

Program of All-Inclusive Care for the Elderly



January 28, 2010

Dear Prospective PACE Provider:

The Department of Medical Assistance Services, pursuant to regulatory authority 12VAC30-50-355, and CMS standards is hereby giving notice of the issuance of this proposed Request for Applications (RFA) for a Program of All-Inclusive Care for the Elderly (“PACE”) site in the underserved area of Farmville, Virginia. The Department of Medical Assistance Services (DMAS) has determined, through regulatory authority, that Farmville, Virginia is an underserved area for the purpose of PACE.

This expansion of PACE shall be on a schedule and within an area that has been determined solely at the discretion of DMAS through this RFA process. No organization shall begin any new PACE program without going through the RFA process as outlined by DMAS.

This solicitation is a RFA for a project that will result in a PACE program designed to serve the elderly in the designated zip code service areas of Farmville, Virginia and increase the number of persons receiving PACE services within the Commonwealth of Virginia, herein referred to as the Commonwealth.

DMAS is soliciting applications from qualified firms for the purpose of determining eligibility to establish a PACE program. To be eligible for consideration, organizations must have submitted the required documentation as outlined to the Department of Medical Assistance Services no later than 2:00 pm, Eastern Standard Time April 28, 2011. Specific details about this solicitation are in the enclosed RFA 2011-02. Contractors must check the DMAS web site at http://dmasva.dmas.virginia.gov/Content_pgs/ltc-pace_prtnrs.aspx for any addendums or notices regarding this RFA.

There are no start-up grant dollars for this PACE project. Providers will be responsible for all costs incurred during the RFA process and after the application has been approved and the contract awarded. Also, the PACE program will not be approved until the PACE Program Agreements between the Centers for Medicare and Medicaid Services (CMS) and the State Administering Agency – Department of Medical Assistance Services (DMAS) has been signed, agreeing to the terms outlined in the contract.

DMAS will not reimburse any unsuccessful offeror for any costs associated with preparing this application and reserves the right to reject any and all proposals received.

Providers/Contractors are requested not to call the DMAS office. All issues and questions related to this RFA should be sent in writing to: Terry A. Smith, Department of Medical Assistance Services, Director, Division of Long-Term Care, 600 East Broad Street, Richmond, Virginia 23219 or by email at: Terry.Smith@dmas.virginia.gov.

Providers/Contractors who wish to submit an application are required to submit a Letter of Intent which must be received by the Department no later than **2:00 PM** local time on **February 15, 2011**. The prior submission of a Letter of Intent is a prerequisite for submitting a proposal; proposals shall not be accepted from Providers who have not submitted a Letter of Intent by the deadline specified above. Letters of Intent may be emailed to the address listed above with original hard copy to follow via USPS, overnight delivery or courier service. All Letters of Intent shall be addressed to:

Department of Medical Assistance Services
Attention: Steve Ankiel
600 East Broad Street
Richmond, VA 23219

Sincerely,
Steve Ankiel
Steve Ankiel

**REQUEST FOR APPLICATIONS
RFA 2011-02**

ISSUE DATE: January 28, 2011

Title: Contract for a Program of All Inclusive Care for the Elderly (PACE) in the underserved area of Farmville, Virginia.

Period of RFA: January 28, 2011 – April 28, 2011

Contact Person: All inquiries should be addressed via email to terry.smith@dmas.virginia.gov or in writing and mailed to the address below:

Terry A. Smith, Director
Division of Long-Term Care
Department of Medical Assistance Services
600 East Broad Street
Richmond, VA 23219

Deadline for submitting a letter of intent and questions is 2:00 pm, Eastern Standard Time, February 15, 2011.

DMAS' responses to questions will be mailed by 2:00 pm, Eastern Standard Time, February 28, 2011.

Proposal Due Date: Applications must be submitted to the address below and will be accepted until 2:00 pm, Eastern Standard Time, April 28, 2011.

“RFA Sealed Proposal RFA 2011-02”
Department of Medical Assistance Services
600 E. Broad Street
Richmond, Virginia 23219
Attention: Steve Ankiel

Facsimile Transmission is not acceptable

Note: This public body does not discriminate against faith-based organizations in accordance with the *Code of Virginia*, §2.2-4343.1 or against an offeror because of race, religion, color, sex, national origin, age, disability, or any other basis prohibited by state law relating to discrimination in employment.

In compliance with this Request for Application and to all conditions imposed therein and hereby incorporated by reference, the undersigned proposes and agrees to furnish the services contained in their proposal.

Firm Name (Print)	F.I. or S.S. Number
Address	Print Name
Address	Title
City, State, Zip Code	Signature (Signed in Ink)
Telephone	Date Signed
Fax Number	
State Corporation Commission ID Number (Required):	SCC ID #:

**COMMONWEALTH OF VIRGINIA
DEPARTMENT OF MEDICAL ASSISTANCE SERVICES
DIVISION OF LONG-TERM CARE**

**REQUEST FOR APPLICATIONS
FOR
DETERMINING ELIGIBILITY FOR PROGRAMS OF ALL INCLUSIVE CARE FOR THE
ELDERLY (PACE)
PROGRAM IN THE UNDERSERVED AREA IN FARMVILLE, VIRGINIA**

RFA 2011-02

January 28, 2010

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Section I – Purpose

The purpose for this Request for Applications (RFA) is for the Department of Medical Assistance Services (DMAS) to solicit applications from qualified potential PACE providers in the underserved area of Farmville, Virginia to develop and implement a Program of All-inclusive Care for the Elderly (PACE).

Eligible Service Areas. In the review cycle established in the RFA, the review committee will consider applications for PACE sites whose coverage includes **the service area of Farmville, Virginia.**

DMAS has the ability to exclude more than one potential provider from providing PACE services in the same geographic area and create a potential adverse economic incentive for providers. According to federal regulations, it is DMAS' responsibility to fully evaluate an area and determine whether an overlap in the service area is economically feasible for the Commonwealth and the potential PACE providers. Based upon a national review of PACE sites, there has only been one area, New York City, identified as having sufficient population size to make overlapping areas viable. Therefore, the PACE site will be selected to provide services in the Farmville, Virginia area based on unduplicated zip codes.

Section II – Background

Special Session I, 2006 Virginia Acts of Assembly, Chapter 3, set in motion a major reform of the Virginia Medicaid funded long-term care service programs, which focuses on care coordination and integration of acute and long-term care services for our most vulnerable citizens - the elderly and individuals with disabilities. The legislation directed DMAS, in consultation with the appropriate stakeholders, to develop a long-range blueprint for the development and implementation of an integrated acute and long-term care system. In addition to this plan, the Department was directed to move forward with two different models for the integration of acute and long-term care services: a community model and a regional model. The community model is the Program of All Inclusive Care for the Elderly (PACE).

The PACE program, provides the entire spectrum of acute and long-term care services to their enrollees without limit as to duration or dollars. PACE provides all health and long-term care services to persons 55 years and older, who meet nursing facility criteria and reside in their own communities. PACE is a voluntary program, centered on an adult day health care model, and combines Medicaid and Medicare funding.

PACE was developed to provide the integration of acute and long-term care services and allows elderly individuals the choice to remain in their community versus being placed in a nursing facility. Individuals enrolled in the PACE program avoid costly and often preventable nursing facility and hospital stays by expanding the range and intensity of services provided within a community setting. PACE uses an interdisciplinary team with recipient/caregiver input, to determine what services will best meet the needs of their condition and achieve their goals. Some of the services provided are: adult day care that offers nursing, physical, occupational, speech and recreational therapies, meals, nutritional counseling, social services, personal care, medical care provided by a PACE physician, home health care, all necessary prescription drugs, medical specialists such a dentistry, optometry and podiatry services, respite care, hospital and nursing facility care when necessary and transportation. The PACE team is responsible for authorizing services, as well as the provision of those services.

Currently there are seven PACE sites, including two rural sites, operating in Virginia. They are:

AllCare for Seniors PACE, Cedar Bluff, Virginia
Centra PACE, Lynchburg, Virginia
Mountain Empire PACE, Big Stone Gap, Virginia
Riverside PACE, Hampton, Virginia
Riverside PACE, Richmond, Virginia
Sentara Senior Community Care PACE, Virginia Beach, Virginia
Sentara PACE Churchland, Portsmouth, Virginia

Specific Application Award Requirements:

Application submissions should be thorough and comprehensible, and include sufficient detail to allow the DMAS to properly evaluate the potential PACE provider's capabilities to provide the required services. The RFA requirements for each individual item will be thoroughly reviewed. All applicants are required to submit information as specified in the RFA.

Section III - Statement of Needs

PACE programs respond to the unique needs of seniors and their families to provide services to enhance the quality of life and autonomy for the elderly. The PACE program enables the elderly to live in the community as long as medically and socially feasible, and preserve and support the older adult's family unit. The PACE program requirements for Medicare and Medicaid capitated funding is regulated by federal and state laws.

The PACE program is limited to persons age 55 or older who live in the service area, meet nursing facility criteria established by state and federal requirements, and whose healthcare benefit may be Medicare, Medicaid, or private pay. The specific reporting requirements are outlined in state law and contract as well as federal requirements.

Section IV - Proposal Preparation and Submission Requirements

In order to be considered for selection as a potential PACE provider, the applicant must submit an original and five (5) hard copies of their RFA response by the due date and time specified in the RFA. Each copy of the application shall be bound separately. This submission shall be in a sealed envelope or sealed box clearly marked "RFA 2011-02 PACE Application." The Applicant shall also submit one electronic copy (compact disc preferred) of their application in MS Word format (Microsoft Word 2000 or compatible format). In addition, the Applicant shall submit a redacted (proprietary and confidential information removed) electronic copy in PDF format of their application.

The Commonwealth agrees that neither it nor its employees, representatives, or agents shall knowingly divulge any proprietary information with respect to the operation of the software, the technology embodied therein, or any other trade secret or proprietary information related thereto, except as

specifically authorized by the Applicant in writing or as required by the Freedom of Information Act or similar law. It shall be the Applicants responsibility to fully comply with § 2.2-4342F of the *Code of Virginia*. All trade secrets or proprietary information must be identified in writing or other tangible form and conspicuously labeled as “proprietary” either prior to or at the time of submission to the Commonwealth.

The Provider/Contractor assures that information and data obtained as to personal facts and circumstances related to patients or clients shall be collected and held confidential, during and following the term of this agreement, and will not be divulged without the individual’s and the agency’s written consent. Any information to be disclosed, except to the agency, must be in summary, statistical, or other form which does not identify particular individuals. Providers and their employees working on this project shall be required to sign the Confidentiality statement in this solicitation.

Ownership of all data, materials, and documentation originated and prepared for the State pursuant to the RFA shall belong exclusively to the State and be subject to public inspection in accordance with the *Virginia Freedom of Information Act*. Trade secrets or proprietary information submitted by an Applicant shall not be subject to public disclosure under the *Virginia Freedom of Information Act*; however, the Provider must invoke the protections of § 2.2-4342F of the *Code of Virginia*, in writing, either before or at the time the data or other material is submitted. The written notice must specifically identify the data or materials to be protected and state the reasons why protection is necessary. The proprietary or trade secret materials submitted must be identified by some distinct method such as highlighting or underlining and shall indicate only the specific words, figures, or paragraphs that constitute trade secret or proprietary information. The classification of an entire application, line item prices and/or total proposal prices as proprietary or trade secrets is not acceptable and, at the sole discretion of DMAS, may result in rejection and return of the application.

Request preparation:

An authorized representative of the potential PACE provider shall sign the submitted information. All RFA information requested shall be submitted. Failure to submit all information requested may result in DMAS requiring prompt submission of missing information and/or giving a lower evaluation of the application request. Application requests that are substantially incomplete or lack key information may be rejected by DMAS.

The application requests should be complete and provide concise descriptions of the PACE providers capabilities to satisfy the requirements. The application requests should provide clarity of content. Application requests should be typed with at least one-inch margins. The application requests should be organized in the order in which the requirements are presented in the RFA. The requirements should be clearly referenced in the document to the corresponding section.

Cover Sheet:

The cover sheet must be returned, signed and completed as required. Failure to submit an application without the official cover sheet may be a cause for rejecting the request for application.

Application Considerations:

The potential PACE provider must clearly and concisely describe why they are submitting a request for application to develop a PACE program for the aforementioned underserved areas. Do not exceed fifty (50) words.

Description of Potential PACE Provider:

This section must include information on the purpose and goals of the potential PACE provider, the number and type of potential enrollees expected to be enrolled, the geographic area served, organizational structure including number and type of staff; all-inclusive services, adult day health center experience/accomplishments, and effective use of existing community resources.

Needs Statement:

The potential PACE providers will explain the need for the service in the Farmville, Virginia geographic areas to be served. Information such as statistics, characteristics of the community, lack of similar resources, participant needs and the expected impact of the proposed service should be included. The request should state what attempts have been made to secure other funding sources. The following information shall be included in the proposal submitted: the estimated numbers to be served, cost per participant, impact on the community, a description of the service area and target population, the geographic area, and a listing of the major socioeconomic, health and cultural characteristics of the target populations. These projections should relate directly to the proposed budget that is submitted that includes projected start-up and annual operational costs.

Plan for Providing PACE Services:

This section of the proposal must provide a detailed description the services/activities to be provided and how the potential PACE provider will deliver the identified services. The proposal should indicate an estimate of the number and type of participants to be served and how the participants will be assessed and selected. The goals and objectives must be clearly defined, measurable and include time frames. Describe the activities necessary to achieve the objectives and explain the procedures that will be used to deliver the services, including the necessary planning. In the explanation list any equipment and resources that will be needed to provide the services.

Provide a clear description of the geographic boundaries (counties and cities) of service provisions and include a map. Provide explanations of how the PACE program will have the support and cooperation of other providers in the community, to include:

1. Completion of a market assessment that demonstrates sufficient potential PACE participants to develop a PACE program.
 - Complete a current (no earlier than 2008) financial feasibility study that will include financial viability for the next 5 years
 - Complete a current market assessment
 - Develop a complete business plan (to include a marketing plan, implementation plan, staffing plan, operational plan and exit strategy)

- Complete organizational assessment to determine if demographics and organizational resources and services will support development of a PACE program
- Submit a budget including projected start-up and annual operational costs

The market assessment will describe the needs of the potential PACE providers' community and the potential PACE provider program. The narrative will include the following information: activities and steps needed to achieve a PACE program outlining start-up and development, with a timeline; provide an explanation as to when the services/activities will be implemented; and an implementation plan listing feasible target dates for the beginning and end of each activity. The assessment should include a description identifying budget justification that will address activities that relate to the start-up and development of the PACE program. Describe the market assessment for the region and explain the feasibility specific to the service area.

The market assessment will describe the history of serving the target population, size for enrollment of PACE program, community-based alternatives and supportive referral sources. Describe how the PACE program will fill an unmet need for community-based long-term care. Explain how the PACE program will provide a good fit with the sponsoring organization's current mission, direction and services. Explain how the PACE organization is financially viable and offers a return on investment for a non-profit health organization.

The business plan must include realistic and attainable financial projections and demonstrate the range of financial performance. The management team is capable of achieving the desired financial and operating results. The PACE organization can manage the identified risk, but an exit plan has been developed if circumstances arise that require it. The business plan shall include an executive summary that should request board approval to establish a new PACE organization and the necessary start-up funds (including start-up capital and working capital). If external financing is needed, then the business plan should address this issue. The budget should define the total expenditures, show the source of funding for these expenditures, and provide statements for assurances of the availability of funding to complete the development and implementation of the PACE program.

The business plan should include: resources for consulting, acquisition of space, acquisition of equipment, vans, working capital, and solvency reserves. The PACE organization must be public or private 501 (c) (3) entity. The PACE organization costs should adjust to unique PACE program situation and market factors.

2. Demonstration of partnerships with acute care hospitals, nursing facilities, and other potential partners.
 - Define service areas including zip codes
 - Identify locations of hospitals, nursing facilities and other potential partners to ensure that all required covered services are provided
 - Identify contracted medical services
 - Submit job descriptions for Medical and Program Directors
 - Provide an organizational chart
 - Identify a Governing Board that includes community representation
 - A plan which safeguards against conflict of interest

Discuss community involvement and provide background on which community partners have been involved in the development of the PACE program. Identify and confirm agencies in which it will be critical for the PACE provider to have a partnership. Name and provide information on the sponsoring organization. Determine what services will be provided by the sponsoring organization. Explain how the PACE program will establish contracts for services. An example for this: A sponsoring organization is a health system and the PACE organization can contract for acute care services. Describe how the PACE program will determine which services will be provided by contract employees. Describe how the PACE program will establish contracts for all necessary services. Explain the process for which the PACE program will provide the delivery of services and manage the financial risk. Describe how the PACE program will address critical factors for assessing risk sharing; specifically existing partnerships, staffing, informal care giving, technology and access to long-term care services. Describe any performance standards that will be applied to personnel. Indicate the details of any provisions for subcontracting. Identify the staff responsible for service provision and of the supervision to be provided. Provide the numbers, positions, position descriptions, and qualifications of personnel that will be involved in the development and implementation of the PACE program.

3. Designation of an adult day care center from which to operate a PACE program.

- Identify experience as an adult day care provider
- Identify the location of the adult day care center and ensure that the adult day care center is or will be appropriately licensed
- Provide the full licensed capacity for the adult day care center

Discuss the designation of the adult day care center or the proposed location. Ensure that the center will be licensed with a timeline for how and when the proposed license will be obtained. Explain licensing issues such as: adult day care clinic, food service, fire marshal and equipment. Discuss how the PACE program will operate a PACE center with space for: primary care clinic, interdisciplinary team meetings, treatments, activities, therapies, socialization, personal care, and dining. Describe the PACE center location in terms of it being located in an identified area of the community familiar to those who will be served and the one sponsoring organization which already serves the area. The center location should be based on the analysis of the intended service area, the number of PACE eligible's and where PACE eligibles reside. The PACE program must consider the size and diversity of the service areas; if the PACE center encompasses many neighborhoods the PACE organization will need to integrate various populations within the service area. Provide an explanation that demonstrates that other health care service providers in the area are accepting of the new PACE center. The PACE program will describe how the PACE program will obtain acceptance from the community. The center should be in a safe area, easily accessible to community-based providers, hospitals, nursing facilities, and other complimentary services that the PACE program has identified as potential service options for the program. Describe whether the center will be leased or purchased.

4. Identification of funding partners to sustain a PACE project.

- Identify existing relationship with hospitals and physicians
- Identify support of PACE program that will have favorable contract rates for services, assistance with contracting and other in-kind support to defray start-up and ongoing costs and assist in reaching break even as soon as possible

Describe how the PACE program will establish long-term financial viability. Describe how the PACE program will sustain the elderly in the community. Explain the PACE providers experience in providing care in the following areas: acute care, long-term care, community-based care, existing service delivery system and its relationship to PACE. Explain the PACE providers experience with serving the dual eligible population. Identify sources of capital available and how these sources will be assessed. Discuss risk management and strategies and the PACE providers experience with bearing financial risk. Explain who will sustain the development of the program. Discuss the timeframes expected to implement and develop a PACE program.

Discuss the financial projections providing realistic and attainable goals. Discuss the sponsoring organizations management teams' ability to achieve financial and operating results. Explain how the PACE organization can manage the financial and operational risk, which includes financial sustainability and/or withdrawal from PACE development. Explain how the PACE program will address the participants needs in all care settings, 24 hours a day, 365 days a year. Explain how the participants will receive services at the PACE center, at home and at inpatient facilities.

Section V - Evaluation and Award Criteria

The potential PACE providers will be evaluated by a committee selected by DMAS.

Evaluation Criteria and Weights

The potential PACE providers shall be evaluated by the Evaluation Committee using the criteria included in this document. Evaluation will be made and points awarded based solely on the information contained in the grant request. DMAS reserves the right of final approval and to reject any and all applications.

Criteria:

1. Completion of a market assessment that demonstrates sufficient potential of PACE participants to develop a PACE program. **Total Points: 25**
2. Demonstration of partnerships with acute care hospitals, nursing facilities, and other potential partners. **Total Points: 25**
3. Designation of an adult day health care center from which to operate a PACE program. **Total Points: 20**
4. Identification of funding partners to sustain a PACE project. **Total Points: 20**
5. Completeness of response to this RFA: **Total Points: 8**
6. Small, women, and/or minority-owned (SWAM) businesses: **Total Points: 2**

The Application award will be made based upon the potential PACE providers deemed to be fully qualified and best suited among those submitting application requests on the basis of the evaluation and criteria factors included in the requirements for application award. DMAS shall select the provider who has submitted the best proposal and shall award the contract based on evaluation results and qualifications of the provider. Should DMAS determine in writing and in its sole discretion that only one potential PACE provider is fully qualified, or that one potential PACE provider is clearly more qualified than other applicants under consideration; a contract may be negotiated and awarded to that

PACE provider. The award document will be a contract incorporating, by reference, all the requirements, terms and conditions of this solicitation.

Important Dates:

Deadline for receipt of questions and letters of intent: 2:00 pm, local time, **February 15, 2011.**

Section VI - GENERAL TERMS AND CONDITIONS

- 6.1 VENDORS MANUAL:** This solicitation is subject to the provisions of the Commonwealth of Virginia *Vendors Manual* and any changes or revisions thereto, which are hereby incorporated into this contract in their entirety. The procedure for filing contractual claims is in section 7.19 of the *Vendors Manual*. A copy of the manual is normally available for review at the purchasing office and is accessible on the Internet at <http://www.eva.virginia.gov/learn-about-eva/vendors-manual.htm> under “Manuals.”
- 6.2 APPLICABLE LAWS AND COURTS:** This solicitation and any resulting contract shall be governed in all respects by the laws of the Commonwealth of Virginia and any litigation with respect thereto shall be brought in the courts of the Commonwealth. DMAS and the contractor are encouraged to resolve any issues in controversy arising from the award of the contract or any contractual dispute using Alternative Dispute Resolution (ADR) procedures (*Code of Virginia*, § 2.2-4366). ADR procedures are described in Chapter 9 of the *Vendors Manual*. The contractor shall comply with all applicable federal, state and local laws, rules and regulations.
- 6.3 ANTI-DISCRIMINATION:** By submitting their proposals, offerors certify to the Commonwealth that they will conform to the provisions of the Federal Civil Rights Act of 1964, as amended, as well as the Virginia Fair Employment Contracting Act of 1975, as amended, where applicable, the Virginians With Disabilities Act, the Americans With Disabilities Act and § 2.2-4311 of the Virginia Public Procurement Act (VPPA). If the award is made to a faith-based organization, the organization shall not discriminate against any recipient of goods, services, or disbursements made pursuant to the contract on the basis of the recipient's religion, religious belief, refusal to participate in a religious practice, or on the basis of race, age, color, gender or national origin and shall be subject to the same rules as other organizations that contract with public bodies to account for the use of the funds provided; however, if the faith-based organization segregates public funds into separate accounts, only the accounts and programs funded with public funds shall be subject to audit by the public body. (*Code of Virginia*, § 2.2-4343.1E).

In every contract over \$10,000 the provisions in number one (1) and number two (2) below apply:

- 1. During the performance of this contract, the contractor agrees as follows:
 - a. The contractor will not discriminate against any employee or applicant for employment because of race, religion, color, sexual orientation, national origin, age, disability, or any other basis prohibited by state law relating to discrimination in employment, except where there is a bona fide occupational qualification reasonably necessary to the normal operation of the contractor. The contractor agrees to post in conspicuous places, available to employees and

applicants for employment, notices setting forth the provisions of this nondiscrimination clause.

b. The contractor, in all solicitations or advertisements for employees placed by or on behalf of the contractor, will state that such contractor is an equal opportunity employer.

c. Notices, advertisements and solicitations placed in accordance with federal law, rule or regulation shall be deemed sufficient for the purpose of meeting these requirements.

2. The contractor will include the provisions of number one (1) above in every subcontract or purchase order over \$10,000, so that the provisions will be binding upon each subcontractor or vendor.

6.4 ETHICS IN PUBLIC CONTRACTING: By submitting their proposals, offerors certify that their proposals are made without collusion or fraud and that they have not offered or received any kickbacks or inducements from any other offeror, supplier, manufacturer or subcontractor in connection with their proposal, and that they have not conferred on any public employee having official responsibility for this procurement transaction any payment, loan, subscription, advance, deposit of money, services, or anything of more than nominal value, present or promised, unless consideration of substantially equal or greater value was exchanged.

6.5 IMMIGRATION REFORM AND CONTROL ACT OF 1986: By entering into a written contract with the Commonwealth of Virginia (COV), the Provider/Contractor certifies that the Contractor does not, and shall not during the performance of the contract for goods and services in the Commonwealth, knowingly employ an unauthorized alien as defined in the federal Immigration Reform and Control Act of 1986.

6.6 DEBARMENT STATUS: By submitting their proposals, offerors certify that they are not currently debarred by the Commonwealth of Virginia from submitting bids or proposals on contracts for the type of goods and/or services covered by this solicitation, nor are they an agent of any person or entity that is currently so debarred.

6.7 ANTITRUST: By entering into a contract, the contractor conveys, sells, assigns, and transfers to the Commonwealth of Virginia all rights, title and interest in and to all causes of action it may now have or hereafter acquire under the antitrust laws of the United States and the Commonwealth of Virginia, relating to the particular goods or services purchased or acquired by the Commonwealth of Virginia under said contract.

6.8 MANDATORY USE OF STATE FORM AND TERMS AND CONDITIONS: Failure to submit a proposal on the official state form, in this case the completed and signed RFA Cover Sheet may be a cause for rejection of the proposal. Modification of or additions to the General Terms and Conditions of the solicitation may be cause for rejection of the proposal; however, the Commonwealth reserves the right to decide, on a case by case basis, in its sole discretion, whether to reject such a proposal.

6.9 CLARIFICATION OF TERMS: If any prospective provider has questions about the specifications or other solicitation documents, the prospective provider should contact the individual whose name appears on the face of the solicitation no later than **2:00 pm, local time,**

February 15, 2011. Any revisions to the solicitation will be made only by an addendum issued by the contact person. Offerors must check the DMAS web site at http://dmasva.dmas.virginia.gov/Content_pgs/ltc-pace_prtnrs.aspx for any addendums or notices regarding this RFA. Questions regarding the RFA may be submitted along with the Letter of Intent.

6.10 PAYMENT:

1. To the Selected Provider/Contractor:

A. Invoices for items ordered, delivered and accepted shall be submitted by the Provider/Contractor directly to the payment address shown on the purchase order/contract. All invoices shall show the state contract number and/or purchase order number; social security number (for individual contractors) or the federal employer identification number (for proprietorships, partnerships, and corporations).

B. Any payment terms requiring payment in less than 30 days will be regarded as requiring payment 30 days after invoice or delivery, whichever occurs last. This shall not affect offers of discounts for payment in less than 30 days.

C. All goods or services provided under this contract or purchase order, that are to be paid with public funds, shall be billed by the provider at the contract price, regardless of which public agency is being billed.

D. The following shall be deemed to be the date of payment: the date of postmark in all cases where payment is made by mail, or the date of offset when offset proceedings have been instituted as authorized under the Virginia Debt Collection Act.

E. Unreasonable Charges. Under certain emergency procurements and for most time and material purchases, final job costs cannot be accurately determined at the time orders are placed. In such cases, contractors should be put on notice that final payment in full is contingent on a determination of reasonableness with respect to all invoiced charges. Charges which appear to be unreasonable will be researched and challenged, and that portion of the invoice held in abeyance until a settlement can be reached. Upon determining that invoiced charges are not reasonable, the Commonwealth shall promptly notify the contractor, in writing, as to those charges which it considers unreasonable and the basis for the determination. A contractor may not institute legal action unless a settlement cannot be reached within thirty (30) days of notification. The provisions of this section do not relieve an agency of its prompt payment obligations with respect to those charges which are not in dispute (*Code of Virginia*, § 2.2-4363).

2. To Subcontractors:

A. Provider/Contractor awarded a contract under this solicitation is hereby obligated:

- (1) To pay the subcontractor(s) within seven (7) days of the Provider's/Contractor's receipt of payment from the Commonwealth for the proportionate share of the payment received for work performed by the subcontractor(s) under the contract; or

(2) To notify the agency and the subcontractor(s), in writing, of the Contractor's intention to withhold payment and the reason.

B. The provider is obligated to pay the subcontractor(s) interest at the rate of one percent per month (unless otherwise provided under the terms of the contract) on all amounts owed by the contractor that remain unpaid seven (7) days following receipt of payment from the Commonwealth, except for amounts withheld as stated in (2) above. The date of mailing of any payment by U. S. Mail is deemed to be payment to the addressee. These provisions apply to each sub-tier contractor performing under the primary contract. A Contractor's obligation to pay an interest charge to a subcontractor may not be construed to be an obligation of the Commonwealth.

3. Each provider/contractor who wins an award in which provision of a SWAM procurement plan is a condition to the award, shall deliver to the contracting agency or institution on or before request for final payment, evidence and certification of compliance (subject only to insubstantial shortfalls and to shortfalls arising from subcontractor default) with the SWAM procurement plan. Final payment under the contract in question may be withheld until such certification is delivered and, if necessary, confirmed by the agency or institution, or other appropriate penalties may be assessed in lieu of withholding such payment.

6.11 PRECEDENCE OF TERMS: The following General Terms and Conditions Vendors Manual, Applicable Laws and Courts, Anti-Discrimination, Ethics in Public Contracting, Immigration Reform and Control Act of 1986, Debarment Status, Antitrust, Mandatory Use of State form and Terms and Conditions, Clarification of Terms, payment shall apply in all instances. In the event there is a conflict between any of the General Terms and Conditions and any Special Terms and Conditions in this solicitation, the Special Terms and Conditions shall apply.

6.12 QUALIFICATIONS OF PROVIDERS: The Commonwealth may make such reasonable investigations as deemed proper and necessary to determine the ability of the provider to perform the services/furnish the goods and the provider shall furnish to the Commonwealth all such information and data for this purpose as may be requested. The Commonwealth reserves the right to inspect the provider's physical facilities prior to award to satisfy questions regarding the provider's capabilities. The Commonwealth further reserves the right to reject any proposal if the evidence submitted by, or investigations of, such provider fails to satisfy the Commonwealth that such provider is properly qualified to carry out the obligations of the contract and to provide the services and/or furnish the goods contemplated therein.

6.13 TESTING AND INSPECTION: The Commonwealth reserves the right to conduct any test/inspection it may deem advisable to assure goods and services conform to the specifications.

6.14 ASSIGNMENT OF CONTRACT: A contract shall not be assigned by the Provider/Contractor in whole or in part without the written consent of the Commonwealth.

6.15 CHANGES TO THE CONTRACT: Changes can be made to the contract in any of the following ways:

1. The parties may agree in writing to modify the scope of the contract. An increase or decrease in the price of the contract resulting from such modification shall be agreed to by the parties as a part of their written agreement to modify the scope of the contract.
2. The Purchasing Agency may order changes within the general scope of the contract at any time by written notice to the contractor. Changes within the scope of the contract include, but are not limited to, things such as services to be performed, the method of packing or shipment, and the place of delivery or installation. The provider shall comply with the notice upon receipt.. The Provider shall be compensated for any additional costs incurred as the result of such order and shall give the Purchasing Agency a credit for any savings. Said compensation shall be determined by one of the following methods:
 - A. By mutual agreement between the parties in writing; or
 - B. By agreeing upon a unit price or using a unit price set forth in the contract, if the work to be done can be expressed in units, and the Provider accounts for the number of units of work performed, subject to the Purchasing Agency's right to audit the contractor's records and/or to determine the correct number of units independently; or
 - C. By ordering the provider to proceed with the work and keep a record of all costs incurred and savings realized. A markup for overhead and profit may be allowed if provided by the contract. The same markup shall be used for determining a decrease in price as the result of savings realized. The provider shall present the Purchasing Agency with all vouchers and records of expenses incurred and savings realized. The Purchasing Agency shall have the right to audit the records of the provider as it deems necessary to determine costs or savings. Any claim for an adjustment in price under this provision must be asserted by written notice to the Purchasing Agency within thirty (30) days from the date of receipt of the written order from the Purchasing Agency. If the parties fail to agree on an amount of adjustment, the question of an increase or decrease in the contract price or time for performance shall be resolved in accordance with the procedures for resolving disputes provided by the Disputes Clause of this contract or, if there is none, in accordance with the disputes provisions of the Commonwealth of Virginia *Vendors Manual*. Neither the existence of a claim nor a dispute resolution process, litigation or any other provision of this contract shall excuse the Contractor from promptly complying with the changes ordered by the Purchasing Agency or with the performance of the contract.

6.16 DEFAULT: In case of failure to deliver goods or services in accordance with the contract terms and conditions, the Commonwealth, after due oral or written notice, may procure them from other sources and hold the provider responsible for any resulting additional purchase and administrative costs. This remedy shall be in addition to any other remedies which the Commonwealth may have.

6.17 INSURANCE: By signing and submitting a bid or proposal under this solicitation, the bidder or offeror certifies that if awarded the contract, it will have the following insurance coverage at the time the contract is awarded. For construction contracts, if any subcontractors are involved, the subcontractor will have workers' compensation insurance in accordance with §§ 2.2-4332 and 65.2-800 et seq. of the *Code of Virginia*. The bidder or provider further certifies that the provider and any subcontractors will maintain insurance coverage during the entire term of the

contract and that all insurance coverage will be provided by insurance companies authorized to sell insurance in Virginia by the Virginia State Corporation Commission.

MINIMUM INSURANCE COVERAGES AND LIMITS REQUIRED FOR MOST CONTRACTS:

1. Workers' Compensation: Statutory requirements and benefits: Coverage is compulsory for employers of three or more employees, to include the employer. Providers who fail to notify the Commonwealth of increases in the number of employees that change their workers' compensation requirements under the *Code of Virginia* during the course of the contract shall be in noncompliance with the contract.
2. Employer's Liability: \$100,000.
3. Commercial General Liability: \$1,000,000 per occurrence. Commercial General Liability is to include bodily injury and property damage, personal injury and advertising injury, products and completed operations coverage. The Commonwealth of Virginia must be named as an additional insured and so endorsed on the policy.
4. Automobile Liability: \$1,000,000 per occurrence. (Only used if motor vehicle is to be used in the contract.).

6.18 ANNOUNCEMENT OF AWARD: Upon the award or the announcement of the decision to award a RFA over \$50,000, as a result of this solicitation, the purchasing agency will publicly post such notice on the DMAS web site at http://dmasva.dmas.virginia.gov/Content_pgs/lc-pace_prttrs.aspx for a minimum of 10 days.

6.19 DRUG-FREE WORKPLACE: During the performance of this contract, the provider agrees to (i) provide a drug-free workplace for the provider's employees; (ii) post a statement regarding a drug free work place in conspicuous places, available to employees and applicants for employment, a statement notifying employees that the unlawful manufacture, sale, distribution, dispensation, possession, or use of a controlled substance or marijuana is prohibited in the provider's workplace and specifying the actions that will be taken against employees for violations of such prohibition; (iii) state in all solicitations or advertisements for employees placed by or on behalf of the provider that the provider maintains a drug-free workplace; and (iv) include the provisions of the foregoing clauses in every subcontract or purchase order of over \$10,000, so that the provisions will be binding upon each subcontractor or Vendor.

For the purposes of this section, "*drug-free workplace*" means a site for the performance of work done in connection with a specific contract awarded to a provider, the employees of who are prohibited from engaging in the unlawful manufacture, sale, distribution, dispensation, possession or use of any controlled substance or marijuana during the performance of the contract.

6.20 NONDISCRIMINATION OF PROVIDERS: A bidder, offeror, or provider shall not be discriminated against in the solicitation or award of this contract because of race, religion, color, sex, national origin, age, disability, faith-based organizational status, any other basis prohibited by state law relating to discrimination in employment or because the bidder or offeror employs ex-offenders unless the state agency, department or institution has made a written determination that employing ex-offenders on the specific contract is not in its best interest. If the award of this contract is made to a faith-based organization and an individual, who applies for or receives

goods, services, or disbursements provided pursuant to this contract objects to the religious character of the faith-based organization from which the individual receives or would receive the goods, services, or disbursements, the public body shall offer the individual, within a reasonable period of time after the date of his objection, access to equivalent goods, services, or disbursements from an alternative provider.

6.21 AVAILABILITY OF FUNDS: It is understood and agreed between the parties herein that the agency shall be bound hereunder only to the extent of the funds available or which may hereafter become available for the purpose of this agreement.

Section VII - SPECIAL TERMS AND CONDITIONS

7.1 ACCESS TO PREMISES: The provider shall allow duly authorized agents or representatives of the State or Federal Government, during normal business hours, access to provider's and subcontractors' premises, to inspect, audit, monitor or otherwise evaluate the performance of the provider's and subcontractor's contractual activities and shall forthwith produce all records requested as part of such review or audit. In the event right of access is requested under this section, the provider and 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 personnel conducting the audit or inspection effort. All inspections or audits shall be conducted in a manner as will not unduly interfere with the performance of the provider or subcontractor's activities. The provider will be given thirty (30) calendar days to respond to any preliminary findings of an audit before the Department shall finalize its findings. All information so obtained will be accorded confidential treatment as provided under applicable law.

The Department, the Office of the Attorney General of the Commonwealth of Virginia, the federal Department of Health and Human Services, and/or their duly authorized representatives shall be allowed access to evaluate through inspection or other means, the quality, appropriateness, and timeliness of services performed under this application.

7.2 ACCESS TO AND RETENTION OF RECORDS: In addition to the requirements outlined below, the Provider must comply, and must require compliance by its subcontractors with the security and confidentiality of records standards.

7.2.1 ACCESS TO RECORDS: The Department, its duly authorized representatives and State and Federal auditors shall have access to any books, fee schedules, documents, papers, and records of the Provider and any of its subcontractors.

The Department, or its duly authorized representatives, shall be allowed to inspect, copy, and audit any of the above documents, including, medical and/or financial records of the Provider/Contractor and its subcontractors.

7.2.2 RETENTION OF RECORDS: The Provider shall retain all records and reports relating to this Application for a period of six (6) years after final payment is made under this Application or in the event that this Application is renewed six (6) years after the renewal date. When an audit,

litigation, or other action involving records is initiated prior to the end of said period, however, records shall be maintained for a period of six (6) years following resolution of such action or longer if such action is still ongoing. Copies on microfilm or other appropriate media of the documents contemplated herein may be substituted for the originals provided that the microfilming or other duplicating procedures are reliable and are supported by an effective retrieval system which meets legal requirements to support litigation, and to be admissible into evidence in any court of law.

- 7.3 ADVERTISING:** In the event a contract is awarded for services resulting from this proposal, no indication of such sales or services to DMAS will be used in product literature or advertising. The Provider shall not state in any of its advertising or product literature that the Commonwealth of Virginia or any agency or institution of the Commonwealth has purchased or uses its products or services.
- 7.4 AUDIT:** The Provider shall retain all books, records, and other documents relative to this contract for six (6) years after final payment, or longer if audited by the Commonwealth of Virginia, whichever is sooner. The agency, its authorized agents, and/or state auditors shall have full access to and the right to examine any of said materials during said period.
- 7.5 AWARD:** The application award will be made based upon one potential PACE provider deemed to be fully qualified and best suited among those submitting application requests on the basis of the evaluation factors included in the requirements. DMAS shall select which in its opinion, have made the best proposal and shall make the award the contract based on those findings. If the Commonwealth determines in writing and in its sole discretion that only one potential PACE provider is fully qualified, or that one potential PACE provider is clearly more qualified than the others under consideration, a contract may be negotiated and awarded to that PACE provider. The award document will be a contract incorporating by reference all the requirements, terms and conditions of this solicitation.
- 7.6 CANCELLATION OF CONTRACT:** The Department reserves the right to cancel and terminate any resulting contract, in part or in whole, without penalty, upon 30 days written notice to the provider. Any contract cancellation notice shall not relieve the provider of the obligation to deliver and/or perform on all outstanding services issued prior to the effective date of cancellation.
- 7.7 TERMINATION:** This Contract may be terminated in whole or in part:
- a. By the Department, for convenience with not less than thirty (30) days prior written notice, which notice shall specify the effective date of the termination;
 - b. By the Department, in whole or in part, if funding from Federal, State, or other sources is withdrawn, reduced, or limited;
 - c. By the Department if the Department determines that the instability of the provider's financial condition threatens delivery of services and continued performance of the Provider's responsibilities; or
 - d. By the Department if the Department determines that the provider has failed to satisfactorily perform its contracted duties and responsibilities.

The Contractor shall not terminate this contract in part.

Each of these conditions for contract termination is described in the following paragraphs.

A. Termination for Convenience

1. The Department may terminate this contract at any time without cause, in whole or in part, upon giving the contractor notice of such termination. Upon such termination, the contractor shall immediately cease work and remove from the project site all of its labor forces and such of its materials as owner elects not to purchase or to assume in the manner hereinafter provided. Upon such termination, the contractor shall take such steps as owner may require to assign to the owner the contractor's interest in all subcontracts and purchase orders designated by owner. After all such steps have been taken to owner's satisfaction; the contractor shall receive as full compensation for termination and assignment the following:
 - a All amounts then otherwise due under the terms of this contract,
 - b Amounts due for work performed subsequent to the latest Request for Payment through the date of termination,
 - c Reasonable compensation for the actual cost of demobilization incurred by the contractor as a direct result of such termination. The contractor shall not be entitled to any compensation for lost profits or for any other type of contractual compensation or damage other than those provided by the preceding sentence. Upon payment of the forgoing, owner shall have no further obligations to the contractor of any nature.
2. In no event shall termination for the convenience of DMAS terminate the obligations of the contractor's surety on its payment and performance bonds.

B. TERMINATION FOR AVAILABLE FUNDS: The Provider understands and agrees that the Department shall be bound only to the extent of the funds available or which may become available for the purpose of this resulting Contract. When the Department makes a written determination that funds are not adequately appropriated or otherwise unavailable to support continuance of performance of this Contract, the Department shall, in whole or in part, cancel or terminate this Contract.

The Department's payment of funds for purposes of this Contract is subject to and conditioned upon the availability of funds for such purposes, whether Federal and/or State funds. The Department may terminate this Contract upon written notice to the provider at any time prior to the completion of this Contract, if, in the sole opinion of the Department, funding becomes unavailable for these services or such funds are restricted or reduced. In the event that funds are restricted or reduced, it is agreed by both parties that, at the sole discretion of the Department, this Contract may be amended. If the provider shall be unable or unwilling to provide covered services at reduced rates, the Contract shall be terminated.

No damages, losses, or expenses may be sought by the provider against the Department, if, in the sole determination of the Department, funds become unavailable before or after this Contract between the parties is executed. A determination by the Department that funds are not appropriated or is otherwise inadequate or unavailable to support the continuance of this Contract shall be final and conclusive.

C TERMINATION BECAUSE OF FINANCIAL INSTABILITY: In the event DMAS determines that the provider has become financially unstable to the point of threatening the ability of the Department to obtain the services provided for under the Contract, ceases to conduct business in the normal course, makes a general assignment for the benefit of creditors, or suffers or permits the appointment of a receiver for its business or assets, the Department may,

at its option, immediately terminate this Contract effective at the close of business on a date specified by the Department. In the event the Department elects to terminate the Contract under this provision, the provider shall be notified in writing, by either certified or registered mail, specifying the date of termination. The provider shall submit a written waiver of the licensee's rights under the Federal bankruptcy laws.

In the event of the filing of a petition in bankruptcy by a principal network provider or subcontractor, the Provider shall immediately advise the Department. The provider shall ensure that all tasks that have been delegated to its subcontractor(s) are performed in accordance with the terms of this Contract.

D TERMINATION FOR DEFAULT: The Department may terminate the Contract, in whole or in part, if the Department determines that the provider has failed to satisfactorily perform its duties and responsibilities under this Contract and is unable to resolve such failure within a reasonable period of time as specified in writing by the Department, taking into consideration the gravity and nature of the default. Such termination shall be referred to herein as "Termination for Default."

Upon determination by the Department that the provider has failed to satisfactorily perform its duties and responsibilities under this Contract, the provider shall be notified in writing, by either certified or registered mail, of the failure and of the time period which has been established to cure such failure. If the provider is unable to resolve the failure within the specified time period, the Department will notify the provider in writing within thirty (30) calendar days of the last day of the specified time period that the Contract, has been terminated in full or in part, for default. This written notice will identify all of the provider's responsibilities in the case of the termination, including responsibilities related to enrollee notification, network provider notification, refunds of advance payments, return or destruction of Department data and liability for medical claims.

In the event that DMAS determines that the provider's failure to perform its duties and responsibilities under this contract results in a substantial risk to the health and safety of Medicaid recipients, DMAS may terminate this contract immediately without notice.

If, after notice of termination for default, it is determined by the Department or by a court of law that the provider was not in default or that the provider's failure to perform or make progress in performance was due to causes beyond the control of and without error or negligence on the part of the provider or any of its subcontractors, the notice of termination shall be deemed to have been issued as a termination for the convenience of the Department, and the rights and obligations of the parties shall be governed accordingly.

In the event of termination for default, in full or in part, as provided for under this clause, the Department may procure from other sources, upon such terms and in such manner as is deemed appropriate by the Department, supplies or services similar to those terminated, and the provider shall be liable for any costs for such similar supplies and services and all other damages allowed by law. In addition, the provider shall be liable to the Department for administrative costs incurred to procure such similar supplies or services as are needed to continue operations. In the event of a termination for default prior to the start of operations, any claim the provider may assert shall be governed by the procedures defined by the Department for handling contract

termination. Nothing herein shall be construed as limiting any other remedies that may be available to the Department.

In the event of a termination for default during ongoing operations, the provider shall be paid for any outstanding payments due less any assessed damages.

7.8 REMEDIES FOR VIOLATION, BREACH, OR NON-PERFORMANCE OF CONTRACT: Upon receipt by the Department of evidence of substantial non-compliance by the provider with any of the provisions of this Contract or with State or federal laws or regulations the following remedies may be imposed

1. Procedure for Contractor Noncompliance Notification

In the event that the Department identifies or learns of noncompliance with the terms of this contract, the Department will notify the Contractor in writing of the nature of the noncompliance. The Contractor must remedy the noncompliance within a time period established by the Department and the Department will designate a period of time, not less than ten (10) calendar days, in which the Contractor must provide a written response to the notification. The Department may develop or may require the Contractor to develop procedures with which the Contractor must comply to eliminate or prevent the imposition of specific remedies.

2. Remedies Available To the Department

The Department reserves the right to employ, at the Department's sole discretion, any and all remedies available at law or equity including but not limited to, payment withholds and/or termination of the contract.

7.9 PAYMENT: The provider shall be prepared to provide the full range of services requested under this RFA and resultant contract, on site and operationally ready to begin work by the implementation date established by DMAS. DMAS will provide adequate prior notice of the implementation date. Upon approval of the provider's operational readiness and a determined start date, DMAS shall make payments as described in the PACE Program Two-Way Agreement.

7.10 IDENTIFICATION OF PROPOSAL ENVELOPE: The signed proposal should be returned in a separate envelope or package sealed and identified as follows:

From:

Name of Provider _____
Street or Box Number _____
City, State, Zip Code _____

Due Date/ Time _____
RFA Number _____

Name of Contract/Purchase Officer: _____

The envelope should be addressed as directed on Page one (1) of the solicitation.

If a proposal is not mailed to DMAS in the proposal envelope, the provider assumes the risk that the envelope, even if marked as described above, may be inadvertently opened and the information compromised which may cause the proposal to be disqualified. Proposals may be hand delivered to the designated location in the office issuing the solicitation. No other correspondence or other proposals should be placed in the envelope.

- 7.11 INDEMNIFICATION:** The provider agrees to indemnify, defend and hold harmless the Commonwealth of Virginia, its officers, agents, and employees from any claims, damages and actions of any kind or nature, whether at law or in equity, arising from or caused by the use of any materials, goods, or equipment of any kind or nature furnished by the provider/any services of any kind or nature furnished by the provider, provided that such liability is not attributable to the sole negligence of the using agency or to failure of the using agency to use the materials, goods, or equipment in the manner already and permanently described by the Provider on the materials, goods or equipment delivered.
- 7.12 SWAM BUSINESSES SUBCONTRACTING AND EVIDENCE OF COMPLIANCE:** Where it is practicable for any portion of the awarded contract to be subcontracted to other suppliers, the provider is encouraged to offer such business to small, women, and/or minority-owned (SWAM) businesses.
- 7.13 PRIME PROVIDER RESPONSIBILITIES:** The prime provider shall be responsible for completely supervising and directing the work under this contract and all subcontractors that may be utilized, using skill and attention to the work performed. Subcontractors who perform work under this contract shall be responsible to the prime provider. The provider agrees to full responsibility for the acts and omissions of subcontractors and of persons employed by them for the acts and omissions of the provider's own employees.
- 7.14 CONFIDENTIALITY INFORMATION:** By submitting a proposal, the provider agrees that information or data obtained by the provider from DMAS during the course of determining and/or preparing the proposal may not be used for any other purpose than determining and/or preparing the provider's proposal. Such information or data may not be disseminated or discussed for any reasons not directly related to the determination or preparation of the proposal.
- 7.15 HIPAA COMPLIANCE:** The provider shall comply, and shall ensure that any and all subcontractors comply, with all State and Federal laws and Regulations with regards to handling, processing, or using Health Care Data. This includes but is not limited to the Health Insurance Portability and Accountability Act of 1996 (HIPAA) regulations as it pertains to this agreement, and the provider shall keep abreast of the regulations. Since this is a federal law and the regulations apply to all health care information, the provider shall comply with the HIPAA regulations at no additional cost to DMAS. **The provider will also be required to enter into a DMAS-supplied HIPAA Business Associate Agreement with DMAS to comply with the regulations protecting Health Care Data. A template of this Agreement is available on the DMAS Internet Site at http://dmasva.dmas.virginia.gov/Content_pgs/ab-ocs.aspx.**

7.16 OBLIGATION OF PROVIDER: By submitting a proposal, the provider covenants and agrees that it has satisfied itself of the conditions to be met, and fully understands its obligations, and that it will have no right to cancel this proposal or to relief of any other nature because of its misunderstanding or lack of information.

7.17 INDEPENDENT PROVIDER: Any provider awarded a contract under this RFA will be considered an independent provider, and neither the provider, nor a personnel employed by the provider is to be considered an employee or agent of DMAS.

7.18 OWNERSHIP OF INTELLECTUAL PROPERITY: All copyright and patent rights to all papers, reports, forms, materials, creations, or inventions created or developed in the performance of this contract shall become the sole property of the Commonwealth. On request, the provider shall promptly provide an acknowledgement or assignment in a tangible form satisfactory to the Commonwealth to evidence the Commonwealth's sole ownership of specifically identified intellectual property created or developed in the performance of the contract.

7.19 SUBSIDIARY-PARENT RELATIONSHIP: In the event the provider is a subsidiary or division of a parent organization, the provider must include in the proposal, a signed statement by the chief executive officer of the parent organization pledging the full resources of the parent organization to meet the responsibilities of the subsidiary organization under contract to DMAS. Any change in ownership will not relieve the original parent of its obligation of pledging its full resources to meet the obligations of the contract with DMAS without the expressed written consent of the DMAS Director.

7.20 Compliance With Virginia Information Technology Accessibility Standard

The provider will comply with all State laws and Regulations with regards to accessibility to information technology equipment, software, networks, and web sites used by blind and visually impaired individuals. This accessibility standards are State law see § 2.2-3502 and § 2.2-3503 of The Code of Virginia. Since this is a State law and the regulations apply to accessibility to information technology equipment, software, networks, and web sites used by blind and visually impaired individuals, the provider will comply with the Accessibility Standards at no additional cost to DMAS. The provider must also keep abreast of any future changes to The Virginia Code as well as any subsequent revisions to the Virginia Information Technology Standards. The current Virginia Information Technology Accessibility Standards are published on the Internet at <http://www.vita.virginia.gov/library/default.aspx?id=663>

7.21 Continuity of Services

- a. The Provider/Contractor recognizes that the services under this contract are vital to the Agency and must be continued without interruption and that, upon contract expiration, a successor, either the Agency or another contractor, may continue them. The Contractor agrees:

- (i) To exercise its best efforts and cooperation to effect an orderly and efficient transition to a successor;
 - (ii) To make all Agency owned facilities, equipment and data available to any successor at an appropriate time prior to the expiration of the contract to facilitate transition to successor; and
 - (iii) That the Agency Contracting Officer shall have final authority to resolve disputes related to the transition of the contract from the Contractor to its successor.
- b. The Provider/Contractor shall, upon written notice from the Contract Officer, furnish phase-in/phase-out services for up to ninety (90) days after this contract expires and shall negotiate in good faith a plan with the successor to execute the phase-in/phase-out services. This plan shall be subject to the Contract Officer's approval.
- c. The Provider/Contractor shall not be reimbursed for all reasonable, pre-approved phase-in/phase-out costs (i.e. costs incurred within the agreed period after contract expiration that result from phase-in, phase-out operations) and a fee (profit) not to exceed a pro rata portion of the fee (profit) under this contract. All phase-in/phase-out work fees must be approved by the Contract Officer in writing prior to commencement of said work.

7.22 STATE CORPORATION COMMISSION IDENTIFICATION NUMBER: Pursuant to Code of Virginia, §2.2-4311.2 subsection B, an applicant organized or authorized to transact business in the Commonwealth pursuant to Title 13.1 or Title 50 is required to include in its application the identification number issued to it by the State Corporation Commission (SCC). Any applicant that is not required to be authorized to transact business in the Commonwealth as a foreign business entity under Virginia Code Titles 13.1 or 50 or as otherwise required by law is required to include in its application a statement describing why the applicant is not required to be so authorized.

Section VIII - Schedule for Review

Applications filed in response to this RFA shall be in accordance with the provisions of 12VAC30-50-320 - 12VAC30-50-360. The review schedule below will apply. Letters of intent and applications must be received by the Virginia Department of Medical Assistance Services, Division of Long-Term Care by the dates shown below in order to qualify for consideration.

- Letter of Intent and questions must be received by **2:00 pm, local time, February 15, 2011.**
- Application must be received by **2:00 pm, local time, April 28, 2011.**
- Review of applications will begin **on May 6, 2011.**