of outreach and education activities and/or materials.
- c. The Contractor must request and receive written approval from the Department prior to publication and/or distribution of all HPP marketing materials, including but not limited to informational materials. The Department shall review and approve such materials within 30 days; if the Department does not respond to the Contractor within this 30 day period, the materials shall be deemed approved and the Contractor may distribute them.
- d. The Department shall have final authority related to the level and method of HUSKY and HUSKY Plus outreach that can be conducted by the Contractor.
- e. The Contractor shall maintain all members written materials to be easily understood format and language. All written materials and correspondence with members will be culturally sensitive and written at no higher than 7th grade level.
- f. The Contractor shall provide member educational and correspondence in languages other than English and Spanish if more than 5% of the HPP clients speak an alternative language.

- g. The Contractor shall provide information in alternative formats and in an appropriate manner that considers the special needs of HPP clients to ensure access to services by persons with visual, hearing and other disabilities.

11. Fiduciary Responsibilities.

- a. The Contractor shall act as fiduciary agent for the HPP Program and as such shall process requests from service providers and vendors for reimbursement for the provision of authorized services. Only those services that have been authorized in advance by the Contractor are eligible for reimbursement with funding provided under this contract.
- b. The Contractor shall comply with the Service Authorization Protocol provided at the end of this Part I when reporting HPP program expenditures to the Department. Failure by the Contractor to comply with the Service Authorization Protocol may result in withholding of payment by the Department.
- c. HPP Program Reimbursement. The Contractor shall reimburse HPP program service providers according to Medicaid rates current at the time of service authorization or other appropriate basis approved, in advance, by the Department.
- d. The Contractor shall detail in its quarterly financial reports to the Department any payments for which it has incurred costs under this subsection.
- e. The Contractor shall timely process requests for reimbursement from vendors and providers of HPP program services. A timely request for reimbursement is one that is submitted by the service provider or vendor within 120 calendar days of the date of service. Requests for reimbursement submitted beyond 120 calendar days of the date of service may result in the denial of the reimbursement by the Contractor and/or the Department. The Contractor shall process timely requests for reimbursement made in accordance with the Service Authorization Protocol within 60 days of the receipt of the request for reimbursement.
- f. The Contractor shall accept billing for hospital facility-based covered services on an UB-04 form, according to the provider institution's billing procedures.
- g. The Contractor shall pay for hospital-based covered services at Medicaid rates as determined by the current outpatient rates Department's Revenue Center Code.
- h. The Contractor shall accept billing for professional fees, community-based services, supplies or equipment or pharmaceuticals on a HCFA 1500 billing form or business invoice, listing appropriate CPT Code or HCPC Code.
- i. The Contractor shall pay for professional fees, community-based services, supplies or equipment or pharmaceuticals on a HCFA 1500 billing form or business invoice, listing appropriate CPT Code or HCPC Code.
- j. The Contractor shall reimburse cost, minus taxes, to HPP parent/guardian for prescribed over the counter medications (OTC) when the OTC medication is related to the HPP eligibility condition and presented with a receipt.
- k. All disputes concerning provider reimbursements by the Contractor shall be referred to the Department's Commissioner or his/her designee for resolution.
- l. The Contractor shall verify reimbursement rates for all services using the Department's "Medical Assistance Program Fee Schedule."

12. **Grievance and Appeal Procedures.** The Contractor shall comply with the procedure detailed in the HPP Grievance and Appeal Protocol as set forth in the "HUSKY Plus Physical Supplemental Insurance Coverage" section included on pages 22 through 28 of this contract.

B. PROVIDERS AND VENDORS

1. The Contractor shall develop a procedure for locating appropriate HPP service providers and vendors throughout the State of Connecticut. Following the Department's review and approval, the Contractor shall implement such procedure.
2. The Contractor shall suggest providers and vendors to provide HPP goods and services to HPP clients. Selection of providers or vendors shall be determined by the HPP client and/or the HPP client's parent or legal guardian in collaboration with the HPP Lead Case Manager.
3. The Contractor shall ensure that providers and vendors serving HPP clients meet the minimum requirements for participation in the HPP program stated in the Regulations of Connecticut State Agencies, Section 17b-304, 24-25, as applicable.

C. SUBCONTRACTED SERVICES

1. The Contractor agrees to notify the Department prior to finalizing any subcontractor relationship for services covered under this agreement. The Contractor agrees to be responsible to the Department for the performance of said subcontractor(s). The establishment of a subcontractor relationship shall not relieve the Contractor of any responsibility or liability under the contract. The Contractor shall bear full responsibility, without recourse to the Department, for the subcontractor's performance.

D. NOTICES

1. Wherever under this contract one party is required to give notice to the other, such notice shall be deemed given upon delivery, if delivered by hand (in which case assigned receipt will be obtained), or 3 business days after posting if sent by registered or certified mail, return receipt requested. Notices shall be addressed as follows:

a. **In case of notice(s) to the Contractor:**

Lisa Benson
 Director of Director of Academic Administration,
 Office of Grants and Sponsored Programs
 Connecticut Children's Medical Center
 282 Washington Street
 Hartford, CT 06106
 Phone: (860) 545-9967
 Fax: (860) 545-8333
 e-mail: labenso@ccmckids.org

Barbara Brown, Director
 Educational and Rehabilitation Services
 Connecticut Children's Medical Center
 282 Washington Street
 Hartford, CT 06106
 Phone: (860) 545-8587
 e-mail: bbrown@ccmckids.org

Susan Roman, Manager

Special Kids Support Center
 Connecticut Children's Medical Center
 282 Washington Street
 Hartford, CT 06106
 Phone: (860) 610-4207
 e-mail: Sroman@ccmckids.org

b. **In case of notice(s) to the Department regarding this contract:**

Andrea C. Alexander, Contract Administrator
 Contract Administration Unit
 Department of Social Services
 25 Sigourney Street
 Hartford, CT 06106
 Phone (860) 424-5780
 Fax (860) 424-5800
 e-mail; andrea.alexander@ct.gov

c. **In case of notice(s) to the Department regarding the scope of services:**

Rich Spencer, Manager
 Managed Care, Medical Care Administration
 Department of Social Services
 25 Sigourney Street
 Hartford, CT 06106
 Phone (860) 424-5913
 e-mail: richard.spencer@ct.gov

Laura Victoria Barrera, Program Representative
 Managed Care, Medical Care Administration
 Department of Social Services
 25 Sigourney Street
 Hartford, CT 06106
 Phone (860) 424-4892
 Fax (860) 424-4958
 e-mail laura-victoria.barrera@ct.gov

2. Said notices shall become effective on the date of receipt as specified above or the date specified in the notice, whichever comes later. Either party may change its address for notification purposes by mailing a notice announcing and setting forth the new address; such change shall be effective on the tenth day following receipt.

E. QUALITY ASSURANCE

1. The Contractor shall develop standards to oversee and ensure the quality of care provided under the HPP program.
2. The Contractor shall participate in an annual review of the HPP program, which will be conducted by the Department or its agent, External Quality Review Organization ("EQRO").
3. The Contractor will participate in quality assurance activities, as directed by the Department. Such activity may require Contractor participation with the EQRO.
4. **Performance Review.** At any time throughout the term of this Contract, a designated representative of the Contractor and a designated representative of the Department shall meet, as requested by either party, to review the performance of the Contractor under this contract. Written minutes of such meetings shall be kept. In the event of any disagreement regarding the performance of services by the Contractor under

this contract, the designated representatives shall discuss the problem and shall negotiate in good faith in an effort to resolve the disagreement.

5. In the event that no such resolution is achieved within a reasonable time, the matter shall be referred to the Department's Contract Administrator. If the Contract Administrator determines that the Contractor has failed to perform as measured against applicable contract provisions, the Contract Administrator may impose sanctions or any other penalty as set forth herein, up to and including the termination of this contract in whole or in part.
6. **Site Visit and Audit.**
 - a. The Contractor shall participate in at least one Departmental site visit annually, or more often as determined by the Department.
 - b. **Inspection of Facilities.** The Contractor shall provide the State of Connecticut and any other legally authorized governmental entity, or their authorized representatives, the right to enter at all reasonable times the Contractor's premises or other places, including the premises of any subcontractor, where work under this contract is performed to inspect, monitor or otherwise evaluate work performed pursuant to this contract. The Contractor shall provide reasonable facilities and assistance for the safety and convenience of the persons performing those duties. The Department and its authorized agents will request access in advance in writing except in case of suspected fraud and abuse.
 - c. **Examination of Records.**
 - i. The Contractor shall develop and keep such records as required by law or other authority or as the Department determines are necessary or useful for assuring quality performance of the terms of this contract. The Department shall have an unqualified access of right to access to such records.
 - ii. Upon the date of expiration or termination of this contract by, the Contractor shall turn over or provide copies of all documents, files, and records relating to referred children, HPP clients receiving services, and the administration of this contract, to the Department or its designee.
 - d. In the event right of access is requested under this section, the Contractor or subcontractor shall upon request provide and make available staff to assist in the audit or inspection effort, and provide adequate space on the premises to reasonably accommodate the State or Federal representatives conducting the audit or inspection effort.
 - e. The Department shall allow the Contractor 10 days to respond to any findings of an audit before finalizing its findings. All information so obtained will be accorded confidential treatment as provided under applicable law.
 - f. Following the completion of the annual review and/or site visits, the Department will provide the Contractor with a written evaluation of the Contractor's performance. The Contractor shall have 30 days to respond in writing to the written evaluation. Such response shall include plans for changes/corrections in performance identified as deficient in the Department's written evaluation.
 - g. **Sanction:** If the Contractor fails to respond in a timely manner to the written evaluation, the Department may impose a Class A sanction pursuant to Part I Section G.

F. FRAUD AND ABUSE.

1. The Contractor shall not knowingly take any action or fail to take any action that could result in an unauthorized benefit to the Contractor, its employees, its subcontractors, its vendors, or to a referred child or HPP client.
2. The Contractor commits to preventing, detecting, investigating, and reporting potential fraud and abuse occurrences, and shall assist the Department and the Federal Department of Health and Human Services ("DHHS") in preventing and prosecuting fraud and abuse in the HPP program.
3. The Contractor acknowledges that the Department and the Office of the Inspector General of DHHS have the authority to impose civil monetary penalties on individuals and entities that submit false and fraudulent claims to the HPP program.
4. The Contractor shall immediately notify the Department when it detects a situation of potential fraud or abuse, including, but not limited to, the following:
 - a. False statements, misrepresentation, concealment, failure to disclose, and conversion of benefits;
 - b. Any giving or seeking of kickbacks, rebates, or similar remuneration;
 - c. Charging or receiving reimbursement in excess of that provided by the Department; and
 - d. False statements or misrepresentation made by a provider, subcontractor, or Member in order to qualify for the HUSKY program.
5. Upon written notification from the Department, the Contractor shall immediately cease any conduct that the Department or its agent deems to be abusive of the HPP program, and to take any corrective actions requested by the Department or its agent.
6. The Contractor must provide full and complete information on any employee or subcontractor who has been convicted of a civil or criminal offense related to that person's involvement under Medicare, Medicaid, or any other federal or state assistance program prior to entering into or renewing this contract.
7. **Sanction:** The Department may impose a sanction up to and including a Class A or B sanction for the failure to comply with any provision of this section, or take any other action pursuant to Part I Section G of this contract, including terminating or refusing to renew this contract, or any other remedy allowed by federal or state law.

G. SANCTIONS. The Department and the Contractor mutually agree that if by any means, including any report, filing, examination, audit, survey, inspection or investigation, the Contractor is determined to be out of compliance with this contract, damage to the Department may or could result. Consequently, the Contractor agrees that the Department may impose sanctions for noncompliance under this contract. Such sanctions shall be as set forth in a policy transmittal provided by the Department to the Contractor prior to the execution of this contract.

H. FEDERAL REQUIREMENTS.

1. The State requires that the language of the following certification be included in the award documents for all sub-awards at all tiers including subcontracts, sub-grants, and contracts under sub-recipients, which shall certify and disclose accordingly. The Contractor certifies that:
 - a. No Federal appropriated funds have been paid or will be paid, by or on behalf of the state, to any person for influencing or attempting to influence any officer or employee of any agency, member of Congress, an officer or employee of, or an employee of a member of Congress, or an employee of a member of Congress in connection with the awarding of any federal loan, the entering into of any

- cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any federal contract, grant, loan, or cooperative agreement.
- b. If any funds other than federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a member of Congress, an officer or employee of Congress, or an employee of a member of Congress in connection with this Federal contract, grant, loan or cooperative agreement, the state shall complete and submit standard Federal form-LLL, "Disclosure Form to Report Lobbying," (obtained from Health and Human Services) in accordance with its instructions.

I. PROGRAMMATIC REPORTING REQUIREMENTS.

1. The Contractor shall establish and maintain a clinical and financial relational database of information for all referred children and HPP clients. The database must include, but not be limited to, the following data elements as applicable:
 - a. Program ID – a number assigned for child specific identification
 - b. Last name
 - c. First name
 - d. Sex
 - e. Street Address
 - f. City/Town
 - g. Date of birth
 - h. Race, if voluntarily provided
 - i. Ethnicity, if voluntarily provided
 - j. Primary diagnosis
 - k. Secondary diagnosis
 - l. HUSKY B ID Number
 - m. Enrollment date
 - n. Initial referral date
 - o. PCP
 - p. MCO
 - q. Supplemental clinical services received by HPP client
 - r. Direct services authorized
 - s. Referrals to HPP
 - t. New HPP clients
 - u. Disenrollees from HPP
 - v. Reasons for disenrollment
2. The Contractor shall, on no less than a quarterly basis, provide the Department with reports on the data listed above. The Department and the Contractor shall agree, in writing, on the format and submission dates for the reports required by this section.
3. The Contractor shall provide the Department with an Activity Report for all Contractor activities on a quarterly basis with an annual summary. The Department and the Contractor shall agree, in writing, on the format and submission dates such Activity Reports.
4. All reports required under this section must be submitted by the Contractor to the Department's Program Representative.
5. **Sanction:** If the Contractor fails to submit any programmatic report required or requested by the Department, the Department may impose a Class A sanction pursuant to Part I, Section G of this contract.

J. FINANCIAL REPORTING REQUIREMENTS

1. The Contractor shall provide a quarterly financial expenditure report to the Department's Program Representative according to the following schedule:

Financial Report due date:	For the Period:
November 15, 2009	July 1 – September 30, 2009
February 15, 2010	October 1 – December 31, 2009
May 15, 2010	January 1 – March 31, 2010
August 31, 2010	April 1 – June 30, 2010
September 15, 2010	July 1, 2009 – June 30, 2010 (preliminary)
October 31, 2010	July 1, 2009-- June 30, 2010 (final)

2. **Interest:** Any interest earned by the Contractor as a result of payments authorized by the Department shall be reported to the Department by the Contractor on the next Quarterly Financial Report submitted after that interest income is earned. The Contractor agrees to follow the Department's direction as to the disposition of such interest income.
3. **Sanction:** If the Contractor fails to submit any financial report required or requested by the Department, the Department may impose a Class A sanction pursuant to Part I Section G of this contract.

K. BUDGET AND PAYMENT PROVISIONS.

1. The Department agrees to fund contracted services at the maximum amount of **\$645,404.00** for the entire contract period **July 1, 2009 to June 30, 2010**.
2. The Contractor agrees to utilize Department funds in accordance with the budget on pages 29 of this contract.
3. Upon execution of this contract and approval of the same by the Office of the Attorney General the Contractor shall submit a written request for payment for Total Administration and Total Direct Program expenses incurred through the operation of the HPP Program during the period July 1, 2009 through March 31, 2010. The request for payment shall not exceed \$256,772.00 and shall represent the payment due for actual expenses incurred by the Contractor during the period in accordance with budgeted line items 3 a through c and 4a and 4 b.
4. Upon execution of this contract and approval of the same by the Office of the Attorney General, the Contractor shall submit a written request for payment for Total Other Costs incurred through the operation of the HPP Program during the period July 1, 2009 through March 31, 2010. The request for payment shall not exceed \$227,282.00 and shall represent the payment due for actual expenses incurred by the Contractor during the period in accordance with budgeted line items 5 a through h.
5. The Contractor shall submit each payment request to the Department's Program Representative on a **DSS W-1270 Form** and shall include all required programmatic and financial reports for the period July 1, 2009 through March 31, 2010. The Department shall review such requests and reports and, subject to the availability of funds and the Contractor's satisfactory compliance with the terms of the contract shall process the same for payment.
6. Following the initial payments to the Contractor the Department shall reconcile actual expenditures incurred during the period July 1, 2009 through March 31, 2010 against the payments received from the Department. If the reconciliation demonstrates an under expenditure of funds during the period, the Department shall adjust any future and final payments to the Contractor through this contract.

7. On or after May 31, 2010, the Contractor shall submit to the Department a request for payment for the operation of the HPP Program during the period April 1, 2010 through June 30, 2010. The request for payment shall not exceed \$161,350.00 and shall represent the maximum payment due for the balance of expenses budgeted by the Contractor in accordance with this contract's budget.
8. The Contractor shall submit the payment request to the Department's Program Representative on a **DSS W-1270 Form**. The Department shall review such request and shall, subject to the availability of funds and the Contractor's satisfactory compliance with the terms of the contract shall process the same for payment.
9. A final reconciliation of actual expenditures and actual payments received shall be prepared in writing by the Contractor and submitted to the Department's Program Representative on or before October 31, 2010. The final reconciliation shall include the budgeted payment for any service authorized by the Contractor in accordance with the terms of this contract through June 30, 2010 and paid by the Contractor no later than September 30, 2010.
10. **Surplus/Excess Payments:** When the Department's review of any financial report, final reconciliation or on-site examination of the Contractor's financial records indicate that under expenditure or under utilization of contract funds has or is likely to occur, or in the event the Department has advanced funds to the Contractor or overpaid the Contractor, by the end of the contract period or upon termination of the contract, with advance notice to the Contractor the Department may demand the return to the Department any unexpended funds in full within 30 days; alter the payment schedule for the balance of the contract period; or authorize that the unexpended funds be carried over and used as part of a new contract period if a new similar contract is executed.

L. PROVISIONS RELATING TO EXPENDITURES.

1. Expenditures shall be defined as expenses incurred by the Contractor, on an accrual basis, in delivering the services described in Part I herein, and in categories that the Department has agreed to pay in accordance with the Budget and Payment Provisions Sections above.
2. The Contractor's expenditures may vary in the amount per category from those set forth in the approved budget, provided that such variance does not materially change the services described in this Part I. The Contractor may not vary the category of expenditures set forth in the approved budget absent the Department's written approval in accordance with the Budget Variance Section below.
3. During the term of the contract, the Contractor shall notify the Department, of the categories of and actual expenditures made under the contract in accordance with the Financial Reporting Section above.
4. The Contractor shall maintain records sufficient to report the expenditures made under the contract and shall, if requested, provide such records to the Department.
5. The Contractor may allocate expenditures such as administrative and general, rent, or utilities, under the contract provided that:
 - a. such allocated expenditures were included by category in the budget, and
 - b. the procedure for allocation is reasonable and does not unfairly burden the Department with expenditures properly applied to services beyond those needed to deliver services described in this Part I.

M. TERMINATION.

1. This Contract may be subject to the following termination provisions, in addition to the provisions

regarding termination found in Part II of this contract. The Contract may be terminated by the State for Default, for Convenience, for Financial Instability; and/or for Unavailability of Funds.

2. All notices of termination as defined in the subsections below shall be signed by the Contract Administrator, shall specify a date of termination and shall be delivered to the Contractor no less than 60 days prior to the specified date of termination.

3. Termination for Default:

- a. **Contractor Default.** The Department may terminate performance of work under this contract in whole, or in part, whenever the Contractor materially defaults in performance of this contract and fails to cure such default or make progress satisfactory to the Department toward contract performance within a period of 30 days, or such longer period as the Department may allow. Such termination shall be referred to herein as "Termination for Default."
- b. If after notice of termination of the contract for default, it is determined by the Department or a court that the Contractor was not in default, the notice of termination shall be deemed to have been rescinded and the contract reinstated for the balance of the term.
- c. In the event the Department terminates the contract in full or in part as provided in this clause, the Department may procure, services similar to those terminated, and the Contractor shall be liable to the Department for any excess costs for such similar services for any calendar month for which the Contractor has been paid to provide services to HPP clients. In addition, the Contractor shall be liable to the Department for administrative costs incurred by the Department in procuring such similar services. Provided, however, that the Contractor shall not be liable for any excess costs or administrative costs if the failure to perform the contract arises out of causes beyond the control and without error or negligence of the Contractor or any of its subcontractors.
- d. The rights and remedies of the Department provided in this clause shall not be exclusive and are in addition to any other rights and remedies provided by law or under this contract.
- e. **Department Default.** In addition to the termination rights herein, the Contractor may terminate this contract on 90 days written notice in the event that the Department fails to (a) pay in accordance with the payment terms set forth in Part I Section J and (b) provide eligibility or enrollment/disenrollment information and shall fail to cure such default or make progress satisfactory to the Contractor within a period of 60 days of such default.

4. Termination for Convenience:

- a. The Department may terminate performance of work under the Contract in whole or in part whenever for any reason the Department shall determine that such termination is in the best interest of the Department and/or the State of Connecticut.
- b. In the event that the Department elects to terminate the Contract pursuant to this provision, the Contract Administrator and/or designee shall notify the Contractor by certified mail, return receipt requested. Termination shall be effective as of the close of business on the date specified in the notice.

5. Termination for Financial Instability:

- a. In the event that the Contractor becomes financially unstable to the point of threatening the ability of the Department to obtain the services provided for under this contract, ceases to conduct business in the normal course, makes a general assignment for the benefit of creditors, suffers or permits the appointment of a receiver for its business or its assets, the Department may, at its option, immediately terminate this contract.

- b. In the event the Department elects to terminate this contract under this provision, it shall do so by the Contract Administrator and/or designee sending notice of termination to the Contractor by certified mail, return receipt requested, specifying the date of termination.
 - c. The Contractor shall immediately advise the Department of the filing of a petition in bankruptcy by or against a principal subcontractor. The Contractor shall ensure that all tasks related to the subcontract are performed in accordance with the terms of the contract and agrees that the filing of a petition in bankruptcy by or against a subcontractor shall, in no way, relieve Contractor of its duties under this contract.
6. **Termination for Unavailability of Funds.** The Department at its discretion may terminate at any time the whole or any part of this contract or modify the terms of the contract if Federal or State funding for the contract or for the HPP program as a whole is reduced or terminated for any reason. Modification of the contract includes, but is not limited to, reducing services covered by the Contractor or the alteration of the manner of the performance in order to reduce expenditures under the contract. Whenever possible, the Contractor will be given 30 days notification of termination.
7. **Termination Obligations of Contracting Parties**
 - a. The Contractor shall be provided the opportunity for a hearing prior to any termination of this contract pursuant to any provision of this contract. The Department may notify HPP clients of the hearing and permit such HPP clients to disenroll immediately without cause during the hearing process
 - b. Upon contract termination, the Contractor shall allow the Department, its agents and representatives full access to the Contractor's facilities and records to arrange the orderly transfer of the contracted activities. These records include the information necessary for the reimbursement of any outstanding HPP claims.
 - c. If this contract is terminated for any reason other than default by the Contractor:
 - i. The Contractor shall ensure that an adequate provider network will be maintained at all times during the transition period and that continuity of care is maintained for all IIPP clients;
 - ii. The Contractor shall submit a written transition plan to the Department 60 days in advance of the scheduled termination;
 - iii. The Department shall be responsible for notifying all HPP clients of the date of termination and process by which the HPP clients will continue to receive services;
 - iv. The Department shall be responsible for all expenses relating to said notification; and
 - v. The Contractor shall notify all providers and be responsible for all expenses related to such notification.
8. **Waiver of Default.** Waiver of any default shall not be deemed to be a waiver of any subsequent default. Waiver of breach of any provision of the contract shall not be deemed to be a waiver of any other or subsequent breach and shall not be construed to be a modification of the terms of the contract unless stated to be such in writing, signed by an authorized representative of the Department, and attached to the original contract.
9. **Procedure for Termination:** Upon delivery by certified mail to the Contractor of a Notice of Termination specifying the nature of the termination and the date upon which such termination becomes effective, the Contractor shall:

- a. Stop work under the contract on the date and to the extent specified in the Notice of Termination.
- b. If the Department so directs in writing, terminate all subcontracts to the extent that they relate to the performance of work terminated by the Notice of Termination or assign to the Department in the manner and to the extent directed by the Contract Administrator all of the right, title, and interest of the Contractor under the subcontracts not so terminated, in which case the Department shall have the right, in its discretion, to settle or pay any and all claims arising out of the termination of such subcontracts.
- c. Complete the performance of such part of the work as shall not have been terminated by the Notice of Termination.
- d. Be entitled to payment for services rendered through the effective date of termination.

N. MISCELLANEOUS PROVISIONS:

1. Insurance.

- a. The Contractor, its successors and assignees shall procure and maintain such insurance as is required by currently applicable federal and state law and regulation. Such insurance should include, but not be limited to, liability insurance (general, errors of omissions, and directors and officers coverage); fidelity bonding or coverage of persons entrusted with handling of funds; workers compensation; and unemployment insurance.
- b. The Contractor shall name the State of Connecticut as an additional insured party under any insurance, except for professional liability, workers compensation, unemployment insurance, and fidelity bonding maintained for the purposes of this contract. However, the Contractor shall name the State of Connecticut as either a loss payee or additional insured for fidelity bonding coverage.

2. Insolvency Protection.

- a. The Contractor must maintain protection against insolvency as required by the Department including demonstration of adequate initial capital and ongoing reserve contributions. The Contractor must provide financial data to the Department in accordance with the Department's required formats and timing.
- b. All HPP clients shall be held harmless for the Contractor's debts in the event of the Contractor's insolvency.

3. Disclosure of Interlocking Relationships.

As the Contractor is not a Federally-qualified Health Plan or a Competitive Medical Plan under the Public Health Service Act, the Contractor must report on request to the State, to the Secretary and the Inspector General of DHHS, and the Comptroller General, a description of transactions between the Contractor and parties in interest including related parties as defined by federal and state law. Transactions that must be reported include: (a) any sale, exchange, or leasing of property; (b) any furnishing for consideration of goods, services or facilities (but not salaries paid to employees); and (c) any loans or extensions of credit.

4. Audit Exceptions:

In addition to and not in any way in limitation of the obligation of the agreement, 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 agreement to which exception has been taken or which have been disallowed because of such an exception.

5. **Severability:** If any provision of this contract is declared or found to be illegal, unenforceable, or void, then both parties shall be relieved of all obligations under that provision. The remainder of this contract shall be enforced to the fullest extent permitted by law.
6. **Transport of Clients:** In the event that the Contractor or any of its employees or subcontractors shall, for any reason, transport a client of DSS, the Contractor hereby agrees to the following:
 - a. The contractor shall require that its employees, subcontracted transportation providers, drivers, and vehicles meet licensure or certification requirements established by the State of Connecticut Department of Transportation (DOT) and the State of Connecticut Department of Motor Vehicles (DMV) that transport, or have the potential to transport, clients.
 - b. All vehicles utilized shall be appropriately licensed, certified, permitted, and/or insured.

O. Service Authorization Protocol HUSKY Plus Physical Program (Title XXI)

The HUSKY Plus Physical (HPP) Program makes payments of all authorized charges for clinical goods or services for HPP children in the State of CT. This includes goods or services provided to children who are enrolled in HPP program at Connecticut Children's Medical Center.

The following is the process for the authorization of goods and services:

Decisions and actions related to any and all authorizations made by Contractor (Center) are the sole responsibility of the Center, who is in turn accountable to the appropriate state agency for any authorizations made.

Authorizations of Services

1. All services must be authorized in advance of provision of goods or services to assure availability of HPP funds for full or partial payment, except in the case of an emergency. This allows the Center to coordinate benefits, review clinical data and gather financial information.

The following are the General Guidelines for authorization of goods or services:

- A. HPP is the payer of last resort;
- B. All insurance must be verified and billed first;
- C. An EOB (explanation of benefits) or a written and dated statement from the insurance carrier denying the goods or services must accompany all bills;
- D. All payments are made at Medicaid state rates and medications are paid at the Average Wholesale Price (AWP);
- E. If a good or service has no designated Medicaid rate, a discount of at least 15% of reasonable and/or customary charges must be negotiated by the Center, and agreed upon by the vendor.
- F. The preferred provider for children enrolled in the Center will be a Medicaid provider
- G. Providers/vendors must accept payment HPP payment in full

(Parents cannot be billed for the balance);

- H. No sales tax will be paid on any service.
2. The process for the authorization of goods and services is as follows:
- A. The Center may authorize each request for goods or services costing less than \$5,000.00 at the Medicaid rate or for goods at the Average Wholesale Price (AWP). Only goods and/or services listed on the covered services list are to be authorized by the contractor.
 - B. The Center may expand on the authorization limits of goods and services (as medically necessary) identified on the covered services list; however, no adjustments can be made to the cost per hour or review period identified.
 - C. Goods or services on the covered service list that exceed \$5,000 must be authorized in writing from the responsible Department (DSS). The Center is to contact DSS HUSKY Plus Physical Program Manager at (860) 424-4892 and fax and/or mail the required supporting documentation for Department review. A decision will be made and a letter will be issued at the conclusion of the review process and within 14 working days of receipt of the request.
 - D. Recommendations for goods or services not identified on the Covered Services list are to be presented to the Department for review and approval.
 - E. Emergency requests shall be presented to DSS for review and decision.
3. Centers are required to complete the Service Authorization Form for goods or services requested, and the form must include the following information in order for payment to be made to the provider/vendor:
- A. Date of request;
 - B. Name of Child;
 - C. Child's birth date;
 - D. Name of the coordinating Center;
 - E. Date goods or services are to be received;
 - F. Type of service specifically indicating frequency, duration and number;
 - G. Diagnosis
 - H. Insurance information;
 - I. Estimated cost of good or service (at Medicaid rate); and,
 - J. Signature of the CCMC Program Manager (or his/her official designee).
4. Service Authorization forms are processed by the HPP contractor and are then faxed, mailed, and/or hand delivered to the provider/vendor. Vendor will send/fax invoice to HPP.
5. Notification of authorization of requested goods or services to the parent, provider, vendor, or other interested party, is the responsibility of each staff.

6. If goods or services that are on the covered services list are denied by the contractor, the parents and service providers are notified by the contractor in writing, and informed of the appeals process. Contractor staff will initiate and assist families to investigate alternatives.
7. The contractor will have appropriate, written procedures on file for the implementation of this protocol. These procedures will be available for the Department's review.
8. The Department will review Quarterly Expenditure Reports including all authorizations approved at the contractor level on a quarterly basis.
9. Documentation to support Center level decisions should be maintained on file and available for review during site visits.

P. Supplemental Insurance Coverage

I. HUSKY Plus Physical Program Overview

The HUSKY Plus Physical (HPP) program is designed to provide supplemental coverage to children and youth with intensive physical health needs. The HPP Plan is a supplemental benefit package for children who are eligible for and enrolled in HUSKY, Part B, with household incomes under 300% of the federal poverty limit (Income Bands 1 and 2 only). Priority in eligibility determinations shall be given to Band 1 enrollees. There are no co-pays, deductibles or additional premiums for HPP services.

Children who are eligible under HPP will be **dually eligible**. That is, children who are determined to be eligible under HPP will continue to receive benefits under HUSKY, Part B, including those physical health services for their special needs diagnoses or conditions that are covered under HUSKY, Part B.

As described below, these services will be coordinated by a case management/treatment team comprised of case managers from HUSKY, Part B and HPP, which will maximize the coordination of benefits under both programs and other sources of coverage through federal, state and private support. The case management/treatment team will need to coordinate the development of the Global Plan of Care (GPC) so that services included do not replicate special education services authorized under an Individual Education Plan (I.E.P.) or Individualized Family Service Plan (I.F.S.P.).

In the event that the child is eligible for HUSKY, Part B and HPP, the case management team leader of HPP will need to coordinate with the HUSKY, Part B case manager to assure that the HPP Global Plan of Care supplemental services are provided under HUSKY, Part B.

However, ultimate utilization management decisions will rest with the utilization managers of the plan that is financially at risk; i.e., HUSKY, Part B utilization managers will have final decision making authority for those services for which they are at risk and HPP utilization managers will have the decision making authority for those supplemental services included in their benefit package.

In the event there is a dispute between the participating HUSKY, Part B managed care plan and HPP concerning the responsibility for reimbursement of a service authorized under the treatment plan, the dispute will be referred to the Commissioner (or his/her designee) for resolution.

Eligible children will be able to receive services under both the basic and the supplemental benefit package simultaneously in order to allow both to provide services to the child to the fullest extent possible in the least restrictive setting.

HPP services may supplement HUSKY, Part B services once a child has exhausted his or her benefit limits under Part B. However, HPP will always be the payer of last resort. The case management/treatment

team will always look to exhaust all medically necessary coverage benefits under HUSKY, Part B, before these services are supplemented by services available under HPP.

II. HUSKY Plus Plan for Children and Youth with Special Health Care Needs

Program Administration

The Department of Social Services (DSS) administers the HPP program and will oversee the contract with Connecticut Children's Medical Center or responsible case management and the provision of HPP services.

Eligibility

Children enrolled in HUSKY, Part B, Income Bands 1 and 2, who have intensive physical health needs that cannot be met within the HUSKY, Part B benefit package will be eligible for supplemental services under the HPP program if they meet the clinical eligibility standard. The clinical eligibility standard is based on diagnostic and/or acuity criteria and shall be the same as those for the Title V program currently operating in the state.

Clinical eligibility will be determined:

1. By documentation of clinical information which meets the "Medical Eligibility Criteria" of the Department of Public Health Title V Program; or
2. By meeting the approved definition of Children with Special Health Needs with documentation of clinical evidence.

"Children with Special Health Care Needs" are those children who have or are at elevated risk for (biologic or acquired) chronic physical or developmental conditions and who also require health and related (not educational and not recreational) services of a type and amount not usually required by children of the same age (beyond Connecticut's EPSDT periodicity schedule). The age of eligibility is birth to 18 years; eligibility for HPP will end at age 19, when eligibility for HUSKY, Part B also ends.

For the purposes of determining acuity of a child who meets the Medical Eligibility Criteria or who may qualify as a Child and Youth with Special Health Care Needs, HPP will use the Children with Special Health Care Needs Screening Tool, or other tools as approved by DSS.

Referral and Application Process

Children who may be at risk may be identified by their parents, their primary care provider, or another provider in the HUSKY, Part B Plan in which the child is enrolled. Referral may be made in writing or by telephone by any of the above parties. However, the application process for HPP will be coordinated by the HUSKY, Part B Plan.

Children will be assessed for eligibility consistent with the practices and procedures currently in place under the Title V Program.

Covered Services

All children determined eligible for HPP will receive care coordination, advocacy, family support and case management services as well as comprehensive multidisciplinary evaluation once a year and up to three follow-up visits per year with members of the multidisciplinary group as needed. In addition, the range of services will include the following to the extent that they are not covered under the HUSKY, Part B benefit package and when such services have been otherwise exhausted under the HUSKY B basic benefit package:

- Over the counter medications, if medically necessary and related to the condition that qualifies the child for the program.

- A home health aide provided by a licensed home health agency to assist the family to provide personal care to the child up to ten hours per week;
- Medical or surgical supplies, if medically necessary and related to the condition that qualifies the child for the program, subject to the following:
 - Non-latex and non-sterile gloves for procedures at home are limited to one hundred and twenty pair per month; and
 - Incontinence products for children over three years of age are limited to one hundred and eighty per month;
- Long term rehabilitation or long term physical therapy, subject to the following:
 - Physical therapy includes all modalities and is limited to two visits per week;
 - Occupational therapy is limited to one visit per week;
 - Speech therapy is limited to one visit per week; and
 - One initial evaluation session is allowed per year.
- Long term skilled intermittent nursing shall be provided by a licensed home health agency, subject to the following:
 - One visit per day for evaluation, treatment and education;
 - A re-evaluation shall be performed after thirty days;
- Durable medical equipment, exclusive of the basic HUSKY B Plan, including, but not limited to, items that assist in the activities of daily living:
 - One new motorized wheelchair not more than every five years. Repairs and modifications to motorized wheelchair, other than seating, will be covered up to two times per year; and
 - Specialized adaptive seating is limited to one evaluation, fabrication and completion per year. Adjustments to adaptive seating are limited to two times per year. One visit per day for evaluation, treatment and education;
- Hearing aids:
 - One or a pair of analog hearing aids per year;
 - One, or a pair of, digital hearing aids every five years, provided documentation by a licensed audiologist is received stating that the enrollee would not benefit from analogue hearing aids; and
 - Dispensing fee and repairs outside of warranties;
- Orthotic/prosthetics devices, subject to the following:

- Limited to one orthotic device or pair of orthotic devices or orthopedic shoes per year;
- Includes all delivery fees, fittings and adjustments; and
- Does not include wigs or hairpieces;
- Nutrition consultation and treatment by registered dietitians consistent with the care plan;
- Nutritional formulas and rehabilitative sustenance of a type or amount not usually required by children, if prescribed by an authorized professional within acceptable standards of the American Dietetic Association
- Dental care and orthodontia for children who have malocclusive disorders or periodontal disease resulting from their underlying qualifying condition or related treatment;
- Non-emergency transportation, subject to the following:
 - Two round trip rides per year to any health care appointment by ambulance, chair-van or other licensed medical transportation service;
 - Ambulance travel requires documentation that it is the safest and most appropriate means of transporting the child.

This list may be revised from time to time as recommended and approved by DSS. Covered services are consistent with those provided under Title V of the Social Security Act.

Service Providers

The HPP contractor is responsible for direct provision of case management services as well as arranging and providing services through a network of HPP providers and vendors.

Service Utilization Management

HPP services will be managed by utilizing the Medicaid definition of medical necessity or medically necessary.

All services will be subject to prior authorization by the utilization management staff at the HPP contractor. These decisions will be subject to the process for Grievances and Appeals (see below).

Coordination of HPP Services with HUSKY, Part B

In order to ensure HPP will be the documented payer of last resort, the HPP contractor shall assign each enrollee a case manager and provide care coordination services. The HPP case manager shall coordinate with the HUSKY, Part B case manager to ensure that all medically necessary HPP-covered services identified in the global plan of care (GPC), which are also covered in the HUSKY, Part B basic benefit package, are exhausted first under HUSKY, Part B.

The HPP contractor shall designate a Lead Case Manager who will be responsible for convening a case management/treatment team that will develop an individualized GPC for each enrollee. The case management/treatment team may be composed of, but not limited to, the enrollee or enrollee's parent(s), treating clinicians and/or providers, the HUSKY, Part B Case Manager, and the Lead Case Manager. The case management/treatment team will coordinate the development of the GPC so that covered services included in the GPC do not replicate special education services authorized under an I.E.P. or I.F.S.P.

Global Plan of Care (GPC)

HPP will ensure that the case management/treatment team completes the GPC for each enrollee within 30 days of the date of eligibility determination. The case management/treatment team on at least a semi-annual basis will reassess the GPC. The GPC will be based on the comprehensive need assessment, periodic reassessments, and treatment plans from the HUSKY, Part B Plan and HPP contractor providing services to the child. The GPC will include medical management recommendations reflecting the level of involvement of the HPP staff and the scope of clinical practice of the clinical staff, estimates of the need and frequency of specific clinical services and a designation of who is responsible for the specific elements of the GPC.

The GPC will be mailed or faxed to the enrollee's HUSKY, Part B Plan and to the child's primary care physician. A written copy of the GPC will be kept on file at HPP, as part of the child's case file.

Program Quality

HPP will be reviewed annually by an external quality review organization (EQRO) pursuant to the goals identified in the Title XXI State Plan. Pursuant to this review, the Commissioner will submit a report on the HPP program to the Governor and the General Assembly.

In addition, DSS will review the HPP contractor at least annually. Based on the EQRO report and the DSS review, recommendations for program quality improvement will be identified. Corrective action plans and quality improvement projects will be initiated by the HPP contractor in conjunction with DSS.

Grievance and Appeals Process

Whenever possible, HPP will attempt to resolve grievances informally. In accordance with 42 CFR 457 sections 120 – 1180 inclusive, an HPP applicant has the right to request an administrative review regarding a decision made on his or her HPP referral/application. However, parents and providers will be encouraged and supported in the filing of appeals without fear of compromised service. A copy of the appeals procedure, written in a manner easily understood by the lay public, will be distributed to every family at the time of its application to HPP.

The state ensures that all enrollees and applicants receive timely written notice of any determinations required to be subject to review, as outlined below. Written notices at each level include the reasons for the determination, an explanation of applicable rights to review of that determination, the standard and expedited time frames for review, the manner in which a review can be requested, and the circumstances under which enrollment may continue pending review.

The following decisions can be appealed through the appeals process:

- denial of HPP program eligibility;
- denial of medical necessity of a type of service or setting;
- denial of choice of provider;
- failure to make a determination of eligibility not more than twenty-one days after the date of referral to HPP;
- delay, denial, reduction, suspension or termination of goods or services, including determination regarding level of services; or
- failure to approve, furnish or provide payment for services in a timely manner.

While an appeal regarding suspension or termination of HPP eligibility considered or while an appeal regarding delay, denial, reduction, suspension or termination of goods and/or services are considered, the

enrollee will remain eligible for HPP and goods and/or services will be continued until the grievance is decided, so long as the enrollee remains in Income Band 1 and 2. An enrollee who has been enrolled in Income Band 3 of the HUSKY B program shall be disenrolled from HPP.

The grievance and appeals process will have two levels of appeal: the first to HPP's Clinical Director (who was not involved in the prior decision), the second to the DSS.

Whenever a decision is made regarding an enrollee's HPP eligibility, or goods and/or services, a denial letter is sent from the HPP contractor to the applicant or filing unit representative describing the decision. Denial letters will also include a one page Appeal Form and a copy of the Appeals Procedure Summary. To begin the appeals process, the applicant or filing unit representative should complete the Appeal Form. The Appeal Form should be mailed or delivered to the HPP contractor within 45 days of the date of the letter describing the decision that is being appealed.

Level One Appeal:

The HPP contractor will send a letter that acknowledges receipt of the Appeal Form to the applicant or filing unit representative. The letter will identify a HPP staff member as the Appeals Coordinator. The Appeals Coordinator will track the appeal, act as the contact person for questions and updates, and will attempt to resolve the appeal within ten days. If the appeal is resolved to the satisfaction of the applicant or filing unit representative by the HUSKY Plus Clinical Supervisor, a letter will be sent describing the resolution, and there will be no further action. If the appeal cannot be resolved at this level, a Level Two appeal will be available.

Level Two Appeal:

An applicant or filing unit representative who has exhausted the Level One appeal mechanisms of the HPP program and who is not satisfied with the outcome of the decision of the department's agent may request an administrative review/Level Two appeal in accordance with subsection (b) of 17b-304-6 of the Regulations of the Connecticut State Agencies. The Level Two appeal process is conducted by the DSS. No one directly involved in the decision being appealed will be involved in the Level Two appeal review process. A representative from the HPP contractor will attend the personal conference to provide Level One appeal needed information.

The DSS administrative reviewer shall evaluate all factors related to the decision that was made and shall offer the applicant or the filing unit representative the opportunity to have a personal conference with the administrative reviewer as part of the review process. Personal conferences may be conducted in person, by telephone or video-conferencing, at the option of the department.

A letter will be sent to the applicant or filing unit representative that gives the time and date of the Level Two appeal meeting. If an applicant or filing unit representative requests an administrative review/Level Two appeal, in accordance with section 17b-304-6 of the Regulations of the Connecticut State Agencies, and as provided for in subsection (d) of this section, the DSS' HPP program representative and the agent of the HPP program shall submit any material requested by the DSS concerning the appeal, including, but not limited to:

- all records of the Level One appeal; and
- all actions taken to resolve the appeal by such program.

The DSS' HPP program representative or the agent for the HPP program, at the discretion of the DSS, shall attend any personal conference scheduled in accordance with section 17b-304-6 of the Regulations of the Connecticut State Agencies.

The DSS' administrative reviewer shall render a decision in writing to the applicant or the filing unit representative not later than forty-five calendar days following the date of receipt of the request for the administrative review.

Expedited Appeal:

Pursuant to 42 CFR § 457.1160, the appeal process for HPP must allow for expedited review. An applicant or filing unit representative may request an expedited review. The DSS' agent shall determine not later than one business day after receipt of the request, whether to expedite the review or whether to perform the review within the standard timeframes. The review may be expedited if the HPP clinical director determines that the standard timeframe could seriously jeopardize life, health or ability to maintain, attain or regain maximum function of the enrollee. If granted, the DSS agent shall issue a decision not later than seventy-two hours after granting expedited review. The timeframe may be extended up to fourteen calendar days upon request from the applicant or filing unit.

BUDGET**CONTRACTOR** CONNECTICUT CHILDREN'S MEDICAL CENTER, INC.**CONTRACT** 064CMC-HUS-03**PERIOD** 7/1/2009- 6/30/2010**AMOUNT** \$645,404.00

BUDGET CATEGORIES	ITEM	SUB-TOTALS
1. UNIT RATE		
1a. Bed Days		
1b. Client Advocate		
1c. Security Deposit		
1d. Other Unit Rate Costs		
Total Unit Rate		-
2. CONTRACTUAL SERVICES		
2a. Accounting		
2b. Legal		
2c. Audit		
2d. Other Contractual Services		
Total Contractual Services		-
3. ADMINISTRATION		
3a. Salaries		
3b. Fringe Benefits		
3c. Admin Overhead - Indirect Costs	83,197	
Total Administration		83,197
4. DIRECT PROGRAM STAFF		
4a. Salaries	207,332	
4b. Fringe Benefits	51,833	
Total Direct Program Staff		259,165
5. OTHER COSTS		
5a. Program Rent		
5b. Consumable supplies	1,074	
5c. Travel & Transportation		
5d. Utilities - Phone & Beeper		
5e. Repairs & Maintenance		
5f. Insurance		
5g. Food & Related Costs		
5h. Other Project Expenses Pst, Clin Svs	301,624	
Total Other Costs		303,042
6. EQUIPMENT		
7. TOTAL PROGRAM COST		645,404

PART II. TERMS AND CONDITIONS

The Contractor shall comply with the following terms and conditions.

A. DEFINITIONS. Unless otherwise indicated, the following terms shall have the following corresponding definitions:

1. **“Bid”** shall mean a bid submitted in response to a solicitation.
2. **“Breach”** shall mean a party’s failure to perform some contracted-for or agreed-upon act, or his failure to comply with a duty imposed by law which is owed to another or to society.
3. **“Cancellation”** shall mean an end to the Contract affected pursuant to a right which the Contract creates due to a Breach.
4. **“Claims”** shall mean all actions, suits, claims, demands, investigations and proceedings of any kind, open, pending or threatened, whether mature, unmatured, contingent, known or unknown, at law or in equity, in any forum.
5. **“Client”** shall mean a recipient of the Contractor’s services.
6. **“Contract”** shall mean this agreement, as of its effective date, between the Contractor and the State for Services.
7. **“Contractor Parties”** shall mean a Contractor’s members, directors, officers, shareholders, partners, managers, principal officers, representatives, agents, servants, consultants, employees or any one of them or any other person or entity with whom the Contractor is in privity of oral or written contract (e.g. subcontractor) and the Contractor intends for such other person or entity to perform under the Contract in any capacity. For the purpose of this contract, vendors of support services, not otherwise known as human service providers or educators, shall not be considered subcontractors, e.g. lawn care, unless such activity is considered part of a training, vocational or educational program.
8. **“Data”** shall mean all results, technical information and materials developed and/or obtained in the performance of the Services hereunder, including but not limited to all reports, survey and evaluation tools, surveys and evaluations, plans, charts, recordings (video and/or sound), pictures, curricula, electronically prepared presentations, public awareness or prevention campaign materials, drawings, analyses, graphic representations, computer programs and printouts, notes and memoranda, and documents, whether finished or unfinished, which result from or are prepared in connection with the Services performed hereunder.
9. **“Day”** shall mean all calendar days, other than Saturdays, Sundays and days designated as national or State of Connecticut holidays upon which banks in Connecticut are closed.
10. **“Expiration”** shall mean an end to the Contract due to the completion in full of the mutual performances of the parties or due to the Contract’s term being completed.
11. **“Force Majeure”** shall mean events that materially affect the Services or the time schedule within which to perform and are outside the control of the party asserting that such an event has occurred, including, but not limited to, labor troubles unrelated to the Contractor, failure of or inadequate permanent power, unavoidable casualties, fire not caused by the Contractor, extraordinary weather conditions, disasters, riots, acts of God, insurrection or war.

12. **“Records”** shall mean all working papers and such other information and materials as may have been accumulated and/or produced by the Contractor in performing the Contract, including but not limited to, documents, data, plans, books, computations, drawings, specifications, notes, reports, records, estimates, summaries and correspondence, kept or stored in any form.
13. **“Services”** shall mean the performance of Services as stated in Part I of this Contract.
14. **“State”** shall mean the State of Connecticut, including any agency, office, department, board, council, commission, institution or other executive branch agency of State Government.
15. **“Termination”** shall mean an end to the Contract affected pursuant to a right which the Contract creates, other than for a Breach.

B. CLIENT-RELATED SAFEGUARDS.

1. **Inspection of Work Performed.** The Agency or its authorized representative shall at all times have the right to enter into the Contractor’s premises, or such other places where duties under the Contract are being performed, to inspect, to monitor or to evaluate the work being performed. The Contractor and all subcontractors must provide all reasonable facilities and assistance to Agency representatives. All inspections and evaluations shall be performed in such a manner as will not unduly delay work. The Contractor shall disclose information on clients, applicants and their families as requested unless otherwise prohibited by federal or state law. Written evaluations pursuant to this Section shall be made available to the Contractor.
2. **Safeguarding Client Information.** The Agency and the Contractor shall safeguard the use, publication and disclosure of information on all applicants for and all Clients who receive Services under this Contract with all applicable federal and state law concerning confidentiality and as may be further provided under the Contract.
3. **Reporting of Client Abuse or Neglect.** The Contractor shall comply with all reporting requirements relative to Client abuse and neglect, including but not limited to requirements as specified in C.G.S. §§ 17a-101 through 103, 19a-216, 46b-120 (related to children); C.G.S. § 46a-11b (relative to persons with mental retardation); and C.G.S. § 17b-407 (relative to elderly persons).
4. **Background Checks.** The State may require that the Contractor and Contractor Parties undergo criminal background checks as provided for in the State of Connecticut Department of Public Safety Administration and Operations Manual or such other State document as governs procedures for background checks. The Contractor and Contractor Parties shall cooperate fully as necessary or reasonably requested with the State and its agents in connection with such background checks.

C. CONTRACTOR OBLIGATIONS.

1. **Cost Standards.** Effective January 1, 2007, the Contractor and funding state Agency shall comply with the Cost Standards issued by OPM, as may be amended from time to time. The Cost Standards are published by OPM on the Web at http://ct.gov/opm/fin/cost_standards. Such Cost Standards shall apply to:
 - (a) all new contracts effective on or after January 1, 2007;
 - (b) all contract amendments modifying funding, effective on or after January 1, 2007;
 - (c) all contracts in effect on or after July 1, 2007.

2. **Credits and Rights in Data.** Unless expressly waived in writing by the Agency, all Records and publications intended for public distribution during or resulting from the performances of this Contract shall include a statement acknowledging the financial support of the State and the Agency and, where applicable, the federal government. All such publications shall be released in conformance with applicable federal and state law and all regulations regarding confidentiality. Any liability arising from such a release by the Contractor shall be the sole responsibility of the Contractor and the Contractor shall indemnify and hold harmless the Agency, unless the Agency or its agents co-authored said publication and said release is done with the prior written approval of the Agency Head. All publications shall contain the following statement: "This publication does not express the views of the [insert Agency name] or the State of Connecticut. The views and opinions expressed are those of the authors." Neither the Contractor nor any of its agents shall copyright Data and information obtained under this Contract, unless expressly previously authorized in writing by the Agency. The Agency shall have the right to publish, duplicate, use and disclose all such Data in any manner, and may authorize others to do so. The Agency may copyright any Data without prior Notice to the Contractor. The Contractor does not assume any responsibility for the use, publication or disclosure solely by the Agency of such Data.
3. **Organizational Information, Conflict of Interest, IRS Form 990.** During the term of the Contract and the 180 days following its date of Termination and/or Cancellation, the Contractor shall submit to the Agency copies of the following within thirty (30) days after having filed them:
 - (a) its most recent IRS Form 990 submitted to the federal Internal Revenue Service, and
 - (b) its most recent Annual Report filed with the Connecticut Secretary of the State's Office or such other information that the Agency deems appropriate with respect to the organization and affiliation of the Contractor and related entities.
4. **Federal Funds.**
 - (a) The Contractor shall comply with requirements relating to the receipt or use of federal funds. The Agency shall specify all such requirements in Part I of this Contract.
 - (b) The Contractor acknowledges that the Agency has established a policy, as mandated by section 6032 of the Deficit Reduction Act (DRA) of 2005, P.L. 109-171, that provides detailed information about the Federal False Claims Act, 31 U.S.C. §§ 3729-3733, and other laws supporting the detection and prevention of fraud and abuse.
 - (1) Contractor acknowledges that is has received a copy of said policy and shall comply with its terms, as amended, and with all applicable state and federal laws, regulations and rules. Contractor shall provide said policy to subcontractors and shall require compliance with the terms of the policy. Failure to abide by the terms of the policy, as determined by the Agency, shall constitute a Breach of this Contract and may result in termination of this Contract.
 - (c) This section applies if, under this Contract, the Contractor or Contractor Parties furnishes, or otherwise authorizes the furnishing of health care items or services, performs billing or coding functions, or is involved in monitoring of health care provided by the Agency.
 - (d) Contractor represents that it is not excluded, debarred, suspended or otherwise ineligible to participate in federal health care programs.
 - (e) Contractor shall not, for purposes of performing the Contract with the Agency, knowingly employ or contract with, with or without compensation: (A) any individual or entity listed by a federal agency as excluded, debarred, suspended or otherwise ineligible to participate

in federal health care programs; or (B) any person or entity who is excluded from contracting with the State of Connecticut or the federal government (as reflected in the General Services Administration List of Parties Excluded from Federal Procurement and Non-Procurement Programs, Department of Health and Human Services, Office of Inspector General (HHS/OIG) Excluded Parties list and the Office of Foreign Assets Control (OFAC) list of Specially Designated Nationals and Blocked Persons List). Contractor shall immediately notify the Agency should it become subject to an investigation or inquiry involving items or services reimbursable under a federal health care program or be listed as ineligible for participation in or to perform services in connection with such program. The Agency may terminate this Contract immediately if at any point the Contractor, subcontractor or any of their employees are sanctioned, suspended, excluded from or otherwise become ineligible to participate in federal health care programs.

5. Audit Requirements.

- (a) The State Auditors of Public Accounts shall have access to all Records for the fiscal year(s) in which the award was made. The Contractor shall provide for an annual financial audit acceptable to the Agency for any expenditure of state-awarded funds made by the Contractor. Such audit shall include management letters and audit recommendations. The Contractor shall comply with federal and state single audit standards as applicable.
- (b) The Contractor shall make all of its and the Contractor Parties' Records available at all reasonable hours for audit and inspection by the State, including, but not limited to, the Agency, the Connecticut Auditors of Public Accounts, Attorney General and State's Attorney and their respective agents. Requests for any audit or inspection shall be in writing, at least ten (10) days prior to the requested date. All audits and inspections shall be at the requester's expense. The State may request an audit or inspection at any time during the Contract term and for three (3) years after Termination, Cancellation or Expiration of the Contract. The Contractor shall cooperate fully with the State and its agents in connection with an audit or inspection. Following any audit or inspection, the State may conduct and the Contractor shall cooperate with an exit conference.
- (c) For purposes of this subsection as it relates to State grants, the word "Contractor" shall be read to mean "nonstate entity," as that term is defined in C.G.S. § 4-230.

6. Related Party Transactions. The Contractor shall report all related party transactions, as defined in this section, to the Agency on an annual basis in the appropriate fiscal report as specified in Part I of this Contract. "Related party" means a person or organization related through marriage, ability to control, ownership, family or business association. Past exercise of influence or control need not be shown, only the potential or ability to directly or indirectly exercise influence or control. "Related party transactions" between a Contractor or Contractor Party and a related party include, but are not limited to:

- (a) real estate sales or leases;
- (b) leases for equipment, vehicles or household furnishings;
- (c) mortgages, loans and working capital loans; and
- (d) contracts for management, consultant and professional services as well as for materials, supplies and other services purchased by the Contractor or Contractor Party.

7. Suspension or Debarment. In addition to the representations and requirements set forth in Section C.4:

- (a) The Contractor certifies for itself and Contractor Parties involved in the administration of federal or state funds that they:
- (1) are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded by any governmental agency (federal, state or local);
 - (2) within a three year period preceding the effective date of this Contract, have not been convicted 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 contract under a public transaction; for 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;
 - (3) are not presently indicted for or otherwise criminally or civilly charged by a governmental entity (federal, state or local) with commission of any of the above offenses; (4) have not within a three year period preceding the effective date of this Contract had one or more public transactions terminated for cause or fault.
- (b) Any change in the above status shall be immediately reported to the Agency.
8. **Liaison.** Each Party shall designate a liaison to facilitate a cooperative working relationship between the Contractor and the Agency in the performance and administration of this Contract.
9. **Subcontracts.** Each Contractor Party's identity, services to be rendered and costs shall be detailed in Part I of this Contract. Absent compliance with this requirement, no Contractor Party may be used or expense paid under this Contract unless expressly otherwise provided in Part I of this Contract. No Contractor Party shall acquire any direct right of payment from the Agency by virtue of this section or any other section of this Contract. The use of Contractor Parties shall not relieve the Contractor of any responsibility or liability under this Contract. The Contractor shall make available copies of all subcontracts to the Agency upon request.
10. **Independent Capacity of Contractor.** The Contractor and Contractor Parties shall act in an independent capacity and not as officers or employees of the state of Connecticut or of the Agency.
11. **Indemnification.**
- (a) The Contractor shall indemnify, defend and hold harmless the state of Connecticut and its officers, representatives, agents, servants, employees, successors and assigns from and against any and all:
- (1) claims arising directly or indirectly, in connection with the Contract, including the acts of commission or omission (collectively the "Acts") of the Contractor or Contractor Parties; and
 - (2) liabilities, damages, losses, costs and expenses, including but not limited to attorneys' and other professionals' fees, arising, directly or indirectly, in connection with Claims, Acts or the Contract. The Contractor shall use counsel reasonably acceptable to the State in carrying out its indemnification and hold-harmless obligations under this Contract. The Contractor's obligations under this section to indemnify, defend and hold harmless against claims includes claims concerning confidentiality of any part of or all of the bid or any records, and intellectual property rights, other propriety rights of any person or entity, copyrighted or

uncopyrighted compositions, secret processes, patented or unpatented inventions, articles or appliances furnished or used in the performance of the Contract.

- (b) The Contractor shall reimburse the State for any and all damages to the real or personal property of the State caused by the Acts of the Contractor or any Contractor Parties. The State shall give the Contractor reasonable notice of any such claims.
- (c) The Contractor's duties under this section shall remain fully in effect and binding in accordance with the terms and conditions of the Contract, without being lessened or compromised in any way, even where the Contractor is alleged or is found to have merely contributed in part to the Acts giving rise to the claims and/or where the State is alleged or is found to have contributed to the Acts giving rise to the claims.
- (d) The Contractor shall carry and maintain at all times during the term of the Contract, and during the time that any sections survive the term of the Contract, sufficient general liability insurance to satisfy its obligations under this Contract. The Contractor shall name the State as an additional insured on the policy and shall provide a copy of the policy to the Agency prior to the effective date of the Contract. The Contractor shall not begin performance until the delivery of the policy to the Agency.
- (e) The rights provided in this section for the benefit of the State shall encompass the recovery of attorneys' and other professionals' fees expended in pursuing a claim against a third party.
- (f) This section shall survive the Termination, Cancellation or Expiration of the Contract, and shall not be limited by reason of any insurance coverage.

12. Insurance. Before commencing performance, the Agency may require the Contractor to obtain and maintain specified insurance coverage. In the absence of specific Agency requirements, the Contractor shall obtain and maintain the following insurance coverage at its own cost and expense for the duration of the Contract:

- (a) Commercial General Liability. \$1,000,000 combined single limit per occurrence for bodily injury, personal injury and property damage. Coverage shall include, Premises and Operations, Independent Contractors, Products and Completed Operations, Contractual Liability, and Broad Form Property Damage coverage. If a general aggregate is used, the general aggregate limit shall apply separately to the services to be performed under this Contract or the general aggregate limit shall be twice the occurrence limit;
- (b) Automobile Liability. \$1,000,000 combined single limit per accident for bodily injury. Coverage extends to owned, hired and non-owned automobiles. If the vendor/contractor does not own an automobile, but one is used in the execution of this Contract, then only hired and non-owned coverage is required. If a vehicle is not used in the execution of this Contract then automobile coverage is not required.
- (c) Professional Liability. \$1,000,000 limit of liability, if applicable; and/or
- (d) Workers' Compensation and Employers Liability. Statutory coverage in compliance with the Compensation laws of the State of Connecticut. Coverage shall include Employer's Liability with minimum limits of \$100,000 each accident, \$500,000 Disease – Policy limit, \$100,000 each employee.

13. Choice of Law/Choice of Forum, Settlement of Disputes, Claims Against the State.

- (a) The Contract shall be deemed to have been made in the City of Hartford, State of Connecticut. Both Parties agree that it is fair and reasonable for the validity and construction of the Contract to be, and it shall be, governed by the laws and court decisions of the State of Connecticut, without giving effect to its principles of conflicts of laws. To the extent that any immunities provided by federal law or the laws of the State of Connecticut do not bar an action against the State, and to the extent that these courts are courts of competent jurisdiction, for the purpose of venue, the complaint shall be made returnable to the Judicial District of Hartford only or shall be brought in the United States District Court for the District of Connecticut only, and shall not be transferred to any other court, provided, however, that nothing here constitutes a waiver or compromise of the sovereign immunity of the State of Connecticut. The Contractor waives any objection which it may now have or will have to the laying of venue of any Claims in any forum and further irrevocably submits to such jurisdiction in any suit, action or proceeding.
- (b) Any dispute concerning the interpretation or application of this Contract shall be decided by the Agency Head or his/her designee whose decision shall be final, subject to any rights the Contractor may have pursuant to state law. In appealing a dispute to the Agency Head pursuant to this section, the Contractor shall be afforded an opportunity to be heard and to offer evidence in support of its appeal. Pending final resolution of a dispute, the Contractor and the Agency shall proceed diligently with the performance of the Contract.
- (c) The Contractor agrees that the sole and exclusive means for the presentation of any claim against the State arising from this Contract shall be in accordance with Title 4, Chapter 53 of the Connecticut General Statutes (Claims Against the State) and the Contractor further agrees not to initiate legal proceedings, except as authorized by that Chapter, in any state or federal court in addition to or in lieu of said Chapter 53 proceedings.

14. Compliance with Law and Policy, Facility Standards and Licensing. Contractor shall comply with all:

- (a) pertinent local, state and federal laws and regulations as well as Agency policies and procedures applicable to contractor's programs as specified in this Contract. The Agency shall notify the Contractor of any applicable new or revised laws, regulations, policies or procedures which the Agency has responsibility to promulgate or enforce; and
- (b) applicable local, state and federal licensing, zoning, building, health, fire and safety regulations or ordinances, as well as standards and criteria of pertinent state and federal authorities. Unless otherwise provided by law, the Contractor is not relieved of compliance while formally contesting the authority to require such standards, regulations, statutes, ordinance or criteria.

15. Representations and Warranties. Contractor shall:

- (a) perform fully under the Contract;
- (b) pay for and/or secure all permits, licenses and fees and give all required or appropriate notices with respect to the provision of Services as described in Part I of this Contract; and
- (c) adhere to all contractual sections ensuring the confidentiality of all Records that the Contractor has access to and are exempt from disclosure under the State's Freedom of Information Act or other applicable law.

16. **Reports.** The Contractor shall provide the Agency with such statistical, financial and programmatic information necessary to monitor and evaluate compliance with the Contract. All requests for such information shall comply with all applicable state and federal confidentiality laws. The Contractor shall provide the Agency with such reports as the Agency requests as required by this Contract.
17. **Delinquent Reports.** The Contractor shall submit required reports by the designated due dates as identified in this Contract. After notice to the Contractor and an opportunity for a meeting with an Agency representative, the Agency reserves the right to withhold payments for services performed under this Contract if the Agency has not received acceptable progress reports, expenditure reports, refunds, and/or audits as required by this Contract or previous contracts for similar or equivalent services the Contractor has entered into with the Agency. This section shall survive any Termination of the Contract or the Expiration of its term.
18. **Record Keeping and Access.** The Contractor shall maintain books, Records, documents, program and individual service records and other evidence of its accounting and billing procedures and practices which sufficiently and properly reflect all direct and indirect costs of any nature incurred in the performance of this Contract. These Records shall be subject at all reasonable times to monitoring, inspection, review or audit by authorized employees or agents of the State or, where applicable, federal agencies. The Contractor shall retain all such Records concerning this Contract for a period of three (3) years after the completion and submission to the State of the Contractor's annual financial audit.
19. **Encryption of Data.**
- (a) The Contractor, at its own expense, shall encrypt any and all electronically stored data now or hereafter in its possession or control located on non-state owned or managed devices that the State, in accordance with its existing state policies classifies as confidential or restricted. The method of encryption shall be compliant with the State of Connecticut Enterprise Wide Technical Architecture ("EWTA") or such other method as deemed acceptable by the Agency. This shall be a continuing obligation for compliance with the EWTA standard as it may change from time to time. The EWTA domain architecture documents can be found at <http://www.ct.gov/doi/cvp/view.asp?a=1245&q=253968>.
- (b) In the event of a breach of security or loss of State data, the Contractor shall notify the Agency and the OAG as soon as practical but not later than twenty-four (24) hours after the discovery or suspicion of such breach or loss that such data has been comprised through breach or loss. The requirements of this section are in addition to those that may apply under Part II, Section E.
20. **Workforce Analysis.** The Contractor shall provide a workforce Analysis Affirmative Action report related to employment practices and procedures.
21. **Litigation.**
- (a) The Contractor shall require that all Contractor Parties, as appropriate, disclose to the Contractor, to the best of their knowledge, any Claims involving the Contractor Parties that might reasonably be expected to materially adversely affect their businesses, operations, assets, properties, financial stability, business prospects or ability to perform fully under the Contract, no later than ten (10) days after becoming aware or after they should have become aware of any such Claims. Disclosure shall be in writing.
- (b) The Contractor shall provide written Notice to the Agency of any final decision by any tribunal or state or federal agency or court which is adverse to the Contractor or which results in a settlement, compromise or claim or agreement of any kind for any action or proceeding brought against the Contractor or its employee or agent under the Americans

with Disabilities Act of 1990 as revised or amended from time to time, Executive Orders Nos. 3 & 17 of Governor Thomas J. Meskill and any other requirements of federal or state law concerning equal employment opportunities or nondiscriminatory practices.

22. **Sovereign Immunity.** The Contractor and Contractor Parties acknowledge and agree that nothing in the Contract, or the solicitation leading up to the Contract, shall be construed as a modification, compromise or waiver by the State of any rights or defenses of any immunities provided by Federal law or the laws of the State of Connecticut to the State or any of its officers and employees, which they may have had, now have or will have with respect to all matters arising out of the Contract. To the extent that this Section conflicts with any other Section, this Section shall govern.

D. CHANGES TO THE CONTRACT, TERMINATION, CANCELLATION, AND EXPIRATION.

1. Contract Amendment.

- (a) No amendment to or modification or other alteration of this Contract shall be valid or binding upon the parties unless made in writing, signed by the parties and, if applicable, approved by the Connecticut Attorney General.
- (b) The Agency may amend this Contract to reduce the contracted amount of compensation if:
 - (1) the total amount budgeted by the State for the operation of the Agency or Services provided under the program is reduced or made unavailable in any way; or
 - (2) federal funding reduction results in reallocation of funds within the Agency.
- (c) If the Agency decides to reduce the compensation, the Agency shall send written Notice to the Contractor. Within twenty (20) Days of the Contractor's receipt of the Notice, the Contractor and the Agency shall negotiate the implementation of the reduction of compensation unless the parties mutually agree that such negotiations would be futile. If the parties fail to negotiate an implementation schedule, then the Agency may terminate the Contract effective no earlier than sixty (60) Days from the date that the Contractor receives written notification of Termination and the date that work under this Contract shall cease.

2. Contractor Changes and Assignment.

- (a) The Contractor shall notify the Agency in writing:
 - (1) at least ninety (90) days prior to the effective date of any fundamental changes in the Contractor's corporate status, including merger, acquisition, transfer of assets, and any change in fiduciary responsibility;
 - (2) no later than ten (10) days from the effective date of any change in:
 - (A) its certificate of incorporation or other organizational document;
 - (B) more than a controlling interest in the ownership of the Contractor; or
 - (C) the individual(s) in charge of the performance.
- (b) No such change shall relieve the Contractor of any responsibility for the accuracy and completeness of the performance. The Agency, after receiving written Notice from the Contractor of any such change, may require such contracts, releases and other instruments

evidencing, to the Agency's satisfaction, that any individuals retiring or otherwise separating from the Contractor have been compensated in full or that allowance has been made for compensation in full, for all work performed under terms of the Contract. The Contractor shall deliver such documents to the Agency in accordance with the terms of the Agency's written request. The Agency may also require, and the Contractor shall deliver, a financial statement showing that solvency of the Contractor is maintained. The death of any Contractor Party, as applicable, shall not release the Contractor from the obligation to perform under the Contract; the surviving Contractor Parties, as appropriate, must continue to perform under the Contract until performance is fully completed.

- (c) Assignment. The Contractor shall not assign any of its rights or obligations under the Contract, voluntarily or otherwise, in any manner without the prior written consent of the Agency.
- (1) The Contractor shall comply with requests for documentation deemed to be appropriate by the Agency in considering whether to consent to such assignment.
 - (2) The Agency shall notify the Contractor of its decision no later than forty-five (45) Days from the date the Agency receives all requested documentation.
 - (3) The Agency may void any assignment made without the Agency's consent and deem such assignment to be in violation of this Section and to be in Breach of the Contract. Any cancellation of this Contract by the Agency for a Breach shall be without prejudice to the Agency's or the State's rights or possible claims against the Contractor.

3. Breach.

- (a) If either party Breaches this Contract in any respect, the non-breaching party shall provide written notice of the Breach to the breaching party and afford the breaching party an opportunity to cure within ten (10) Days from the date that the breaching party receives the notice. In the case of a Contractor Breach, the Agency may modify the ten (10) day cure period in the notice of Breach. The right to cure period shall be extended if the non-breaching party is satisfied that the breaching party is making a good faith effort to cure, but the nature of the Breach is such that it cannot be cured within the right to cure period. The Notice may include an effective Contract Termination date if the Breach is not cured by the stated date and, unless otherwise modified by the non-breaching party in writing prior to the Termination date, no further action shall be required of any party to effect the Termination as of the stated date. If the notice does not set forth an effective Contract Termination date, then the non-breaching party may terminate the Contract by giving the breaching party no less than twenty four (24) hours' prior written Notice after the expiration of the cure period.
- (b) If the Agency believes that the Contractor has not performed according to the Contract, the Agency may:
- (1) withhold payment in whole or in part pending resolution of the performance issue, provided that the Agency notifies the Contractor in writing prior to the date that the payment would have been due in accordance with the budget;
 - (2) temporarily discontinue all or part of the Services to be provided under the Contract;
 - (3) permanently discontinue part of the Services to be provided under the Contract;

- (4) assign appropriate State personnel to provide contracted for Services to assure continued performance under the Contract until such time as the contractual Breach has been corrected to the satisfaction of the Agency;
 - (5) require that contract funding be used to enter into a subcontract with a person or persons designated by the Agency in order to bring the program into contractual compliance;
 - (6) take such other actions of any nature whatsoever as may be deemed appropriate for the best interests of the State or the program(s) provided under this Contract or both; or
 - (7) any combination of the above actions.
 - (c) The Contractor shall return all unexpended funds to the Agency no later than thirty (30) calendar days after the Contractor receives a demand from the Agency.
 - (d) In addition to the rights and remedies granted to the Agency by this Contract, the Agency shall have all other rights and remedies granted to it by law in the event of Breach of or default by the Contractor under the terms of this Contract.
 - (e) The action of the Agency shall be considered final. If at any step in this process the Contractor fails to comply with the procedure and, as applicable, the mutually agreed plan of correction, the Agency may proceed with Breach remedies as listed under this section.
4. **Non-enforcement Not to Constitute Waiver.** No waiver of any Breach of the Contract shall be interpreted or deemed to be a waiver of any other or subsequent Breach. All remedies afforded in the Contract shall be taken and construed as cumulative, that is, in addition to every other remedy provided in the Contract or at law or in equity. A party's failure to insist on strict performance of any section of the Contract shall only be deemed to be a waiver of rights and remedies concerning that specific instance of performance and shall not be deemed to be a waiver of any subsequent rights, remedies or Breach.
5. **Suspension.** If the Agency determines in its sole discretion that the health and welfare of the clients or public safety is being adversely affected, the Agency may immediately suspend in whole or in part the Contract without prior notice and take any action that it deems to be necessary or appropriate for the benefit of the clients. The Agency shall notify the Contractor of the specific reasons for taking such action in writing within five (5) Days of immediate suspension. Within five (5) Days of receipt of this notice, the Contractor may request in writing a meeting with the Agency Head or designee. Any such meeting shall be held within five (5) Days of the written request, or such later time as is mutually agreeable to the parties. At the meeting, the Contractor shall be given an opportunity to present information on why the Agency's actions should be reversed or modified. Within five (5) Days of such meeting, the Agency shall notify the Contractor in writing of his/her decision upholding, reversing or modifying the action of the Agency head or designee. This action of the Agency head or designee shall be considered final.
6. **Ending the Contractual Relationship.**
 - (a) This Contract shall remain in full force and effect for the duration of its entire term or until such time as it is terminated earlier by either party. Either party may terminate this contract by providing at least sixty (60) days prior written notice pursuant to the Notice requirements of this Contract.
 - (b) The Agency may immediately terminate the Contract in whole or in part whenever the Agency makes a determination that such termination is in the best interest of the State.

Notwithstanding Section D.2, the Agency may immediately terminate or cancel this Contract in the event that the Contractor or any subcontractors becomes financially unstable to the point of threatening its ability to conduct the services required under this Contract, ceases to conduct business in the normal course, makes a general assignment for the benefit of creditors, suffers or permits the appointment of a receiver for its business or its assets.

- (c) The Agency shall notify the Contractor in writing of Termination pursuant to subsection (b) above, which shall specify the effective date of termination and the extent to which the Contractor must complete or immediately cease performance. Such Notice of Termination shall be sent in accordance with the Notice provision contained on page 1 of this Contract. Upon receiving the Notice from the Agency, the Contractor shall immediately discontinue all Services affected in accordance with the Notice, undertake all reasonable and necessary efforts to mitigate any losses or damages, and deliver to the Agency all Records as defined in Section A.12, unless otherwise instructed by the Agency in writing, and take all actions that are necessary or appropriate, or that the Agency may reasonably direct, for the protection of Clients and preservation of any and all property. Such Records are deemed to be the property of the Agency and the Contractor shall deliver them to the Agency no later than thirty (30) days after the Termination of the Contract or fifteen (15) days after the Contractor receives a written request from the Agency for the specified records whichever is less. The Contractor shall deliver those Records that exist in electronic, magnetic or other intangible form in a non-proprietary format, such as, but not limited to ASCII or .TXT.
- (d) The Agency may terminate the Contract at any time without prior notice when the funding for the Contract is no longer available.
- (e) The Contractor shall deliver to the Agency any deposits, prior payment, advance payment or down payment if the Contract is terminated by either party within thirty (30) days after receiving demand from the Agency. The Contractor shall return to the Agency any funds not expended in accordance with the terms and conditions of the Contract and, if the Contractor fails to do so upon demand, the Agency may recoup said funds from any future payments owing under this Contract or any other contract between the State and the Contractor. Allowable costs, as detailed in audit findings, incurred until the date of termination for operation or transition of program(s) under this Contract shall not be subject to recoupment.

7. Transition after Termination or Expiration of Contract.

- (a) If this Contract is terminated for any reason or it expires in accordance with its term, the Contractor shall do and perform all things which the Agency determines to be necessary or appropriate to assist in the orderly transfer of Clients served under this Contract and shall assist in the orderly cessation of Services it performs under this Contract. In order to complete such transfer and wind down the performance, and only to the extent necessary or appropriate, if such activities are expected to take place beyond the stated end of the Contract term then the Contract shall be deemed to have been automatically extended by the mutual consent of the parties prior to its expiration without any affirmative act of either party, including executing an amendment to the Contract to extend the term, but only until the transfer and winding down are complete.
- (b) If this Contract is terminated, cancelled or not renewed, the Contractor shall return to the Agency any equipment, deposits or down payments made or purchased with start-up funds or other funds specifically designated for such purpose under this Contract in accordance with the written instructions from the Agency in accordance with the Notice provision of this Contract. Written instructions shall include, but not be limited to, a description of the equipment to be returned, where the equipment shall be returned to and who is responsible to pay for the delivery/shipping costs. Unless the Agency specifies a shorter

time frame in the letter of instructions, the Contractor shall affect the returns to the Agency no later than sixty (60) days from the date that the Contractor receives Notice.

E. STATUTORY AND REGULATORY COMPLIANCE.

1. Health Insurance Portability and Accountability Act of 1996.

- (a) If the Contractor is a Business Associate under the requirements of the Health Insurance Portability and Accountability Act of 1996 (“HIPAA”), the Contractor must comply with all terms and conditions of this Section of the Contract. If the Contractor is not a Business Associate under HIPAA, this Section of the Contract does not apply to the Contractor for this Contract.
- (b) The Contractor is required to safeguard the use, publication and disclosure of information on all applicants for, and all clients who receive, services under the Contract in accordance with all applicable federal and state law regarding confidentiality, which includes but is not limited to HIPAA, more specifically with the Privacy and Security Rules at 45 C.F.R. Part 160 and Part 164, subparts A, C, and E; and
- (c) The State of Connecticut Agency named on page 1 of this Contract (“Agency”) is a “covered entity” as that term is defined in 45 C.F.R. § 160.103; and
- (d) The Contractor, on behalf of the Agency, performs functions that involve the use or disclosure of “individually identifiable health information,” as that term is defined in 45 C.F.R. § 160.103; and
- (e) The Contractor is a “business associate” of the Agency, as that term is defined in 45 C.F.R. § 160.103; and
- (f) The Contractor and the Agency agree to the following in order to secure compliance with the HIPAA, the requirements of Subtitle D of the Health Information Technology for Economic and Clinical Health Act (“HITECH Act”), (Pub. L. 111-5, §§ 13400 to 13423)¹, and more specifically with the Privacy and Security Rules at 45 C.F.R. Part 160 and Part 164, subparts A, C, and E.
- (g) Definitions
 - (1) “Breach” shall have the same meaning as the term is defined in section 13400 of the HITECH Act (42 U.S.C. §17921(1)).
 - (2) “Business Associate” shall mean the Contractor.
 - (3) “Covered Entity” shall mean the Agency of the State of Connecticut named on page 1 of this Contract.
 - (4) “Designated Record Set” shall have the same meaning as the term “designated record set” in 45 C.F.R. § 164.501.
 - (5) “Electronic Health Record” shall have the same meaning as the term is defined in section 13400 of the HITECH Act (42 U.S.C. §17921(5)).

¹ The effective date of the HITECH Act is February 17, 2010.

- (6) "Individual" shall have the same meaning as the term "individual" in 45 C.F.R. § 160.103 and shall include a person who qualifies as a personal representative as defined in 45 C.F.R. § 164.502(g).
 - (7) "Privacy Rule" shall mean the Standards for Privacy of Individually Identifiable Health Information at 45 C.F.R. part 160 and part 164, subparts A and E.
 - (8) "Protected Health Information" or "PHI" shall have the same meaning as the term "protected health information" in 45 C.F.R. § 160.103, limited to information created or received by the Business Associate from or on behalf of the Covered Entity.
 - (9) "Required by Law" shall have the same meaning as the term "required by law" in 45 C.F.R. § 164.103.
 - (10) "Secretary" shall mean the Secretary of the Department of Health and Human Services or his designee.
 - (11) "More stringent" shall have the same meaning as the term "more stringent" in 45 C.F.R. § 160.202.
 - (12) "This Section of the Contract" refers to the HIPAA Provisions stated herein, in their entirety.
 - (13) "Security Incident" shall have the same meaning as the term "security incident" in 45 C.F.R. § 164.304.
 - (14) "Security Rule" shall mean the Security Standards for the Protection of Electronic Protected Health Information at 45 C.F.R. part 160 and part 164, subpart A and C.
 - (15) "Unsecured protected health information" shall have the same meaning as the term as defined in section 13402(h)(1)(A) of HITECH. Act. (42 U.S.C. §17932(h)(1)(A)).
- (h) Obligations and Activities of Business Associates.
- (1) Business Associate agrees not to use or disclose PHI other than as permitted or required by this Section of the Contract or as Required by Law.
 - (2) Business Associate agrees to use appropriate safeguards to prevent use or disclosure of PHI other than as provided for in this Section of the Contract.
 - (3) Business Associate agrees to use administrative, physical and technical safeguards that reasonably and appropriately protect the confidentiality, integrity, and availability of electronic protected health information that it creates, receives, maintains, or transmits on behalf of the Covered Entity.
 - (4) Business Associate agrees to mitigate, to the extent practicable, any harmful effect that is known to the Business Associate of a use or disclosure of PHI by Business Associate in violation of this Section of the Contract.
 - (5) Business Associate agrees to report to Covered Entity any use or disclosure of PHI not provided for by this Section of the Contract or any security incident of which it becomes aware.

- (6) Business Associate agrees to insure that any agent, including a subcontractor, to whom it provides PHI received from, or created or received by Business Associate, on behalf of the Covered Entity, agrees to the same restrictions and conditions that apply through this Section of the Contract to Business Associate with respect to such information.
- (7) Business Associate agrees to provide access, at the request of the Covered Entity, and in the time and manner agreed to by the parties, to PHI in a Designated Record Set, to Covered Entity or, as directed by Covered Entity, to an Individual in order to meet the requirements under 45 C.F.R. § 164.524.
- (8) Business Associate agrees to make any amendments to PHI in a Designated Record Set that the Covered Entity directs or agrees to pursuant to 45 C.F.R. § 164.526 at the request of the Covered Entity, and in the time and manner agreed to by the parties.
- (9) Business Associate agrees to make internal practices, books, and records, including policies and procedures and PHI, relating to the use and disclosure of PHI received from, or created or received by, Business Associate on behalf of Covered Entity, available to Covered Entity or to the Secretary in a time and manner agreed to by the parties or designated by the Secretary, for purposes of the Secretary determining Covered Entity's compliance with the Privacy Rule.
- (10) Business Associate agrees to 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 C.F.R. § 164.528 and section 13405 of the HITECH Act (42 U.S.C. § 17935) and any regulations promulgated thereunder.
- (11) Business Associate agrees to provide to Covered Entity, in a time and manner agreed to by the parties, information collected in accordance with subsection (h)(10) of this Section of the Contract, to permit Covered Entity to respond to a request by an Individual for an accounting of disclosures of PHI in accordance with 45 C.F.R. § 164.528 and section 13405 of the HITECH Act (42 U.S.C. § 17935) and any regulations promulgated thereunder. Business Associate agrees at the Covered Entity's direction to provide an accounting of disclosures of PHI directly to an individual in accordance with 45 C.F.R. § 164.528 and section 13405 of the HITECH Act (42 U.S.C. § 17935) and any regulations promulgated thereunder.
- (12) Business Associate agrees to comply with any state or federal law that is more stringent than the Privacy Rule.
- (13) Business Associate agrees to comply with the requirements of the HITECH Act relating to privacy and security that are applicable to the Covered Entity and with the requirements of 45 C.F.R. §§ 164.504(e), 164.308, 164.310, 164.312, and 164.316.
- (14) In the event that an individual requests that the Business Associate
 - (A) restrict disclosures of PHI;
 - (B) provide an accounting of disclosures of the individual's PHI; or

- (C) provide a copy of the individual's PHI in an electronic health record, the Business Associate agrees to notify the covered entity, in writing, within two business days of the request.
- (15) Business Associate agrees that it shall not, directly or indirectly, receive any remuneration in exchange for PHI of an individual without
- (A) the written approval of the covered entity, unless receipt of remuneration in exchange for PHI is expressly authorized by this Contract and
 - (B) the valid authorization of the individual, except for the purposes provided under section 13405(d)(2) of the HITECH Act, (42 U.S.C. § 17935(d)(2)) and in any accompanying regulations
- (16) Obligations in the Event of a Breach.
- (A) The Business Associate agrees that, following the discovery of a breach of unsecured protected health information, it shall notify the Covered Entity of such breach in accordance with the requirements of section 13402 of HITECH (42 U.S.C. 17932(b) and this Section of the Contract.
 - (B) Such notification shall be provided by the Business Associate to the Covered Entity without unreasonable delay, and in no case later than 30 days after the breach is discovered by the Business Associate, except as otherwise instructed in writing by a law enforcement official pursuant to section 13402(g) of HITECH (42 U.S.C. 17932(g)). A breach is considered discovered as of the first day on which it is, or reasonably should have been, known to the Business Associate. The notification shall include the identification and last known address, phone number and email address of each individual (or the next of kin of the individual if the individual is deceased) whose unsecured protected health information has been, or is reasonably believed by the Business Associate to have been, accessed, acquired, or disclosed during such breach.
 - (C) The Business Associate agrees to include in the notification to the Covered Entity at least the following information:
 1. A brief description of what happened, including the date of the breach and the date of the discovery of the breach, if known.
 1. A description of the types of unsecured protected health information that were involved in the breach (such as full name, Social Security number, date of birth, home address, account number, or disability code).
 2. The steps the Business Associate recommends that individuals take to protect themselves from potential harm resulting from the breach.
 3. A detailed description of what the Business Associate is doing to investigate the breach, to mitigate losses, and to protect against any further breaches.
 4. Whether a law enforcement official has advised either verbally or in writing the Business Associate that he or she has determined

that notification or notice to individuals or the posting required under section 13402 of the HITECH Act would impede a criminal investigation or cause damage to national security and; if so, include contact information for said official.

- (D) Business Associate agrees to provide appropriate staffing and have established procedures to ensure that individuals informed by the Covered Entity of a breach by the Business Associate have the opportunity to ask questions and contact the Business Associate for additional information regarding the breach. Such procedures shall include a toll-free telephone number, an e-mail address, a posting on its Web site and a postal address. Business Associate agrees to include in the notification of a breach by the Business Associate to the Covered Entity, a written description of the procedures that have been established to meet these requirements. Costs of such contact procedures will be borne by the Contractor.
 - (E) Business Associate agrees that, in the event of a breach, it has the burden to demonstrate that it has complied with all notifications requirements set forth above, including evidence demonstrating the necessity of a delay in notification to the Covered Entity.
- (i) Permitted Uses and Disclosure by Business Associate.
- (1) General Use and Disclosure Provisions Except as otherwise limited in this Section of the Contract, Business Associate may use or disclose PHI to perform functions, activities, or services for, or on behalf of, Covered Entity as specified in this Contract, provided that such use or disclosure would not violate the Privacy Rule if done by Covered Entity or the minimum necessary policies and procedures of the Covered Entity.
 - (2) Specific Use and Disclosure Provisions
 - (A) Except as otherwise limited in this Section of the Contract, Business Associate may use PHI for the proper management and administration of Business Associate or to carry out the legal responsibilities of Business Associate.
 - (B) Except as otherwise limited in this Section of the Contract, Business Associate may disclose PHI for the proper management and administration of Business Associate, provided that disclosures are Required by Law, or Business Associate obtains reasonable assurances from the person to whom the information is disclosed that it will remain confidential and used or further disclosed only as Required by Law or for the purpose for which it was disclosed to the person, and the person notifies Business Associate of any instances of which it is aware in which the confidentiality of the information has been breached.
 - (C) Except as otherwise limited in this Section of the Contract, Business Associate may use PHI to provide Data Aggregation services to Covered Entity as permitted by 45 C.F.R. § 164.504(e)(2)(i)(B).
- (j) Obligations of Covered Entity.
- (1) Covered Entity shall notify Business Associate of any limitations in its notice of privacy practices of Covered Entity, in accordance with 45 C.F.R. § 164.520, or to

the extent that such limitation may affect Business Associate's use or disclosure of PHI.

- (2) Covered Entity shall notify Business Associate of any changes in, or revocation of, permission by Individual to use or disclose PHI, to the extent that such changes may affect Business Associate's use or disclosure of PHI.
 - (3) Covered Entity shall notify Business Associate of any restriction to the use or disclosure of PHI that Covered Entity has agreed to in accordance with 45 C.F.R. § 164.522, to the extent that such restriction may affect Business Associate's use or disclosure of PHI.
- (k) Permissible Requests by Covered Entity. Covered Entity shall not request Business Associate to use or disclose PHI in any manner that would not be permissible under the Privacy Rule if done by the Covered Entity, except that Business Associate may use and disclose PHI for data aggregation, and management and administrative activities of Business Associate, as permitted under this Section of the Contract.
- (l) Term and Termination.
- (1) Term. The Term of this Section of the Contract shall be effective as of the date the Contract is effective and shall terminate when the information collected in accordance with provision (h)(10) of this Section of the Contract is provided to the Covered Entity and all of the PHI provided by Covered Entity to Business Associate, or created or received by Business Associate on behalf of Covered Entity, is destroyed or returned to Covered Entity, or, if it is infeasible to return or destroy PHI, protections are extended to such information, in accordance with the termination provisions in this Section.
 - (2) Termination for Cause Upon Covered Entity's knowledge of a material breach by Business Associate, Covered Entity shall either:
 - (A) Provide an opportunity for Business Associate to cure the breach or end the violation and terminate the Contract if Business Associate does not cure the breach or end the violation within the time specified by the Covered Entity; or
 - (B) Immediately terminate the Contract if Business Associate has breached a material term of this Section of the Contract and cure is not possible; or
 - (C) If neither termination nor cure is feasible, Covered Entity shall report the violation to the Secretary.
 - (3) Effect of Termination.
 - (A) Except as provided in (l)(2) of this Section of the Contract, upon termination of this Contract, for any reason, Business Associate shall return or destroy all PHI received from Covered Entity, or created or received by Business Associate on behalf of Covered Entity. Business Associate shall also provide the information collected in accordance with section (h)(10) of this Section of the Contract to the Covered Entity within ten business days of the notice of termination. This section shall apply to PHI that is in the possession of subcontractors or agents of Business Associate. Business Associate shall retain no copies of the PHI.

(B) In the event that Business Associate determines that returning or destroying the PHI is infeasible, Business Associate shall provide to Covered Entity notification of the conditions that make return or destruction infeasible. Upon documentation by Business Associate that return or destruction of PHI is infeasible, Business Associate shall extend the protections of this Section of the Contract to such PHI and limit further uses and disclosures of PHI to those purposes that make return or destruction infeasible, for as long as Business Associate maintains such PHI. Infeasibility of the return or destruction of PHI includes, but is not limited to, requirements under state or federal law that the Business Associate maintains or preserves the PHI or copies thereof.

(m) Miscellaneous Sections.

- (1) Regulatory References. A reference in this Section of the Contract to a section in the Privacy Rule means the section as in effect or as amended.
- (2) Amendment. The Parties agree to take such action as is necessary to amend this Section of the Contract from time to time as is necessary for Covered Entity to comply with requirements of the Privacy Rule and the Health Insurance Portability and Accountability Act of 1996, Pub. L. No. 104-191.
- (3) Survival. The respective rights and obligations of Business Associate shall survive the termination of this Contract.
- (4) Effect on Contract. Except as specifically required to implement the purposes of this Section of the Contract, all other terms of the Contract shall remain in force and effect.
- (5) Construction. This Section of the Contract shall be construed as broadly as necessary to implement and comply with the Privacy Standard. Any ambiguity in this Section of the Contract shall be resolved in favor of a meaning that complies, and is consistent with, the Privacy Standard.
- (6) Disclaimer. Covered Entity makes no warranty or representation that compliance with this Section of the Contract will be adequate or satisfactory for Business Associate's own purposes. Covered Entity shall not be liable to Business Associate for any claim, civil or criminal penalty, loss or damage related to or arising from the unauthorized use or disclosure of PHI by Business Associate or any of its officers, directors, employees, contractors or agents, or any third party to whom Business Associate has disclosed PHI contrary to the sections of this Contract or applicable law. Business Associate is solely responsible for all decisions made, and actions taken, by Business Associate regarding the safeguarding, use and disclosure of PHI within its possession, custody or control.
- (7) Indemnification. The Business Associate shall indemnify and hold the Covered Entity harmless from and against any and all claims, liabilities, judgments, fines, assessments, penalties, awards and any statutory damages that may be imposed or assessed pursuant to HIPAA, as amended or the HITECH Act, including, without limitation, attorney's fees, expert witness fees, costs of investigation, litigation or dispute resolution, and costs awarded thereunder, relating to or arising out of any violation by the Business Associate and its agents, including subcontractors, of any obligation of Business Associate and its agents, including subcontractors, under this section of the contract, under HIPAA, the HITECH Act, the Privacy Rule and the Security Rule.

2. **Americans with Disabilities Act.** The Contractor shall be and remain in compliance with the Americans with Disabilities Act of 1990 (<http://www.ada.gov/>) as amended from time to time (“Act”) to the extent applicable, during the term of the Contract. The Agency may cancel this Contract if the Contractor fails to comply with the Act. The Contractor represents that it is familiar with the terms of this Act and that it is in compliance with the law. The Contractor warrants that it shall hold the State harmless from any liability which may be imposed upon the state as a result of any failure of the Contractor to be in compliance with this Act. As applicable, the Contractor shall comply with section 504 of the Federal Rehabilitation Act of 1973, as amended from time to time, 29 U.S.C. § 794 (Supp. 1993), regarding access to programs and facilities by people with disabilities.
3. **Utilization of Minority Business Enterprises.** The Contractor shall perform under this contract in accordance with 45 C.F.R. Part 74; and, as applicable, C.G.S. §§ 4a-60 to 4a-60a and 4a-60g to carry out this policy in the award of any subcontracts.
4. **Priority Hiring.** Subject to the Contractor’s exclusive right to determine the qualifications for all employment positions, the Contractor shall give priority to hiring welfare recipients who are subject to time-limited welfare and must find employment. The Contractor and the Agency shall work cooperatively to determine the number and types of positions to which this Section shall apply.
5. **Non-discrimination.**
 - (a) The following subsections are set forth here as required by section 4a-60 of the Connecticut General Statutes:
 - (1) The Contractor agrees and warrants that in the performance of the Contract such Contractor will not discriminate or permit discrimination against any person or group of persons on the grounds of race, color, religious creed, age, marital status, national origin, ancestry, sex, mental retardation, mental disability or physical disability, including, but not limited to, blindness, unless it is shown by such Contractor that such disability prevents performance of the work involved, in any manner prohibited by the laws of the United States or of the state of Connecticut. The Contractor further agrees to take affirmative action to insure that applicants with job-related qualifications are employed and that employees are treated when employed without regard to their race, color, religious creed, age, marital status, national origin, ancestry, sex, mental retardation, mental disability or physical disability, including, but not limited to, blindness, unless it is shown by such Contractor that such disability prevents performance of the work involved;
 - (2) the Contractor agrees, in all solicitations or advertisements for employees placed by or on behalf of the Contractor, to state that it is an “affirmative action-equal opportunity employer” in accordance with regulations adopted by the commission;
 - (3) the Contractor agrees to provide each labor union or representative of workers with which such Contractor has a collective bargaining agreement or other contract or understanding and each vendor with which such Contractor has a contract or understanding, a notice to be provided by the commission advising the labor union or workers’ representative of the Contractor’s commitments under this section, and to post copies of the notice in conspicuous places available to employees and applicants for employment;
 - (4) the Contractor agrees to comply with each provision of this section and sections 46a-68e and 46a-68f and with each regulation or relevant order issued by said commission pursuant to sections 46a-56, 46a-68e and 46a-68f;

- (5) the Contractor agrees to provide the Commission on Human Rights and Opportunities with such information requested by the commission, and permit access to pertinent books, records and accounts, concerning the employment practices and procedures of the Contractor as relate to the provisions of this section and section 46a-56.
- (b) If the Contract is a public works contract, the Contractor agrees and warrants that he will make good faith efforts to employ minority business enterprises as subcontractors and suppliers of materials on such public works project.
- (c) "Minority business enterprise" means any small contractor or supplier of materials fifty-one per cent or more of the capital stock, if any, or assets of which is owned by a person or persons:
- (1) Who are active in the daily affairs of the enterprise,
 - (2) who have the power to direct the management and policies of the enterprise and
 - (3) who are members of a minority, as such term is defined in subsection (a) of section 32-9n; and
- "good faith" means that degree of diligence which a reasonable person would exercise in the performance of legal duties and obligations. "Good faith efforts" shall include, but not be limited to, those reasonable initial efforts necessary to comply with statutory or regulatory requirements and additional or substituted efforts when it is determined that such initial efforts will not be sufficient to comply with such requirements.
- (d) Determination of the Contractor's good faith efforts shall include but shall not be limited to the following factors: The Contractor's employment and subcontracting policies, patterns and practices; affirmative advertising, recruitment and training; technical assistance activities and such other reasonable activities or efforts as the commission may prescribe that are designed to ensure the participation of minority business enterprises in public works projects.
- (e) The Contractor shall develop and maintain adequate documentation, in a manner prescribed by the commission, of its good faith efforts.
- (f) The Contractor shall include the provisions of sections (a) and (b) above in every subcontract or purchase order entered into in order to fulfill any obligation of a contract with the state and such provisions shall be binding on a subcontractor, vendor or manufacturer unless exempted by regulations or orders of the commission. The Contractor shall take such action with respect to any such subcontract or purchase order as the commission may direct as a means of enforcing such provisions including sanctions for noncompliance in accordance with section 46a-56; provided, if such Contractor becomes involved in, or is threatened with, litigation with a subcontractor or vendor as a result of such direction by the commission, the Contractor may request the state of Connecticut to enter into any such litigation or negotiation prior thereto to protect the interests of the state and the state may so enter.
- (g) The following subsections are set forth here as required by section 4a-60a of the Connecticut General Statutes:
- (1) the Contractor agrees and warrants that in the performance of the Contract such Contractor will not discriminate or permit discrimination against any person or group of persons on the grounds of sexual orientation, in any manner prohibited by the laws of the United States or of the state of Connecticut, and that employees are treated when employed without regard to their sexual orientation;

- (2) the Contractor agrees to provide each labor union or representative of workers with which such Contractor has a collective bargaining agreement or other contract or understanding and each vendor with which such Contractor has a contract or understanding, a notice to be provided by the Commission on Human Rights and Opportunities advising the labor union or workers' representative of the Contractor's commitments under this section, and to post copies of the notice in conspicuous places available to employees and applicants for employment;
 - (3) the Contractor agrees to comply with each provision of this section and with each regulation or relevant order issued by said commission pursuant to section 46a-56; and
 - (4) the Contractor agrees to provide the Commission on Human Rights and Opportunities with such information requested by the commission, and permit access to pertinent books, records and accounts, concerning the employment practices and procedures of the Contractor which relate to the provisions of this section and section 46a-56.
- (h) The Contractor shall include the provisions of section (g) above in every subcontract or purchase order entered into in order to fulfill any obligation of a contract with the state and such provisions shall be binding on a subcontractor, vendor or manufacturer unless exempted by regulations or orders of the commission. The Contractor shall take such action with respect to any such subcontract or purchase order as the commission may direct as a means of enforcing such provisions including sanctions for noncompliance in accordance with section 46a-56; provided, if such Contractor becomes involved in, or is threatened with, litigation with a subcontractor or vendor as a result of such direction by the commission, the Contractor may request the state of Connecticut to enter into any such litigation or negotiation prior thereto to protect the interests of the state and the state may so enter.
- (i) For the purposes of this entire Non-Discrimination section, "Contract" or "contract" includes any extension or modification of the Contract or contract, "Contractor" or "contractor" includes any successors or assigns of the Contractor or contractor, "marital status" means being single, married as recognized by the state of Connecticut, widowed, separated or divorced, and "mental disability" means one or more mental disorders, as defined in the most recent edition of the American Psychiatric Association's "Diagnostic and Statistical Manual of Mental Disorders", or a record of or regarding a person as having one or more such disorders. For the purposes of this section, "Contract" does not include a contract where each contractor is
- (1) a political subdivision of the state, including, but not limited to, a municipality,
 - (2) a quasi-public agency, as defined in C.G.S. § 1-120,
 - (3) any other state, including but not limited to any federally recognized Indian tribal governments, as defined in C.G.S. § 1-267,
 - (4) the federal government,
 - (5) a foreign government, or
 - (6) an agency of a subdivision, agency, state or government described in the immediately preceding enumerated items (1), (2), (3), (4) or (5).

6. Freedom of Information.

- (a) Contractor acknowledges that the Agency must comply with the Freedom of Information Act, C.G.S. §§ 1-200 *et seq.* (“FOIA”) which requires the disclosure of documents in the possession of the State upon request of any citizen, unless the content of the document falls within certain categories of exemption, as defined by C.G.S. § 1-210(b).
- (b) Governmental Function. In accordance with C.G.S. § 1-218, if the amount of this Contract exceeds two million five hundred thousand dollars (\$2,500,000), and the Contractor is a “person” performing a “governmental function”, as those terms are defined in C.G.S. §§ 1-200(4) and (11), the Agency is entitled to receive a copy of the Records and files related to the Contractor’s performance of the governmental function, which may be disclosed by the Agency pursuant to the FOIA.

7. **Whistleblowing.** This Contract is subject to C.G.S. § 4-61dd if the amount of this Contract is a “large state contract” as that term is defined in C.G.S. § 4-61dd(h). In accordance with this statute, if an officer, employee or appointing authority of the Contractor takes or threatens to take any personnel action against any employee of the Contractor in retaliation for such employee’s disclosure of information to any employee of the Contracting state or quasi-public agency or the Auditors of Public Accounts or the Attorney General under subsection (a) of such statute, the Contractor shall be liable for a civil penalty of not more than five thousand dollars (\$5,000) for each offense, up to a maximum of twenty per cent (20%) of the value of this Contract. Each violation shall be a separate and distinct offense and in the case of a continuing violation, each calendar day’s continuance of the violation shall be deemed to be a separate and distinct offense. The State may request that the Attorney General bring a civil action in the Superior Court for the Judicial District of Hartford to seek imposition and recovery of such civil penalty. In accordance with subsection (f) of such statute, each large state Contractor, as defined in the statute, shall post a notice of the relevant sections of the statute relating to large state Contractors in a conspicuous place which is readily available for viewing by the employees of the Contractor.

8. **Campaign Contribution Restrictions.** For all State contracts as defined in C.G.S. § 9-612(g) the authorized signatory to this Contract expressly acknowledges receipt of the State Elections Enforcement Commission’s (“SEEC”) notice advising state contractors of state campaign contribution and solicitation prohibitions, and will inform its principals of the contents of the notice. See SEEC Form 11 reproduced below:

NOTICE TO EXECUTIVE BRANCH STATE CONTRACTORS AND PROSPECTIVE STATE CONTRACTORS OF CAMPAIGN CONTRIBUTION AND SOLICITATION BAN

This notice is provided under the authority of Connecticut General Statutes § 9-612(g)(2), as amended by P.A. 07-1, and is for the purpose of informing state contractors and prospective state contractors of the following law (*italicized words are defined below*):

Campaign Contribution and Solicitation Ban

No state contractor, prospective state contractor, principal of a state contractor or principal of a prospective state contractor, with regard to a state contract or state contract solicitation with or from a state agency in the executive branch or a quasi-public agency or a holder, or principal of a holder of a valid prequalification certificate, shall make a contribution to, or solicit contributions on behalf of (i) an exploratory committee or candidate committee established by a candidate for nomination or election to the office of Governor, Lieutenant Governor, Attorney General, State Comptroller, Secretary of the State or State Treasurer, (ii) a political committee authorized to make contributions or expenditures to or for the benefit of such candidates, or (iii) a party committee;

In addition, no holder or principal of a holder of a valid prequalification certificate, shall make a contribution to, or solicit contributions on behalf of (i) an exploratory committee or candidate committee established by a candidate for nomination or election to the office of State senator or State representative, (ii) a political committee authorized to make contributions or expenditures to or for the benefit of such candidates, or (iii) a party committee.

Duty to Inform

State contractors and prospective state contractors are required to inform their principals of the above prohibitions, as applicable, and the possible penalties and other consequences of any violation thereof.

Penalties for Violations

Contributions or solicitations of contributions made in violation of the above prohibitions may result in the following civil and criminal penalties:

Civil penalties—\$2000 or twice the amount of the prohibited contribution, whichever is greater, against a principal or a contractor. Any state contractor or prospective state contractor which fails to make reasonable efforts to comply with the provisions requiring notice to its principals of these prohibitions and the possible consequences of their violations may also be subject to civil penalties of \$2000 or twice the amount of the prohibited contributions made by their principals.

Criminal penalties—Any knowing and willful violation of the prohibition is a Class D felony, which may subject the violator to imprisonment of not more than 5 years, or \$5000 in fines, or both.

Contract Consequences

Contributions made or solicited in violation of the above prohibitions may result, in the case of a state contractor, in the contract being voided.

Contributions made or solicited in violation of the above prohibitions, in the case of a prospective state contractor, shall result in the contract described in the state contract solicitation not being awarded to the prospective state contractor, unless the State Elections Enforcement Commission determines that mitigating circumstances exist concerning such violation.

The State will not award any other state contract to anyone found in violation of the above prohibitions for a period of one year after the election for which such contribution is made or solicited, unless the State Elections Enforcement Commission determines that mitigating circumstances exist concerning such violation.

Additional information and the entire text of P.A. 07-1 may be found on the website of the State Elections Enforcement Commission, www.ct.gov/secc. Click on the link to "State Contractor Contribution Ban."

Definitions:

"State contractor" means a person, business entity or nonprofit organization that enters into a state contract. Such person, business entity or nonprofit organization shall be deemed to be a state contractor until December thirty-first of the year in which such contract terminates. "State contractor" does not include a municipality or any other political subdivision of the state, including any entities or associations duly created by the municipality or political subdivision exclusively amongst themselves to further any purpose authorized by statute or charter, or an employee in the executive or legislative branch of state government or a quasi-public agency, whether in the classified or unclassified service and full or part-time, and only in such person's capacity as a state or quasi-public agency employee.

"Prospective state contractor" means a person, business entity or nonprofit organization that (i) submits a response to a state contract solicitation by the state, a state agency or a quasi-public agency, or a proposal in response to a request for proposals by the state, a state agency or a quasi-public agency, until the contract has been entered into, or (ii) holds a valid prequalification certificate issued by the Commissioner of Administrative Services under section 4a-100.

"Prospective state contractor" does not include a municipality or any other political subdivision of the state, including any entities or associations duly created by the municipality or political subdivision exclusively amongst themselves to further any purpose authorized by statute or charter, or an employee in the executive or legislative branch of state government or a quasi-public agency, whether in the classified or unclassified service and full or part-time, and only in such person's capacity as a state or quasi-public agency employee.

"Principal of a state contractor or prospective state contractor" means (i) any individual who is a member of the board of directors of, or has an ownership interest of five per cent or more in, a state contractor or prospective state contractor, which is a business entity, except for an individual who is a member of the board of directors of a nonprofit organization, (ii) an individual who is employed by a state contractor or prospective state contractor, which is a business entity, as president, treasurer or executive vice president, (iii) an individual who is the chief executive officer of a state contractor or prospective state contractor, which is not a business entity, or if a state contractor or prospective state contractor has no such officer, then the officer who only possesses comparable powers and duties, (iv) an officer or an employee of any state contractor or prospective state contractor who has *managerial or discretionary responsibilities with respect to a state contract*, (v) the spouse or a *dependent child* who is eighteen years of age or older of an individual described in this subparagraph, or (vi) a political committee established or controlled by an individual described in this subparagraph or the business entity or nonprofit organization that is the state contractor or prospective state contractor.

"State contract" means an agreement or contract with the state or any state agency or any quasi-public agency, let through a procurement process or otherwise, having a value of fifty thousand dollars or more, or a combination or series of such agreements or contracts having a value of one hundred thousand dollars or more in a calendar year, for (i) the rendition of services, (ii) the furnishing of any goods, material, supplies, equipment or any items of any kind, (iii) the construction, alteration or repair of any public building or public work, (iv) the acquisition, sale or lease of any land or building, (v) a licensing arrangement, or (vi) a grant, loan or loan guarantee. "State contract" does not include any agreement or contract with the state, any state agency or any quasi-public agency that is exclusively federally funded, an education loan or a loan to an individual for other than commercial purposes.

"State contract solicitation" means a request by a state agency or quasi-public agency, in whatever form issued, including, but not limited to, an invitation to bid, request for proposals, request for information or request for quotes, inviting bids, quotes or other types of submittals, through a competitive procurement process or another process authorized by law waiving competitive procurement.

"Managerial or discretionary responsibilities with respect to a state contract" means having direct, extensive and substantive responsibilities with respect to the negotiation of the state contract and not peripheral, clerical or ministerial responsibilities.

"Dependent child" means a child residing in an individual's household who may legally be claimed as a dependent on the federal income tax of such individual. "Solicit" means (A) requesting that a contribution be made, (B) participating in any fund-raising activities for a candidate committee, exploratory committee, political committee or party committee, including, but not limited to, forwarding tickets to potential contributors, receiving contributions for transmission to any such committee or bundling contributions, (C) serving as chairperson, treasurer or deputy treasurer of any such committee, or (D) establishing a political committee for the sole purpose of soliciting or receiving contributions for any committee. Solicit does not include: (i) making a contribution that is otherwise permitted by Chapter 155 of the Connecticut General Statutes; (ii) informing any person of a position taken by a candidate for public office or a public official, (iii) notifying the person of any activities of, or contact information for, any candidate for public office; or (iv) serving as a member in any party committee or as an officer of such committee that is not otherwise prohibited in this section.

9. **Non-smoking.** If the Contractor is an employer subject to C.G.S. § 31-40q, the Contractor shall provide the Agency with a copy of its written rules concerning smoking. Evidence of compliance with C.G.S. § 31-40q must be received prior to Contract approval by the Agency.
10. **Executive Orders.** This Contract is subject to Executive Order No. 3 of Governor Thomas J. Meskill, promulgated June 16, 1971, concerning labor employment practices; Executive Order No. 17 of Governor Thomas J. Meskill, promulgated February 15, 1973, concerning the listing of employment openings; Executive Order No. 16 of Governor John G. Rowland, promulgated August 4, 1999, concerning violence in the workplace. This Contract may also be subject to Executive Order 7C of Governor M. Jodi Rell, promulgated July 13, 2006, concerning contracting reforms and Executive Order 14 of Governor M. Jodi Rell, promulgated April 17, 2006, concerning procurement of cleaning products and services, in accordance with their respective terms and conditions. All of these Executive orders are incorporated into and made a part of the Contract as if they had been fully set forth in it. At the Contractor's request, the Agency shall provide a copy of these Orders to the Contractor.

[X] Original Contract
[] Amendment # _____
(For Internal Use Only)

SIGNATURES AND APPROVALS

The Contractor IS a Business Associate under the Health Insurance Portability and Accountability Act of 1996 as amended.

Documentation necessary to demonstrate the authorization to sign must be attached.

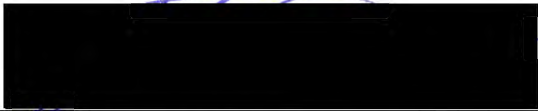
CONTRACTOR - CONNECTICUT CHILDREN'S MEDICAL CENTER, INC.



GERALD BOISVERT, ~~CFO/Executive VP Finance~~
Executive VP & CFO

5/11/10
Date

DEPARTMENT OF SOCIAL SERVICES



MICHAEL P. STARKOWSKI, *Commissioner*

5/12/10
Date

OFFICE OF THE ATTORNEY GENERAL



ASST. / ASSOC. ATTORNEY GENERAL (*Approved as to form & legal sufficiency*)

5/27/10
Date

ASSOC. ATTY GENERAL

10 MAY 14 PM 3:13
CONTRACTS/PURCHASING
DEPT OF SOCIAL SERVICES