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STATE OF COLORADO
DEPARTMENT OF HUMAN SERVICES CONTRACT

SIGNATURE AND COVER PAGES

State Agency Colorado Department of Human Services Office of Children, Youth and Families Division of Youth Services 4131 S Julian Way Denver CO 80236-3101	**Contractor** Correctional Health Partners LLC 1125 17th St, Suite 1010 Denver CO 80202 Contractor's State of Incorporation: **Colorado**
Contract Maximum Amount Initial Term State Fiscal Year 2022 $4,031,038 Extension Terms State Fiscal Year 2023 $4,031,038 State Fiscal Year 2024 $4,031,038 State Fiscal Year 2025 $4,031,038 State Fiscal Year 2026 $4,031,038 Maximum Amount for All Fiscal Years $20,155,190	**Contract Performance Beginning Date** The later of the Effective Date or July 1, 2021 **Initial Contract Expiration Date** June 30, 2022 Except as stated in **§2.D**, the total duration of this Contract, including the exercise of any options to extend, shall not exceed five (5) Years from its Performance Beginning Date.
Pricing/Funding Price Structure: Other Contractor shall invoice: As specified elsewhere Fund Source: State general funds	**Options** The State shall have the following options if indicated with "Yes," as further described in §2.C and §5.B.v: Option to Extend Term per §2.C: Yes Option to Increase or Decrease Maximum Amount per §5.B.v: Yes
Insurance Contractor shall maintain the following insurance if indicated with "Yes," as further described in **§**10: Worker's Compensation: Yes General Liability: Yes Automobile Liability: **No** Protected Information: **Yes** Professional Liability Insurance: **Yes** Cyber/Net. Security-Privacy Liability Insurance: **No** Crime Insurance: **Yes**	**Miscellaneous** Authority to enter into this Contract exists in: C.R.S. § 19-2-403 and C.R.S. § 19-2-410. Law-Specified Vendor Statute (if any): NA Procurement Method: Request for Proposals (RFP) Solicitation Number (if any): RFP IKAA 2021*220
State Representative Ashley Tunstall, Director Behavioral Health and Medical Services Office of Children, Youth and Families Division of Youth Services 4131 S Julian Way Denver CO 80236-3101 303-834-0680 ashley.tunstall@state.co.us	**Contractor Representative** Kellie Wasco, President & CEO Correctional Health Partners 1125 17th St, Suite 1000 Denver CO 80202 720-612-6643 kellie.wasco@CHPdelivers.com

Exhibits

The following Exhibits are attached and incorporated into this Contract:
Exhibit A - Statement of Work
Exhibit B - Budget
Exhibit C - OCYF Nondiscrimination Document
Exhibit D - Facility List
Exhibit E - HIPAA BAA
Exhibit F - Accounting Requirements
Exhibit G - Covered Health Care Services

Contract Purpose

To provide managed medical care services at Division of Youth Services Centers.

Signature Page begins on next page →

CMS: 168767

THE PARTIES HERETO HAVE EXECUTED THIS CONTRACT

Each person signing this Contract represents and warrants that he or she is duly authorized to execute this Contract and to bind the Party authorizing his or her signature.

CONTRACTOR Correctional Health Partners LLC DocuSigned by: Kellie Wasko 99F00516DD79459... By: Kellie Wasco, President & CEO Date: 6/21/2021	**STATE OF COLORADO** Jared S. Polis, Governor Department of Human Services Michelle Barnes, Executive Director DocuSigned by: Anders Jacobson D5D76102015A4F4... By: Anders Jacobson, Director, Division of Youth Services Date: 6/21/2021
2nd State or Contractor Signature if Needed By: Name & Title of Person Signing for Signatory Date:	**LEGAL REVIEW** Philip J. Weiser, Attorney General By: Assistant Attorney General Date:

In accordance with §24-30-202 C.R.S., this Contract is not valid until signed and dated below by the State Controller or an authorized delegate.

STATE CONTROLLER
Robert Jaros, CPA, MBA, JD

DocuSigned by:
Janet Miks
284E62E46D33425...
By:
Andrea Eurich / Janet Miks/Toni Williamson

Effective Date: 6/22/2021

-- Signature and Cover Pages End --

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1. PARTIES

This Contract is entered into by and between Contractor named on the Signature and Cover Pages for this Contract (the "Contractor"), and the STATE OF COLORADO acting by and through the Department of Human Services (the "State" or "CDHS"). Contractor and the State agree to the terms and conditions in this Contract.

2. TERM AND EFFECTIVE DATE

A. Effective Date

This Contract shall not be valid or enforceable until the Effective Date. The State shall not be bound by any provision of this Contract before the Effective Date, and shall have no obligation to pay Contractor for any Work performed or expense incurred before the Effective Date or after the expiration or sooner termination of this Contract.

B. Initial Term

The Parties' respective performances under this Contract shall commence on the Contract Performance Beginning Date shown on the Signature and Cover Pages for this Contract and shall terminate on the Initial Contract Expiration Date shown on the Signature and Cover Pages for this Contract (the "Initial Term") unless sooner terminated or further extended in accordance with the terms of this Contract.

C. Extension Terms - State's Option

If the Signature and Cover Pages for this Contract shows that the State has the Option to Extend Term, then the State, at its discretion, shall have the option to extend the performance under this Contract beyond the Initial Term for a period, or for successive periods, at the same rates and under the same terms specified in the Contract (each such period an "Extension Term"). In order to exercise this option, the State shall provide written notice to Contractor in a form substantially equivalent to **§21** "Sample Option Letter." The State may include and incorporate a revised budget with the option letter, as long as the revised budget does not unilaterally change rates or terms specified in the Contract. Except as stated in **§2.D**, the total duration of this Contract, including the exercise of any options to extend, shall not exceed 5 years from its Performance Beginning Date, or the number of years specified on the Signature and Cover Pages if such number is less than 5 years, absent prior approval from the Chief Procurement Officer in accordance with the Colorado Procurement Code.

D. End of Term Extension

If this Contract approaches the end of its Initial Term, or any Extension Term then in place, the State, at its discretion, upon written notice to Contractor as provided in **§15,** may unilaterally extend such Initial Term or Extension Term for a period not to exceed 2 months (an "End of Term Extension" or "Holdover"), regardless of whether additional Extension Terms are available or not. Any such extension shall be under the same terms and conditions of the operative Contract including, but not limited to, prices, rates, and service delivery requirements. The provisions of this Contract in effect when such notice is given shall remain in effect during the End of Term Extension. The End of Term Extension shall automatically terminate upon execution of a replacement contract or modification extending the total term of the Contract.

E. Early Termination in the Public Interest

The State is entering into this Contract to serve the public interest of the State of Colorado as determined by its Governor, General Assembly, or Courts. If this Contract ceases to further the public interest of the State, the State, in its discretion, may terminate this Contract in whole or in part. A determination that this Contract should be terminated in the public interest shall not be equivalent to a State right to terminate for convenience. This subsection shall not apply to a termination of this Contract by the State for breach by Contractor, which shall be governed by **§12.A.i.**

i. Method and Content

The State shall notify Contractor of such termination in accordance with **§15.** The notice shall specify the effective date of the termination and whether it affects all or a portion of this Contract, and shall include, to the extent practicable, the public interest justification for the termination.

ii. Obligations and Rights

Upon receipt of a termination notice for termination in the public interest, Contractor shall be subject to the rights and obligations set forth in **§12.A.i.a**.

iii. Payments

If the State terminates this Contract in the public interest, the State shall pay Contractor an amount equal to the percentage of the total reimbursement payable under this Contract that corresponds to the percentage of Work satisfactorily completed and accepted, as determined by the State, less payments previously made. Additionally, if this Contract is less than 60% completed, as determined by the State, the State may reimburse Contractor for a portion of actual out-of-pocket expenses, not otherwise reimbursed under this Contract, incurred by Contractor which are directly attributable to the uncompleted portion of Contractor's obligations, provided that the sum of any and all reimbursement shall not exceed the maximum amount payable to Contractor hereunder.

3. DEFINITIONS

The following terms shall be construed and interpreted as follows:

A. "**Breach of Contract**" means the failure of a Party to perform any of its obligations in accordance with this Contract, in whole or in part or in a timely or satisfactory manner. The institution of proceedings under any bankruptcy, insolvency, reorganization or similar law, by or against Contractor, or the appointment of a receiver or similar officer for Contractor or any of its property, which is not vacated or fully stayed within 30 days after the institution of such proceeding, shall also constitute a breach. If Contractor is debarred or suspended under §24-109-105, C.R.S. at any time during the term of this Contract, then such debarment or suspension shall constitute a breach.

B. "**Business Day**" means any day other than Saturday, Sunday, or a Legal Holiday as listed in §24-11-101(1) C.R.S.

C. "**Chief Procurement Officer**" means the individual to whom the Executive Director has delegated his or her authority pursuant to §24-102-202(6), C.R.S. to procure or supervise the procurement of all supplies and services needed by the state.

D. "**CJI**" means criminal justice information collected by criminal justice agencies needed for the performance of their authorized functions, including, without limitation, all information defined as criminal justice information by the U.S. Department of Justice, Federal Bureau of Investigation, Criminal Justice Information Services Security Policy, as amended and all Criminal Justice Records as defined under 24-72-302 C.R.S.

E. "**Contract**" means this agreement, including all attached Exhibits, all documents incorporated by reference, all referenced statutes, rules and cited authorities, and any future modifications thereto. For purposes of clarification and the removal of any doubt, subject to any future modifications thereto, the Signature and Cover Pages and Sections 1 through 21, as identified in the Table of Contents herein above, shall constitute the "main body" of this Contract exclusively.

F. "**Contract Funds**" means the funds that have been appropriated, designated, encumbered, or otherwise made available for payment by the State under this Contract.

G. **"CORA"** means the Colorado Open Records Act, §§24-72-200.1 *et. seq.*, C.R.S.

H. **"End of Term Extension"** means the time period defined in **§2.D**.

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I. **"Effective Date"** means the date on which this Contract is approved and signed by the Colorado State Controller or designee, as shown on the Signature Page for this Contract. If this Contract is for a Major Information Technology Project, as defined in §24-37.5-102(2.6), then Effective Date of this Contract shall be the later of the date on which this Contract is approved and signed by the State's Chief Information Officer or authorized delegate or the date on which this Contract is approved and signed by the State Controller or authorized delegate, as shown on the Signature and Cover Page for this Contract.

J. "**Exhibits**" means the exhibits and attachments included with this Contract as shown on the Signature and Cover Pages for this Contract..

K. **"Extension Term"** means the time period defined in **§2.C.**

L. "**Goods**" means any movable material acquired, produced, or delivered by Contractor as set forth in this Contract and shall include any movable material acquired, produced, or delivered by Contractor in connection with the Services.

M. **"Incident"** means any accidental or deliberate event that results in or constitutes an imminent threat of the unauthorized access, loss, disclosure, modification, disruption, or destruction of any communications or information resources of the State, which are included as part of the Work, as described in §§24-37.5-401, *et. seq.,* C.R.S. Incidents include, without limitation, (i) successful attempts to gain unauthorized access to a State system or State Information regardless of where such information is located; (ii) unwanted disruption or denial of service; (iii) the unauthorized use of a State system for the processing or storage of data; or (iv) changes to State system hardware, firmware, or software characteristics without the State's knowledge, instruction, or consent.

N. **"Initial Term"** means the time period defined in **§2.B**.

O. "**Party**" means the State or Contractor, and "Parties" means both the State and Contractor.

P. "**PCI**" means payment card information including any data related to credit card holders' names, credit card numbers, or the other credit card information as may be protected by state or federal law.

Q. "**PII**" means personally identifiable information including, without limitation, any information maintained by the State about an individual that can be used to distinguish or trace an individual's identity, such as name, social security number, date and place of birth, mother's maiden name, or biometric records; and any other information that is linked or linkable to an individual, such as medical, educational, financial, and employment information. PII includes, but is not limited to, all information defined as personally identifiable information in §24-72-501 C.R.S.

R. "**PHI**" means any individually identifiable health information, transmitted or maintained in electronic or any form or medium, including but not limited to demographic information,, **(i)** that relates to the past, present or future physical or mental condition of an individual; the provision of health care to an individual; or the past, present or future payment for the provision of health care to an individual; and **(ii)** that identifies the individual or with respect to which there is a reasonable basis to believe the information can be used to identify the individual. PHI includes, but is not limited to, any information defined as Individually Identifiable Health Information by the federal Health Insurance Portability and Accountability Act.

S. "**Services**" means the services to be performed by Contractor as set forth in this Contract, and shall include any services to be rendered by Contractor in connection with the Goods.

T. **"State Confidential Information"** means any and all State Records not subject to disclosure under CORA. State Confidential Information shall include, but is not limited to, PII, PHI, PCI, Tax Information, CJI, Educational Records, Substance Use Disorder Information, and State personnel records not subject to disclosure under CORA. State Confidential Information shall not include information or data concerning individuals that is not deemed confidential but nevertheless belongs to the State, which has been communicated, furnished, or disclosed by the State to Contractor which (i) is subject to disclosure pursuant to CORA; (ii) is already known to Contractor without restrictions at the time of its disclosure to Contractor; (iii) is or subsequently becomes publicly available without breach of any obligation owed by Contractor to the State; (iv) is disclosed to Contractor, without confidentiality obligations, by a third party who has the right to disclose such information; or (v) was independently developed without reliance on any State Confidential Information.

U. **"State Fiscal Rules"** means that fiscal rules promulgated by the Colorado State Controller pursuant to §24-30-202(13)(a), C.R.S.

V. **"State Fiscal Year"** means a 12 month period beginning on July 1 of each calendar year and ending on June 30 of the following calendar year. If a single calendar year follows the term, then it means the State Fiscal Year ending in that calendar year.

W. **"State Records"** means any and all State data, information, and records, regardless of physical form, including, but not limited to, information subject to disclosure under CORA.

X. "**Subcontractor**" means third-parties, if any, engaged by Contractor to aid in performance of the Work.

Y. "**Tax Information**" means federal and State of Colorado tax information including, without limitation, federal and State tax returns, return information, and such other tax-related information as may be protected by federal and State law and regulation. Tax Information includes, but is not limited to all information defined as federal tax information in Internal Revenue Service Publication 1075.

Z. "**Work**" means the Goods delivered and Services performed pursuant to this Contract.

AA. "**Work Product**" means the tangible and intangible results of the Work, whether finished or unfinished, including drafts. Work Product includes, but is not limited to, documents, text, software (including source code), research, reports, proposals, specifications, plans, notes, studies, data, images, photographs, negatives, pictures, drawings, designs, models, surveys, maps, materials, ideas, concepts, know-how, and any other results of the Work. "Work Product" does not include any material that was developed prior to the Effective Date that is used, without modification, in the performance of the Work.

Any other term used in this Contract that is defined in an Exhibit shall be construed and interpreted as defined in that Exhibit.

4. STATEMENT OF WORK

Contractor shall complete the Work as described in this Contract and in accordance with the provisions of the Exhibits. The State shall have no liability to compensate Contractor for the delivery of any goods or the performance of any services that are not specifically set forth in this Contract.

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5. PAYMENTS TO CONTRACTOR

A. Maximum Amount

Payments to Contractor are limited to the unpaid, obligated balance of the Contract Funds. The State shall not pay Contractor any amount under this Contract that exceeds the Contract Maximum for that term shown on the Signature and Cover Pages for this Contract.

B. Payment Procedures

i. Invoices and Payment

a. The State shall pay Contractor in the amounts and in accordance with the Exhibits.

b. Contractor shall initiate payment requests by invoice to the State, in a form and manner approved by the State. Invoicing is a material component of Contract performance and corresponding Deliverables. Invoices shall be due to the State within 45 days of work performed by the Contractor, unless otherwise stated in the Exhibits hereto. Invoicing shall be done accurately and per any specifications set forth in the Exhibits hereto. Time is of the essence in this regard. If Contractor fails to timely and/or properly invoice the State, the State may not be obligated to pay the bill resulting from said invoice. Failure to timely and/or properly invoice the State is a material breach of this Contract which would be cause for the State to refuse payment and/or terminate the contract on these grounds in whole or in part, at the State's discretion.

c. The State shall pay each invoice within 45 days following the State's receipt of that invoice, so long as the amount invoiced correctly represents Work completed by Contractor and previously accepted by the State during the term that the invoice covers. If the State determines that the amount of any invoice is not correct, then Contractor shall make all changes necessary to correct that invoice.

d. The acceptance of an invoice shall not constitute acceptance of any Work performed or deliverables provided under the Contract.

ii. Interest

Amounts not paid by the State within 45 days of the State's acceptance of the invoice shall bear interest on the unpaid balance beginning on the 45th day at the rate of 1% per month, as required by §24-30-202(24)(a), C.R.S., until paid in full; provided, however, that interest shall not accrue on unpaid amounts that the State disputes in writing. Contractor shall invoice the State separately for accrued interest on delinquent amounts, and the invoice shall reference the delinquent payment, the number of day's interest to be paid and the interest rate.

iii. Payment Disputes

If Contractor disputes any calculation, determination or amount of any payment, Contractor shall notify the State in writing of its dispute within 30 days following the earlier to occur of Contractor's receipt of the payment or notification of the determination or calculation of the payment by the State. The State will review the information presented by Contractor and may make changes to its determination based on this review. The calculation, determination or payment amount that results from the State's review shall not be subject to additional dispute under this subsection. No payment subject to a dispute under this subsection shall be due until after the State has concluded its review, and the State shall not pay any interest on any amount during the period it is subject to dispute under this subsection.

iv. Available Funds-Contingency-Termination

The State is prohibited by law from making commitments beyond the term of the current State Fiscal Year. Payment to Contractor beyond the current State Fiscal Year is contingent on the appropriation and continuing availability of Contract Funds in any subsequent year (as provided in the Colorado Special Provisions). If federal funds or funds from any other non-State funds constitute all or some of the Contract Funds the State's obligation to pay Contractor shall be contingent upon such non-State funding continuing to be made available for payment. Payments to be made pursuant to this Contract shall be made only from Contract Funds, and the State's liability for such payments shall be limited to the amount remaining of such Contract Funds. If State, federal or other funds are not appropriated, or otherwise become unavailable to fund this Contract, the State may, upon written notice, terminate this Contract, in whole or in part, without incurring further liability. The State shall, however, remain obligated to pay for Services and Goods that are delivered and accepted prior to the effective date of notice of termination, and this termination shall otherwise be treated as if this Contract were terminated in the public interest as described in **§2.E**.

v. Option to Increase Maximum Amount

If the Signature and Cover Pages for this Contract show that the State has the Option to Increase or Decrease Maximum Amount, then the State, at its discretion, shall have the option to increase or decrease the statewide quantity of Goods and Services based upon the rates established in this Contract, and increase or decrease the maximum amount payable accordingly. In order to exercise this option, the State shall provide written notice to Contractor in a form substantially equivalent to **§21** "Sample Option Letter." Delivery of Goods and performance of Services shall continue at the same rates and terms as described in this Contract. The State may include and incorporate a revised budget with the option letter, as long as the revised budget does not unilaterally change rates or terms specified in the Contract.

6. REPORTING - NOTIFICATION

A. Quarterly Reports.

In addition to any reports required pursuant to **§17** or pursuant to any other Exhibit, for any contract having a term longer than 3 months, Contractor shall submit, on a quarterly basis, a written report specifying progress made for each specified performance measure and standard in this Contract. Such progress report shall be in accordance with the procedures developed and prescribed by the State. Progress reports shall be submitted to the State at the time or times specified by the State in this Contract, or, if no time is specified in this Contract, not later than 5 Business Days following the end of each calendar quarter.

B. Litigation Reporting

If Contractor is served with a pleading or other document in connection with an action before a court or other administrative decision making body, and such pleading or document relates to this Contract or may affect Contractor's ability to perform its obligations under this Contract, Contractor shall, within 5 days after being served, notify the State of such action and deliver copies of such pleading or document to the State's principal representative identified on the Signature and Cover Pages as provided in **§15**.

C. Performance Outside the State of Colorado or the United States, §24-102-206 C.R.S.

To the extent not previously disclosed in accordance with §24-102-206, C.R.S., Contractor shall provide written notice to the State, in accordance with **§15** and in a form designated by the State, within 20 days following the earlier to occur of Contractor's decision to perform Services outside of the State of Colorado or the United States, or its execution of an agreement with a Subcontractor to perform, Services outside the State of Colorado or the United States. Such notice shall specify the type of Services to be performed outside the State of Colorado or the United States and the reason why it is necessary or advantageous to perform such Services at such location or locations, and such notice shall be a public record. Knowing failure by Contractor to provide notice to the State under this section shall constitute a breach of this Contract. This section shall not apply if the Contract Funds include any federal funds.

7. CONTRACTOR RECORDS

A. Maintenance

Contractor shall maintain a file of all documents, records, communications, notes and other materials relating to the Work (the "Contractor Records"). Contractor Records shall include all documents, records, communications, notes and other materials maintained by Contractor that relate to any Work performed by Subcontractors, and Contractor shall maintain all records related to the Work performed by Subcontractors required to ensure proper performance of that Work. Contractor shall maintain Contractor Records until the last to occur of: **(i)** the date 3 years after the date this Contract expires or is terminated, **(ii)** final payment under this Contract is made, **(iii)** the resolution of any pending Contract matters, or **(iv)** if an audit is occurring, or Contractor has received notice that an audit is pending, the date such audit is completed and its findings have been resolved (the "Record Retention Period").

B. Inspection

Contractor shall permit the State to audit, inspect, examine, excerpt, copy and transcribe Contractor Records during the Record Retention Period. Contractor shall make Contractor Records available during normal business hours at Contractor's office or place of business, or at other mutually agreed upon times or locations, upon no fewer than 2 Business Days' notice from the State, unless the State determines that a shorter period of notice, or no notice, is necessary to protect the interests of the State.

C. Monitoring

The State, in its discretion, may monitor Contractor's performance of its obligations under this Contract using procedures as determined by the State. The State shall monitor Contractor's performance in a manner that does not unduly interfere with Contractor's performance of the Work.

D. Final Audit Report

Contractor shall promptly submit to the State a copy of any final audit report of an audit performed on Contractor's records that relates to or affects this Contract or the Work, whether the audit is conducted by Contractor or a third party.

8. CONFIDENTIAL INFORMATION-STATE RECORDS

A. Confidentiality

Contractor shall keep confidential, and cause all Subcontractors to keep confidential, all State Records, unless those State Records are publicly available. Contractor shall not, without prior written approval of the State, use, publish, copy, disclose to any third party, or permit the use by any third party of any State Records, except as otherwise stated in this Contract, permitted by law, or approved in writing by the State. Contractor shall provide for the security of all State Confidential Information in accordance with all policies promulgated by the Colorado Office of Information Security and all applicable laws, rules, policies, publications, and guidelines. If Contractor or any of its Subcontractors will or may receive the following types of data, Contractor or its Subcontractors shall provide for the security of such data according to the following: **(i)** the most recently promulgated IRS Publication 1075 for all Tax Information and in accordance with the Safeguarding Requirements for Federal Tax Information attached to this Contract as an Exhibit, if applicable, **(ii)** the most recently updated PCI Data Security Standard from the PCI Security Standards Council for all PCI, **(iii)** the most recently issued version of the U.S. Department of Justice, Federal Bureau of Investigation, Criminal Justice Information Services Security Policy for all CJI, **(iv)** the federal Health Insurance Portability and Accountability Act for all PHI and the HIPAA Business Associate Agreement attached to this Contract, if applicable. Contractor shall immediately forward any request or demand for State Records to the State's principal representative, and **(v)** the federal 42 Part2 for all substance use disorder information and the HIPAA Business Associate\Qualified Service Organization Agreement attached to this Contract, if applicable. Contractor shall immediately forward any request or demand for State Records to the State's principal representative.

B. Other Entity Access and Nondisclosure Agreements

Contractor may provide State Records to its agents, employees, assigns and Subcontractors as necessary to perform the Work, but shall restrict access to State Confidential Information to those agents, employees, assigns and Subcontractors who require access to perform their obligations under this Contract. Contractor shall ensure all such agents, employees, assigns, and Subcontractors sign agreements containing nondisclosure provisions at least as protective as those in this Contract, and that the nondisclosure provisions are in force at all times the agent, employee, assign or Subcontractor has access to any State Confidential Information. Contractor shall provide copies of those signed nondisclosure provisions to the State upon execution of the nondisclosure provisions.

C. Use, Security, and Retention

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Contractor shall use, hold and maintain State Confidential Information in compliance with any and all applicable laws and regulations in facilities located within the United States, and shall maintain a secure environment that ensures confidentiality of all State Confidential Information wherever located. Contractor shall provide the State with access, subject to Contractor's reasonable security requirements, for purposes of inspecting and monitoring access and use of State Confidential Information and evaluating security control effectiveness. Upon the expiration or termination of this Contract, Contractor shall return State Records provided to Contractor or destroy such State Records and certify to the State that it has done so, as directed by the State. If Contractor is prevented by law or regulation from returning or destroying State Confidential Information, Contractor warrants it will guarantee the confidentiality of, and cease to use, such State Confidential Information.

D. Incident Notice and Remediation

If Contractor becomes aware of any Incident, it shall notify the State immediately and cooperate with the State regarding recovery, remediation, and the necessity to involve law enforcement, as determined by the State. Unless Contractor can establish that none of Contractor or any of its agents, employees, assigns or Subcontractors are the cause or source of the Incident, Contractor shall be responsible for the cost of notifying each person who may have been impacted by the Incident. After an Incident, Contractor shall take steps to reduce the risk of incurring a similar type of Incident in the future as directed by the State, which may include, but is not limited to, developing and implementing a remediation plan that is approved by the State, at no additional cost to the State. The State may, in its sole discretion and at Contractor's sole expense, require Contractor to engage the services of an independent, qualified, State-approved third party to conduct a security audit. Contractor shall provide the State with the results of such audit and evidence of Contractor's planned remediation in response to any negative findings.

E. Data Protection and Handling

Contractor shall ensure that all State Records and Work Product in the possession of Contractor or any Subcontractors are protected and handled in accordance with the requirements of this Contract, including the requirements of any Exhibits hereto, at all times.

F. Safeguarding PII

If Contractor or any of its Subcontractors will or may receive PII under this Contract, Contractor shall provide for the security of such PII, in a manner and form acceptable to the State, including, without limitation, State non-disclosure requirements, use of appropriate technology, security practices, computer access security, data access security, data storage encryption, data transmission encryption, security inspections, and audits. Contractor shall be a "Third-Party Service Provider" as defined in §24-73-103(1)(i), C.R.S. and shall maintain security procedures and practices consistent with §§24-73-101 *et seq.*, C.R.S.

9. CONFLICTS OF INTEREST

A. Actual Conflicts of Interest

Contractor shall not engage in any business or activities, or maintain any relationships that conflict in any way with the full performance of the obligations of Contractor under this Contract. Such a conflict of interest would arise when a Contractor or Subcontractor's employee, officer or agent were to offer or provide any tangible personal benefit to an employee of the State, or any member of his or her immediate family or his or her partner, related to the award of, entry into or management or oversight of this Contract.

B. Apparent Conflicts of Interest

Contractor acknowledges that, with respect to this Contract, even the appearance of a conflict of interest shall be harmful to the State's interests. Absent the State's prior written approval, Contractor shall refrain from any practices, activities or relationships that reasonably appear to be in conflict with the full performance of Contractor's obligations under this Contract.

C. Disclosure to the State

If a conflict or the appearance of a conflict arises, or if Contractor is uncertain whether a conflict or the appearance of a conflict has arisen, Contractor shall submit to the State a disclosure statement setting forth the relevant details for the State's consideration. Failure to promptly submit a disclosure statement or to follow the State's direction in regard to the actual or apparent conflict constitutes a breach of this Contract.

D. Contractor shall maintain a written conflict of interest policy. Contractor shall provide the written conflict of interest policy to the State upon request.

10. INSURANCE

Contractor shall obtain and maintain, and ensure that each Subcontractor shall obtain and maintain, insurance as specified in this section at all times during the term of this Contract to the extent that such insurance policies are required as shown on the Signature and Cover Page for this Contract. All insurance policies required by this Contract shall be issued by insurance companies as approved by the State. These insurance requirements shall not be construed as caps or limitations on liability.

A. Workers' Compensation

Workers' compensation insurance as required by state statute, and employers' liability insurance covering all Contractor or Subcontractor employees acting within the course and scope of their employment.

B. General Liability

Commercial general liability insurance covering premises operations, fire damage, independent contractors, products and completed operations, blanket contractual liability, personal injury, and advertising liability with minimum limits as follows:

i. $1,000,000 each occurrence;

ii. $1,000,000 general aggregate;

iii. $1,000,000 products and completed operations aggregate; and

iv. $50,000 any 1 fire.

C. Automobile Liability

Automobile liability insurance covering any auto (including owned, hired and non-owned autos) with a minimum limit of $1,000,000 each accident combined single limit.

D. Protected Information

Liability insurance covering all loss of State Confidential Information, such as PII, PHI, PCI, Tax Information, and CJI, and claims based on alleged violations of privacy rights through improper use or disclosure of protected information with minimum limits as follows:

i. $1,000,000 each occurrence; and

ii. $2,000,000 general aggregate.

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iii. Notwithstanding sections D(i) and (ii) above, if Contractor has State Confidential Information for 10 or fewer individuals or revenues of $250,000 or less, Contractor shall maintain limits of not less than $50,000.

iv. Notwithstanding sections D(i) and (ii) above, if Contractor has State Confidential Information for 25 or fewer individuals or revenues of $500,000 or less, Contractor shall maintain limits of not less than $100,000.

E. Professional Liability Insurance

Professional liability insurance covering any damages caused by an error, omission or any negligent act with minimum limits as follows:

i. $1,000,000 each occurrence; and

ii. $1,000,000 general aggregate.

F. Crime Insurance

Crime insurance including employee dishonesty coverage with minimum limits as follows:

i. $1,000,000 each occurrence; and

ii. $1,000,000 general aggregate.

G. Cyber/Network Security and Privacy Liability

Liability insurance covering civil, regulatory, and statutory damages, contractual damages, data breach management exposure, and any loss of income or extra expense as a result of actual or alleged breach, violation or infringement of right to privacy, consumer data protection law, confidentiality or other legal protection for personal information, as well as State Confidential Information with minimum limits as follows:

i. $1,000,000 each occurrence; and

ii. $2,000,000 general aggregate.

H. Additional Insured

The State shall be named as additional insured on all commercial general liability policies (leases and construction contracts require additional insured coverage for completed operations) required of Contractor and Subcontractors.

I. Primacy of Coverage

Coverage required of Contractor and each Subcontractor shall be primary over any insurance or self-insurance program carried by Contractor or the State.

J. Cancellation

The above insurance policies shall include provisions preventing cancellation or non-renewal, except for cancellation based on non-payment of premiums, without at least 30 days prior notice to Contractor and Contractor shall forward such notice to the State in accordance with **§15** within 7 days of Contractor's receipt of such notice.

K. Subrogation Waiver

All insurance policies secured or maintained by Contractor or its Subcontractors in relation to this Contract shall include clauses stating that each carrier shall waive all rights of recovery under subrogation or otherwise against Contractor or the State, its agencies, institutions, organizations, officers, agents, employees, and volunteers.

L. Public Entities

If Contractor is a "public entity" within the meaning of the Colorado Governmental Immunity Act, §24-10-101, *et seq.*, C.R.S. (the "GIA"), Contractor shall maintain, in lieu of the liability insurance requirements stated above, at all times during the term of this Contract such liability insurance, by commercial policy or self-insurance, as is necessary to meet its liabilities under the GIA. If a Subcontractor is a public entity within the meaning of the GIA, Contractor shall ensure that the Subcontractor maintain at all times during the terms of this Contract, in lieu of the liability insurance requirements stated above, such liability insurance, by commercial policy or self-insurance, as is necessary to meet the Subcontractor's obligations under the GIA.

M. Certificates

Contractor shall provide to the State certificates evidencing Contractor's insurance coverage required in this Contract within 7 Business Days following the Effective Date. Contractor shall provide to the State certificates evidencing Subcontractor insurance coverage required under this Contract within 7 Business Days following the Effective Date, except that, if Contractor's subcontract is not in effect as of the Effective Date, Contractor shall provide to the State certificates showing Subcontractor insurance coverage required under this Contract within 7 Business Days following Contractor's execution of the subcontract. No later than 15 days before the expiration date of Contractor's or any Subcontractor's coverage, Contractor shall deliver to the State certificates of insurance evidencing renewals of coverage. At any other time during the term of this Contract, upon request by the State, Contractor shall, within 7 Business Days following the request by the State, supply to the State evidence satisfactory to the State of compliance with the provisions of this section.

11. BREACH OF CONTRACT

In the event of a Breach of Contract, the aggrieved Party shall give written notice of breach to the other Party. If the notified Party does not cure the Breach of Contract, at its sole expense, within 30 days after the delivery of written notice, the Party may exercise any of the remedies as described in **§12** for that Party. Notwithstanding any provision of this Contract to the contrary, the State, in its discretion, need not provide notice or a cure period and may immediately terminate this Contract in whole or in part or institute any other remedy in the Contract in order to protect the public interest of the State; or if Contractor is debarred or suspended under §24-109-105, C.R.S., the State, in its discretion, need not provide notice or cure period and may terminate this Contract in whole or in part or institute any other remedy in this Contract as of the date that the debarment or suspension takes effect.

12. REMEDIES

A. State's Remedies

If Contractor is in breach under any provision of this Contract and fails to cure such breach, the State, following the notice and cure period set forth in **§11,** shall have all of the remedies listed in this section in addition to all other remedies set forth in this Contract or at law. The State may exercise any or all of the remedies available to it, in its discretion, concurrently or consecutively.

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i. Termination for Breach

In the event of Contractor's uncured breach, the State may terminate this entire Contract or any part of this Contract. Contractor shall continue performance of this Contract to the extent not terminated, if any.

a. Obligations and Rights

To the extent specified in any termination notice, Contractor shall not incur further obligations or render further performance past the effective date of such notice, and shall terminate outstanding orders and subcontracts with third parties. However, Contractor shall complete and deliver to the State all Work not cancelled by the termination notice, and may incur obligations as necessary to do so within this Contract's terms. At the request of the State, Contractor shall assign to the State all of Contractor's rights, title, and interest in and to such terminated orders or subcontracts. Upon termination, Contractor shall take timely, reasonable and necessary action to protect and preserve property in the possession of Contractor but in which the State has an interest. At the State's request, Contractor shall return materials owned by the State in Contractor's possession at the time of any termination. Contractor shall deliver all completed Work Product and all Work Product that was in the process of completion to the State at the State's request.

b. Payments

Notwithstanding anything to the contrary, the State shall only pay Contractor for accepted Work received as of the date of termination. If, after termination by the State, the State agrees that Contractor was not in breach or that Contractor's action or inaction was excusable, such termination shall be treated as a termination in the public interest, and the rights and obligations of the Parties shall be as if this Contract had been terminated in the public interest under **§2.E**.

c. Damages and Withholding

Notwithstanding any other remedial action by the State, Contractor shall remain liable to the State for any damages sustained by the State in connection with any breach by Contractor, and the State may withhold payment to Contractor for the purpose of mitigating the State's damages until such time as the exact amount of damages due to the State from Contractor is determined. The State may withhold any amount that may be due Contractor as the State deems necessary to protect the State against loss including, without limitation, loss as a result of outstanding liens and excess costs incurred by the State in procuring from third parties replacement Work as cover.

ii. Remedies Not Involving Termination

The State, in its discretion, may exercise one or more of the following additional remedies:

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a. Suspend Performance

Suspend Contractor's performance with respect to all or any portion of the Work pending corrective action as specified by the State without entitling Contractor to an adjustment in price or cost or an adjustment in the performance schedule. Contractor shall promptly cease performing Work and incurring costs in accordance with the State's directive, and the State shall not be liable for costs incurred by Contractor after the suspension of performance.

b. Withhold Payment

Withhold payment to Contractor until Contractor corrects its Work.

c. Deny Payment

Deny payment for Work not performed, or that due to Contractor's actions or inactions, cannot be performed or if they were performed are reasonably of no value to the state; provided, that any denial of payment shall be equal to the value of the obligations not performed.

d. Intellectual Property

If any Work infringes, or if the State in its sole discretion determines that any Work is likely to infringe, a patent, copyright, trademark, trade secret or other intellectual property right, Contractor shall, as approved by the State, **(i)** secure that right to use such Work for the State and Contractor; **(ii)** replace the Work with noninfringing Work or modify the Work so that it becomes noninfringing; or, **(iii)** remove any infringing Work and refund the amount paid for such Work to the State.

B. Contractor's Remedies

If the State is in breach of any provision of this Contract and does not cure such breach, Contractor, following the notice and cure period in **§11** and the dispute resolution process in **§13**, shall have all remedies available at law and equity.

13. STATE'S RIGHT OF REMOVAL

The State retains the right to demand, at any time, regardless of whether Contractor is in breach, the immediate removal of any of Contractor's employees, agents, or subcontractors from the work whom the State, in its sole discretion, deems incompetent, careless, insubordinate, unsuitable, or otherwise unacceptable or whose continued relation to this Contract is deemed by the State to be contrary to the public interest or the State's best interest.

14. DISPUTE RESOLUTION

A. Initial Resolution

Except as herein specifically provided otherwise, disputes concerning the performance of this Contract which cannot be resolved by the designated Contract representatives shall be referred in writing to a senior departmental management staff member designated by the State and a senior manager designated by Contractor for resolution.

B. Resolution of Controversies

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If the initial resolution described in **§14.A** fails to resolve the dispute within 10 Business Days, Contractor shall submit any alleged breach of this Contract by the State to the Procurement Official of CDHS as described in §24-101-301(30), C.R.S. for resolution in accordance with the provisions of §§24-106-109 and 24-109-101.1 through 24-109-505, C.R.S., (the "Resolution Statutes"), except that if Contractor wishes to challenge any decision rendered by the Procurement Official, Contractor's challenge shall be an appeal to the Executive Director of the Department of Personnel and Administration, or their delegate, under the Resolution Statutes before Contractor pursues any further action as permitted by such statutes. Except as otherwise stated in this Section, all requirements of the Resolution Statutes shall apply including, without limitation, time limitations.

15. NOTICES AND REPRESENTATIVES

Each individual identified on the Signature and Cover Pages shall be the principal representative of the designating Party. All notices required or permitted to be given under this Contract shall be in writing, and shall be delivered **(A)** by hand with receipt required, **(B)** by certified or registered mail to such Party's principal representative at the address set forth on the Signature and Cover Pages for this Contract or **(C)** as an email with read receipt requested to the principal representative at the email address, if any, set forth on the Signature and Cover Pages for this Contract. If a Party delivers a notice to another through email and the email is undeliverable, then, unless the Party has been provided with an alternate email contact, the Party delivering the notice shall deliver the notice by hand with receipt required or by certified or registered mail to such Party's principal representative at the address set forth below. Either Party may change its principal representative or principal representative contact information by notice submitted in accordance with this section without a formal amendment to this Contract. Unless otherwise provided in this Contract, notices shall be effective upon delivery of the written notice.

16. RIGHTS IN WORK PRODUCT AND OTHER INFORMATION

A. Work Product

Contractor assigns to the State and its successors and assigns, the entire right, title, and interest in and to all causes of action, either in law or in equity, for past, present, or future infringement of intellectual property rights related to the Work Product and all works based on, derived from, or incorporating the Work Product. Whether or not Contractor is under contract with the State at the time, Contractor shall execute applications, assignments, and other documents, and shall render all other reasonable assistance requested by the State, to enable the State to secure patents, copyrights, licenses and other intellectual property rights related to the Work Product. To the extent that Work Product would fall under the definition of "works made for hire" under 17 U.S.C.S. §101, the Parties intend the Work Product to be a work made for hire.

i. Copyrights

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To the extent that the Work Product (or any portion of the Work Product) would not be considered works made for hire under applicable law, Contractor hereby assigns to the State, the entire right, title, and interest in and to copyrights in all Work Product and all works based upon, derived from, or incorporating the Work Product; all copyright applications, registrations, extensions, or renewals relating to all Work Product and all works based upon, derived from, or incorporating the Work Product; and all moral rights or similar rights with respect to the Work Product throughout the world. To the extent that Contractor cannot make any of the assignments required by this section, Contractor hereby grants to the State a perpetual, irrevocable, royalty-free license to use, modify, copy, publish, display, perform, transfer, distribute, sell, and create derivative works of the Work Product and all works based upon, derived from, or incorporating the Work Product by all means and methods and in any format now known or invented in the future. The State may assign and license its rights under this license.

ii. Patents

In addition, Contractor grants to the State (and to recipients of Work Product distributed by or on behalf of the State) a perpetual, worldwide, no-charge, royalty-free, irrevocable patent license to make, have made, use, distribute, sell, offer for sale, import, transfer, and otherwise utilize, operate, modify and propagate the contents of the Work Product. Such license applies only to those patent claims licensable by Contractor that are necessarily infringed by the Work Product alone, or by the combination of the Work Product with anything else used by the State.

B. Exclusive Property of the State

Except to the extent specifically provided elsewhere in this Contract, any pre-existing State Records, State software, research, reports, studies, photographs, negatives or other documents, drawings, models, materials, data and information shall be the exclusive property of the State (collectively, "State Materials"). Contractor shall not use, willingly allow, cause or permit Work Product or State Materials to be used for any purpose other than the performance of Contractor's obligations in this Contract without the prior written consent of the State. Upon termination of this Contract for any reason, Contractor shall provide all Work Product and State Materials to the State in a form and manner as directed by the State.

C. Exclusive Property of Contractor

Contractor retains the exclusive rights, title, and ownership to any and all pre-existing materials owned or licensed to Contractor including, but not limited to, all pre-existing software, licensed products, associated source code, machine code, text images, audio and/or video, and third-party materials, delivered by Contractor under the Contract, whether incorporated in a Deliverable or necessary to use a Deliverable (collectively, "Contractor Property"). Contractor Property shall be licensed to the State as set forth in this Contract or a State approved license agreement: **(i)** entered into as exhibits to this Contract; **(ii)** obtained by the State from the applicable third-party vendor; or **(iii)** in the case of open source software, the license terms set forth in the applicable open source license agreement.

17. STATEWIDE CONTRACT MANAGEMENT SYSTEM

If the maximum amount payable to Contractor under this Contract is $100,000 or greater, either on the Effective Date or at any time thereafter, this section shall apply. Contractor agrees to be governed by and comply with the provisions of §§24-106-103, 24-102-206, 24-106-106, and 24-106-107, C.R.S. regarding the monitoring of vendor performance and the reporting of contract performance information in the State's contract management system ("Contract Management System" or "CMS"). Contractor's performance shall be subject to evaluation and review in accordance with the terms and conditions of this Contract, Colorado statutes governing CMS, and State Fiscal Rules and State Controller Policies.

18. GENERAL PROVISIONS

A. Assignment

Contractor's rights and obligations under this Contract are personal and may not be transferred or assigned without the prior, written consent of the State. Any attempt at assignment or transfer without such consent shall be void. Any assignment or transfer of Contractor's rights and obligations approved by the State shall be subject to the provisions of this Contract

B. Subcontracts

Unless other restrictions are required elsewhere in this Contract, Contractor shall not enter into any subcontract in connection with its obligations under this Contract without providing notice to the State. The State may reject any such subcontract, and Contractor shall terminate any subcontract that is rejected by the State and shall not allow any Subcontractor to perform any Work after that Subcontractor's subcontract has been rejected by the State. Contractor shall submit to the State a copy of each such subcontract upon request by the State. All subcontracts entered into by Contractor in connection with this Contract shall comply with all applicable federal and state laws and regulations, shall provide that they are governed by the laws of the State of Colorado, and shall be subject to all provisions of this Contract.

C. Binding Effect

Except as otherwise provided in **§18.A.**, all provisions of this Contract, including the benefits and burdens, shall extend to and be binding upon the Parties' respective successors and assigns.

D. Authority

Each Party represents and warrants to the other that the execution and delivery of this Contract and the performance of such Party's obligations have been duly authorized.

E. Captions and References

The captions and headings in this Contract are for convenience of reference only, and shall not be used to interpret, define, or limit its provisions. All references in this Contract to sections (whether spelled out or using the § symbol), subsections, exhibits or other attachments, are references to sections, subsections, exhibits or other attachments contained herein or incorporated as a part hereof, unless otherwise noted.

F. Counterparts

This Contract may be executed in multiple, identical, original counterparts, each of which shall be deemed to be an original, but all of which, taken together, shall constitute one and the same agreement.

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G. Entire Understanding

This Contract represents the complete integration of all understandings between the Parties related to the Work, and all prior representations and understandings related to the Work, oral or written, are merged into this Contract. Prior or contemporaneous additions, deletions, or other changes to this Contract shall not have any force or effect whatsoever, unless embodied herein.

H. Digital Signatures

If any signatory signs this Contract using a digital signature in accordance with the Colorado State Controller Contract, Grant and Purchase Order Policies regarding the use of digital signatures issued under the State Fiscal Rules, then any agreement or consent to use digital signatures within the electronic system through which that signatory signed shall be incorporated into this Contract by reference.

I. Modification

Except as otherwise provided in this Contract, any modification to this Contract shall only be effective if agreed to in a formal amendment to this Contract, properly executed and approved in accordance with applicable Colorado State law and State Fiscal Rules. Modifications permitted under this Contract, other than contract amendments, shall conform to the policies issued by the Colorado State Controller.

J. Statutes, Regulations, Fiscal Rules, and Other Authority.

Any reference in this Contract to a statute, regulation, State Fiscal Rule, fiscal policy or other authority shall be interpreted to refer to such authority then current, as may have been changed or amended since the Effective Date of this Contract.

K. Order of Precedence

In the event of a conflict or inconsistency between this Contract and any Exhibits or attachments such conflict or inconsistency shall be resolved by reference to the documents in the following order of priority:

i. Colorado Special Provisions in **§19** of the main body of this Contract.

ii. HIPAA Business Associate Agreement (if any).

iii. Information Technology Provisions Exhibit (if any).

iv. The provisions of the other sections of the main body of this Contract.

v. Any other Exhibit(s) shall take precedence in alphabetical order.

L. External Terms and Conditions

Notwithstanding anything to the contrary herein, the State shall not be subject to any provision included in any terms, conditions, or agreements appearing on Contractor's or a Subcontractor's website or any provision incorporated into any click-through or online agreements related to the Work unless that provision is specifically referenced in this Contract.

M. Severability

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The invalidity or unenforceability of any provision of this Contract shall not affect the validity or enforceability of any other provision of this Contract, which shall remain in full force and effect, provided that the Parties can continue to perform their obligations under this Contract in accordance with the intent of the Contract.

N. Survival of Certain Contract Terms

Any provision of this Contract that imposes an obligation on a Party after termination or expiration of the Contract shall survive the termination or expiration of the Contract and shall be enforceable by the other Party.

O. Taxes

The State is exempt from federal excise taxes under I.R.C. Chapter 32 (26 U.S.C., Subtitle D, Ch. 32) (Federal Excise Tax Exemption Certificate of Registry No. 84-730123K) and from State and local government sales and use taxes under §§39-26-704(1), *et seq.* C.R.S. (Colorado Sales Tax Exemption Identification Number 98-02565). The State shall not be liable for the payment of any excise, sales, or use taxes, regardless of whether any political subdivision of the state imposes such taxes on Contractor. Contractor shall be solely responsible for any exemptions from the collection of excise, sales or use taxes that Contractor may wish to have in place in connection with this Contract.

P. Third Party Beneficiaries

Except for the Parties' respective successors and assigns described in **§18.A.,** this Contract does not and is not intended to confer any rights or remedies upon any person or entity other than the Parties. Enforcement of this Contract and all rights and obligations hereunder are reserved solely to the Parties. Any services or benefits which third parties receive as a result of this Contract are incidental to the Contract, and do not create any rights for such third parties.

Q. Waiver

A Party's failure or delay in exercising any right, power, or privilege under this Contract, whether explicit or by lack of enforcement, shall not operate as a waiver, nor shall any single or partial exercise of any right, power, or privilege preclude any other or further exercise of such right, power, or privilege.

R. CORA Disclosure

To the extent not prohibited by federal law, this Contract and the performance measures and standards required under §24-106-107, C.R.S., if any, are subject to public release through the CORA.

S. Standard and Manner of Performance

Contractor shall perform its obligations under this Contract in accordance with the highest standards of care, skill and diligence in Contractor's industry, trade, or profession.

T. Licenses, Permits, and Other Authorizations.

Contractor shall secure, prior to the Effective Date, and maintain at all times during the term of this Contract, at its sole expense, all licenses, certifications, permits, and other authorizations required to perform its obligations under this Contract, and shall ensure that all employees, agents and Subcontractors secure and maintain at all times during the term of their employment, agency or subcontract, all licenses, certifications, permits and other authorizations required to perform their obligations in relation to this Contract.

U. Indemnification

i. Applicability

This entire **§18.U** does not apply to Contractor if Contractor is a "public entity" within the meaning of the GIA.

ii. General Indemnification

Contractor shall indemnify, save, and hold harmless the State, its employees, agents and assignees (the "Indemnified Parties"), against any and all costs, expenses, claims, damages, liabilities, court awards and other amounts (including attorneys' fees and related costs) incurred by any of the Indemnified Parties in relation to any act or omission by Contractor, or its employees, agents, Subcontractors, or assignees in connection with this Contract.

iii. Confidential Information Indemnification

Disclosure or use of State Confidential Information by Contractor in violation of **§8** may be cause for legal action by third parties against Contractor, the State, or their respective agents. Contractor shall indemnify, save, and hold harmless the Indemnified Parties, against any and all claims, damages, liabilities, losses, costs, expenses (including attorneys' fees and costs) incurred by the State in relation to any act or omission by Contractor, or its employees, agents, assigns, or Subcontractors in violation of **§8**.

iv. Intellectual Property Indemnification

Contractor shall indemnify, save, and hold harmless the Indemnified Parties, against any and all costs, expenses, claims, damages, liabilities, and other amounts (including attorneys' fees and costs) incurred by the Indemnified Parties in relation to any claim that any Work infringes a patent, copyright, trademark, trade secret, or any other intellectual property right.

19. COLORADO SPECIAL PROVISIONS (COLORADO FISCAL RULE 3-3)

These Special Provisions apply to all contracts except where noted in italics.

A. STATUTORY APPROVAL. §24-30-202(1), C.R.S.

This Contract shall not be valid until it has been approved by the Colorado State Controller or designee. If this Contract is for a Major Information Technology Project, as defined in §24-37.5-102(2.6), then this Contract shall not be valid until it has been approved by the State's Chief Information Officer or designee.

B. FUND AVAILABILITY. §24-30-202(5.5), C.R.S.

Financial obligations of the State payable after the current State Fiscal Year are contingent upon funds for that purpose being appropriated, budgeted, and otherwise made available.

C. GOVERNMENTAL IMMUNITY.

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Liability for claims for injuries to persons or property arising from the negligence of the State, its departments, boards, commissions committees, bureaus, offices, employees and officials shall be controlled and limited by the provisions of the Colorado Governmental Immunity Act, §24-10-101, et seq., C.R.S.; the Federal Tort Claims Act, 28 U.S.C. Pt. VI, Ch. 171 and 28 U.S.C. 1346(b), and the State's risk management statutes, §§24-30-1501, et seq. C.R.S. No term or condition of this Contract shall be construed or interpreted as a waiver, express or implied, of any of the immunities, rights, benefits, protections, or other provisions, contained in these statutes.

D. INDEPENDENT CONTRACTOR.

Contractor shall perform its duties hereunder as an independent contractor and not as an employee. Neither Contractor nor any agent or employee of Contractor shall be deemed to be an agent or employee of the State. Contractor shall not have authorization, express or implied, to bind the State to any agreement, liability or understanding, except as expressly set forth herein. **Contractor and its employees and agents are not entitled to unemployment insurance or workers compensation benefits through the State and the State shall not pay for or otherwise provide such coverage for Contractor or any of its agents or employees. Contractor shall pay when due all applicable employment taxes and income taxes and local head taxes incurred pursuant to this Contract. Contractor shall (i) provide and keep in force workers' compensation and unemployment compensation insurance in the amounts required by law, (ii) provide proof thereof when requested by the State, and (iii) be solely responsible for its acts and those of its employees and agents.**

E. COMPLIANCE WITH LAW.

Contractor shall strictly comply with all applicable federal and State laws, rules, and regulations in effect or hereafter established, including, without limitation, laws applicable to discrimination and unfair employment practices.

F. CHOICE OF LAW, JURISDICTION, AND VENUE.

Colorado law, and rules and regulations issued pursuant thereto, shall be applied in the interpretation, execution, and enforcement of this Contract. Any provision included or incorporated herein by reference which conflicts with said laws, rules, and regulations shall be null and void. All suits or actions related to this Contract shall be filed and proceedings held in the State of Colorado and exclusive venue shall be in the City and County of Denver.

G. PROHIBITED TERMS.

Any term included in this Contract that requires the State to indemnify or hold Contractor harmless; requires the State to agree to binding arbitration; limits Contractor's liability for damages resulting from death, bodily injury, or damage to tangible property; or that conflicts with this provision in any way shall be void ab initio. Nothing in this Contract shall be construed as a waiver of any provision of §24-106-109, C.R.S.

H. SOFTWARE PIRACY PROHIBITION.

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State or other public funds payable under this Contract shall not be used for the acquisition, operation, or maintenance of computer software in violation of federal copyright laws or applicable licensing restrictions. Contractor hereby certifies and warrants that, during the term of this Contract and any extensions, Contractor has and shall maintain in place appropriate systems and controls to prevent such improper use of public funds. If the State determines that Contractor is in violation of this provision, the State may exercise any remedy available at law or in equity or under this Contract, including, without limitation, immediate termination of this Contract and any remedy consistent with federal copyright laws or applicable licensing restrictions.

I. EMPLOYEE FINANCIAL INTEREST/CONFLICT OF INTEREST. §§24-18-201 and 24-50-507, C.R.S.

The signatories aver that to their knowledge, no employee of the State has any personal or beneficial interest whatsoever in the service or property described in this Contract. Contractor has no interest and shall not acquire any interest, direct or indirect, that would conflict in any manner or degree with the performance of Contractor's services and Contractor shall not employ any person having such known interests.

J. VENDOR OFFSET AND ERRONEOUS PAYMENTS. §§24-30-202(1) and 24-30-202.4, C.R.S.

[*Not applicable to intergovernmental agreements*] Subject to §24-30-202.4(3.5), C.R.S., the State Controller may withhold payment under the State's vendor offset intercept system for debts owed to State agencies for: **(i)** unpaid child support debts or child support arrearages; **(ii)** unpaid balances of tax, accrued interest, or other charges specified in §§39-21-101, *et seq.*, C.R.S.; **(iii)** unpaid loans due to the Student Loan Division of the Department of Higher Education; **(iv)** amounts required to be paid to the Unemployment Compensation Fund; and **(v)** other unpaid debts owing to the State as a result of final agency determination or judicial action. The State may also recover, at the State's discretion, payments made to Contractor in error for any reason, including, but not limited to, overpayments or improper payments, and unexpended or excess funds received by Contractor by deduction from subsequent payments under this Contract, deduction from any payment due under any other contracts, grants or agreements between the State and Contractor, or by any other appropriate method for collecting debts owed to the State.

K. PUBLIC CONTRACTS FOR SERVICES. §§8-17.5-101, et seq., C.R.S.

[Not applicable to agreements relating to the offer, issuance, or sale of securities, investment advisory services or fund management services, sponsored projects, intergovernmental agreements, or information technology services or products and services] Contractor certifies, warrants, and agrees that it does not knowingly employ or contract with an illegal alien who will perform work under this Contract and will confirm the employment eligibility of all employees who are newly hired for employment in the United States to perform work under this Contract, through participation in the E-Verify Program or the State verification program established pursuant to §8-17.5-102(5)(c), C.R.S., Contractor shall not knowingly employ or contract with an illegal alien to perform work under this Contract or enter into a contract with a Subcontractor that fails to certify to Contractor that the Subcontractor shall not knowingly employ or contract with an illegal alien to perform work under this Contract. Contractor **(i)** shall not use E-Verify Program or the program procedures of the Colorado Department of Labor and Employment ("Department Program") to undertake pre-employment screening of job applicants while this Contract is being performed, **(ii)** shall notify the Subcontractor and CDHS within 3 days if Contractor has actual knowledge that a Subcontractor is employing or contracting with an illegal alien for work under this Contract, **(iii)** shall terminate the subcontract if a Subcontractor does not stop employing or contracting with the illegal alien within 3 days of receiving the notice, and **(iv)** shall comply with reasonable requests made in the course of an investigation, undertaken pursuant to §8-17.5-102(5), C.R.S., by the Colorado Department of Labor and Employment. If Contractor participates in the Department program, Contractor shall deliver to CDHS a written, notarized affirmation, affirming that Contractor has examined the legal work status of such employee, and shall comply with all of the other requirements of the Department program. If Contractor fails to comply with any requirement of this provision or §§8-17.5-101 *et seq.*, C.R.S., CDHS may terminate this Contract for breach and, if so terminated, Contractor shall be liable for damages.

L. PUBLIC CONTRACTS WITH NATURAL PERSONS. §§24-76.5-101, *et seq*., C.R.S.

Contractor, if a natural person 18 years of age or older, hereby swears and affirms under penalty of perjury that Contractor **(i)** is a citizen or otherwise lawfully present in the United States pursuant to federal law, **(ii)** shall comply with the provisions of §§24-76.5-101 *et seq*., C.R.S., and **(iii)** has produced one form of identification required by §24-76.5-103, C.R.S. prior to the Effective Date of this Contract.

20. DEPARTMENT OF HUMAN SERVICES PROVISIONS

A. Exclusion, Debarment and/or Suspension

Contractor represents and warrants that Contractor, its employees, agents, assigns, or Subcontractors, are not presently excluded from participation, debarred, suspended, proposed for debarment, declared ineligible, voluntarily excluded, or otherwise ineligible to participate in a "federal health care program" as defined in 42 U.S.C. § 1320a-7b(f) or in any other government payment program by any federal or State of Colorado department or agency. If Contractor, its employees, agents, assigns, or Subcontractors, are excluded from participation, or becomes otherwise ineligible to participate in any such program during the term of this Contract, Contractor shall notify the State in writing within three (3) days after such event. Upon the occurrence of such event, whether or not such notice is given to Contractor, the State may immediately terminate this Contract.

B. Emergency Planning

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If Contractor provides Work that is an extension of State work performed as part of the State of Colorado Emergency Operations Plan or for a publicly funded safety net program, as defined by C.R.S. § 24-33.5-701 et seq., Contractor shall perform the Work in accordance with the State's Emergency Operations Plan or continuity of operations plan in the event of an emergency. If requested, Contractor shall provide a plan and reporting information to ensure compliance with the State's Emergency Operations Plan and C.R.S. § 24-33.5-701 et seq.

C. Restrictions on Public Benefits

If applicable, Contractor shall comply with C.R.S. §§ 24-76.5-101 – 103 exactly as the State is required to comply with C.R.S. §§ 24-76.5-101 – 103.

D. Discrimination

Contractor shall not:

i. discriminate against any person on the basis of race, color, national origin, age, sex, religion or handicap, including Acquired Immune Deficiency Syndrome (AIDS) or AIDS related conditions.

ii. exclude from participation in, or deny benefits to any qualified individual with a disability, by reason of such disability.

Any person who thinks he/she has been discriminated against as related to the performance of this Contract has the right to assert a claim, Colorado Civil Rights Division, C.R.S. §24-34-301, et seq.

E. Criminal Background Check

Pursuant to C.R.S. §27-90-111 and CDHS Policy VI-2.4, any independent contractor, and its agent(s), who is designated by the Executive Director or the Executive Director's designee to be a contracting employee under C.R.S. §27-90-111, who has direct contact with vulnerable persons in a state-operated facility, or who provides state-funded services that involve direct contact with vulnerable persons in the vulnerable person's home or residence, shall:

i. submit to and successfully pass a criminal background check, and

ii. report any arrests, charges, or summonses for any disqualifying offense as specified by C.R.S. §27-90-111 to the State.

Any Contractor or its agent(s), who does not comply with C.R.S. §27-90-111 and CDHS Policy VI-2.4, may, at the sole discretion of the State, be suspended or terminated.

F. Fraud Policy

Contractor shall comply with the current CDHS Fraud Policy.

G. C-Stat - Performance Based Program Analysis and Management Strategy (C-Stat Strategy)

Without any additional cost to the State, Contractor shall collect and maintain Contract performance data, as determined solely by the State. Upon request, Contractor shall provide the Contract performance data to the State. This provision does not allow the State to impose unilateral changes to performance requirements.

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21. SAMPLE OPTION LETTER (IF APPLICABLE)

State Agency Insert Department's or IHE's Full Legal Name	**Option Letter Number** Insert the Option Number (e.g. "1" for the first option)
Contractor Insert Contractor's Full Legal Name, including "Inc.", "LLC", etc...	**Original Contract Number** Insert CMS number or Other Contract Number of the Original Contract
Current Contract Maximum Amount Initial Term State Fiscal Year 20xx $0.00 Extension Terms State Fiscal Year 20xx $0.00 State Fiscal Year 20xx $0.00 State Fiscal Year 20xx $0.00 State Fiscal Year 20xx $0.00 Total for All State Fiscal Years $0.00	**Option Contract Number** Insert CMS number or Other Contract Number of this Option **Contract Performance Beginning Date** Month Day, Year **Current Contract Expiration Date** Month Day, Year

1. OPTIONS:

A. Option to extend for an Extension Term
B. Option to change the quantity of Goods under the Contract
C. Option to change the quantity of Services under the Contract
D. Option to modify Contract rates
E. Option to initiate next phase of the Contract

2. REQUIRED PROVISIONS:

A. For use with Option 1(A): In accordance with Section(s) Number of the Original Contract referenced above, the State hereby exercises its option for an additional term, beginning Insert start date and ending on the current contract expiration date shown above, at the rates stated in the Original Contract, as amended.

B. For use with Options 1(B and C): In accordance with Section(s) Number of the Original Contract referenced above, the State hereby exercises its option to Increase/Decrease the quantity of the Goods/Services or both at the rates stated in the Original Contract, as amended.

C. For use with Option 1(D): In accordance with Section(s) Number of the Original Contract referenced above, the State hereby exercises its option to modify the Contract rates specified in Exhibit/Section Number/Letter. The Contract rates attached to this Option Letter replace the rates in the Original Contract as of the Option Effective Date of this Option Letter.

D. For use with Option 1€: In accordance with Section(s) Number of the Original Contract referenced above, the State hereby exercises its option to initiate Phase indicate which Phase: 2, 3, 4, etc, which shall begin on Insert start date and end on Insert ending date at the cost/price specified in Section Number.

E. For use with all Options that modify the Contract Maximum Amount: The Contract Maximum Amount table on the Contract's Signature and Cover Page is hereby deleted and replaced with the Current Contract Maximum Amount table shown above.

3. Option Effective Date:

The effective date of this Option Letter is upon approval of the State Controller or , whichever is later.

STATE OF COLORADO INSERT-Name of Agency or IHE INSERT-Name & Title of Head of Agency or IHE SAMPLE ONLY – DO NOT SIGN By: Name & Title of Person Signing for Agency or IHE Date: SAMPLE ONLY – DO NOT SIGN	In accordance with §24-30-202 C.R.S., this Option is not valid until signed and dated below by the State Controller or an authorized delegate. **STATE CONTROLLER** SAMPLE ONLY – DO NOT SIGN Name of Agency or IHE Delegate-Please delete if contract will be routed to OSC for approval Option Effective Date: SAMPLE ONLY – DO NOT SIGN

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Exhibit A – Statement of Work

I. Terminology

The following terms used in this exhibit shall be construed and interpreted as follows:

A. Appointed Facility Medical Provider (AFMP): A physician, nurse practitioner, or physician's assistant assigned to a specific DYS facility (the list of facilities are provided in **Exhibit D**) who is responsible for the day to day care of DYS youth at that facility, and under the oversight of a supervising physician.

B. Business Day: any day except Saturday, Sunday, or Colorado State Holidays (published on the Colorado Secretary of State website)

C. Contractor: Correctional Health Partners, LLC

D. DUR: Drug Utilization Review

E. DYS Facility: Any and all facilities listed in **Exhibit D**.

F. DYS Youth: Youth 10-21 years old who have been charged with a criminal offense and are awaiting disposition, have been adjudicated a delinquent, or have been committed for a period of time to the legal custody of the Division of Youth Services and are eligible to receive medical care.

C. State: the State Department of Human Services, Division of Youth Services

D. DYS: Division of Youth Services

F. IBNR: Incurred But Not Received. Refers to financial obligations the Contractor has incurred, but not yet requested reimbursement for from the State.

G. UM: Utilization Management

II. General Requirements

A. <u>Scope of Services</u>

The Contractor shall manage health care services for DYS youth that are not already provided by State DYS providers. The applicable services the Contractor provides consist of:

1. External ancillary services,
2. External specialty care and services,
3. Hospital services,
4. Outpatient Hospital Services,
5. External Dental Services, and
6. Prescription drug services (pharmacy services), including maintaining a medication formulary (including a prior authorization review process) and the parameters for the use of psychotropics medications in adolescents.
7. Physician Services
8. Psychiatric Services
9. Services related to Quality Assurance and Oversight
10. Physician on-call services – Physician on call evenings (5pm-8am), weekends, and holidays for emergency call back within 15 minutes for facilities. Physician on call Monday-Friday 8am-5pm for non-emergency call back by COB for the Medical Clinic Staff.
11. Nursing Services, including quality review services

B. <u>Record-Keeping</u>

1. The Contractor shall maintain an individual file for each DYS youth receiving the Contractor's services and shall allow the State to review all information, data, and reports relating to any DYS youth when requested to do so.

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2. The Contractor shall maintain in each of its employee's files a copy of the current job description and a description of the position's minimum qualifications related to this Contract. These files shall be open to inspection by the State at all times.

C. Eligibility:

1. The State shall have the sole responsibility for determining the eligibility of DYS youth for State funded services. An eligible DYS youth under this Contract must reside at a State youth correctional facility or at a designated contract youth correctional facility outlined in **Exhibit D** within the State of Colorado. The State retains the authority to make final decisions on eligibility dates.
2. DYS youth become eligible for State Funded Services at 12:00 a.m. Mountain Time (as adjusted for Daylight Savings Time) of the Effective Date shown on the eligibility file and shall terminate 12:00 a.m. Mountain Time (as adjusted for Daylight Savings Time) of the Termination Date shown on the eligibility file transmitted to the Contractor. DYS youth may have more than one (1) Effective Date and more than one (1) Service Termination Date.
3. For the term of the Contract, the State shall electronically transmit daily, or on an otherwise mutually agreed upon timeline, an eligibility file to the Contractor. The Contractor shall use these eligibility files as the basis of determining the eligibility.

D. DYS Policies

The Contractor shall comply with applicable DYS policies, standards, and procedures. DYS may modify the policies, standards, and procedures at any time. The State shall provide advanced notice of the modification and determine a reasonable time for the Contractor to comply. The State shall provide the most current DYS policies, standards, and procedures as they are updated. The Contractor shall acknowledge receipt.

E. Clinical Review Process

The services provided under this Contract are subject to review by the Office of Children Youth and Families (OCYF) Medical Director. Based on criteria determined by the OCYF Medical Director and the DYS Director of Behavioral Health & Medical Services, the Contractor shall maintain a robust clinical review process of medical and psychiatric services to ensure high quality services are provided.

F. Medical Authority

The Contractor shall provide a physician who acts as the appointed Medical Authority who is responsible for clinical oversight of DYS providers directly or through a designee physician. In addition to other duties as specified in this document, the appointed Medical Authority, through the contract, shall:

1. Provide consultation, collaboration, and continuing education to DYS medical clinic staff.
2. The medical authority or designee to be on site to consult with each facility at least monthly, for case collaboration.
3. Review a sample of all DYS Mid-Level Providers charts and provide written performance reviews on all Mid-Level Providers twice a year to be included in the required Performance Management Plan. This also includes performance feedback on the DYS Medical Operations Coordinator positions (currently Nurse Vs).

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4. Provide oversight of Nurse Practitioners and Physician Assistants, which may include signature authority on Department of Regulatory Agencies (DORA) supervision documents, if required.

G. Service Provider Network:
The Contractor shall have an established service provider network that can provide medical care to DYS youth located throughout the State. The Contractor shall work with existing network service providers who are established partners in the provision of quality care to DYS youth.

1. In regards to the service provider network, the Contractor shall:
   (a) Negotiate the most competitive rates on behalf of the State and shall fully disclose to the State all provider rates negotiated and provide copies of provider contracts for services provided to DYS youth.

   (b) Establish coverage of all or most needed types of medical care services and specialties.

   (c) Establish geographically accessible specialty medical care providers and institutions throughout all or most of the State, in order to minimize logistic considerations for the agencies.

   (d) Have a credentialing process of network providers.

   (e) Set up on-site "clinics" for outside specialty medical care, so that care can be provided more economically.

   (f) The Contractor shall partner with an on-site eye care services provider, and an off-site dental clinic provider.

2. The Contractor shall provide the State with a complete list of service providers in network by name, address and phone number within 30 days of contract execution, annually, within 30 days of any amendments or changes and at any time upon request of Agency.

3. The Contractor shall provide in writing the Contractor's credentialing process and timelines for adding new providers to its network including training of new providers to serve DYS's diverse youth. Additionally, the Contractor will notify the State of providers in the service network who have lost credentials or privileges on a monthly basis.

4. The Contractor is responsible for ensuring that all persons doing work on behalf of the State are not excluded from participation in any state or federal reimbursement program and are cleared through the federal Health and Human Services (HHS), Office of the Inspector General (OIG) Exclusion List on a monthly basis.

5. The Contractor shall provide and maintain pharmacy provider(s) capable of serving DYS youth statewide. The management of prescriptions and pharmaceuticals shall be included and a competitive pricing strategy will be left to the discretion of the Contractor.
   (a) The Contractor shall negotiate pricing arrangements to optimize cost discounts while assuring adequate access.

6. The Contractor shall guarantee on-site delivery of medication to the facility requesting the prescription within 48 hours of placing the order, and stat orders as needed to be filled within four hours. The Contractor shall include pharmacy reviews quarterly by a licensed

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pharmacist, and monthly clinical reviews of chronic diseases and psychiatric care as outlined by DYS and the OCYF Medical Director as applicable.

7. The Contractor shall manage and control the costs of all medications and specifically, psychotropic medications, in line with a standard generic formulary. The Contractor shall establish a prior authorization process when non-formulary psychotropic medication is indicated.

8. The State shall keep the Contractor informed of any new youth correctional facilities in Colorado, transfers to/from out-of-state youth correctional facilities, and any other significant movement of DYS youth that may alter the requirements of the Contractor's network of providers. The Contractor is required to modify/expand their network to meet these changes.

H. Referrals/Authorizations

1. The Contractor shall provide a written referral, authorization, and notification process that is readily accessible by the State, up-to-date and user-friendly.

2. Non-emergency services will be initiated by referrals from the Appointed Facility Medical Provider (AFMP, and also known as the midlevel provider) and will include medical health care, optometric, audiometric and dental (oral surgery) health care from specialists and outside institutions. Whether by telephone contact or other technology, the AFMP shall be able to readily communicate his/her referral to the Contractor, including any subsequent dialogue as necessary for the Contractor to make a determination of whether it is appropriate to authorize or to deny the referral.

3. The Contractor shall inform the AFMP of authorization or denial of the referral based on policies, procedures, and time frames established by the Contractor.

4. If the referral is approved and the outside specialty medical care provider is available locally within the Contractor's established service provider network, the Contractor shall direct the authorization to said provider, and automatically notify said provider of the authorization. The Contractor shall prioritize the use of its provider care network.

5. The Contractor shall have a method of "flagging" all authorizations for outside specialty medical care not directed to a specific provider within the Contractor's established service provider network. The Contractor shall promptly confirm any authorizations with the State, which are not directed to specific providers within its service provider network, as needed.

6. The Contractor shall negotiate for and establish a discounted reimbursement rate for providers not in the service provider network.

7. The Contractor shall notify a designated State contact of all authorizations, preferably on a daily Monday-Friday basis, and provide relevant information thereto.

8. The State will not be responsible for authorizations issued for non-eligible parties.

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9. The State reserves the right to conduct a secondary review of any/all authorizations, and to deny or override such authorizations, as the State deems to be appropriate. The Contractor shall notify its AFMP of any denials or overrides resulting from the review process.

10. The State reserves the right to direct or redirect any authorizations for outside specialty medical care to or from the Contractor's provider network, for logistic or other reasons.

11. Due to security and logistical concerns regarding the transport of juveniles, State DYS facilities will be responsible for scheduling all services/appointments. The AFMP will refer all authorizations to the scheduling person at the facility in which the DYS youth resides.

I. Service Delivery: Both parties shall make their best effort to ensure that the following minimum standards are met in regards to the delivery of medical services:

1. Wait time should not on average exceed 30 minutes after the scheduled appointment time in a participating provider's office. At no time shall wait times exceed two (2) hours after the scheduled appointment time.

2. For routine appointments for specialty care, the amount of time from the day an appointment is requested to the day the appointment occurs shall not exceed the community standard.

3. For urgent appointments, the amount of time from the day an appointment is requested to the day an appointment occurs shall not exceed 48 hours.

4. The response time for the Contractor physician responsible for on-call coverage for the medical clinics shall not exceed 15 minutes from the time the physician receives the request.

5. Contractor physician signature approval for documentation shall not exceed seven (7) days.

J. Utilization Management and Review

1. The Contractor shall use nationally accepted criteria as the basis for utilization management decisions and processes. The Contractor shall provide inpatient prospective, concurrent, and retrospective Drug Utilization Review (DUR) as a part of the Contractor's Utilization Management services.

2. The Contractor will provide utilization management services to DYS Youth; understanding that such services may or may not be discontinued once a patient is admitted as an inpatient or if the State is no longer fiscally responsible for medical care for the patient.

3. Upon request by the State, Contractor shall conduct inpatient concurrent reviews to include hospitalized patients on observation or inpatient status, as well as retrospective reviews. The timeline for concurrent reviews shall be the first business day and every day thereafter the UM Nurse will conduct visitation and provide the State a verbal update. This may include reviews on patients for whom the State is not fiscally responsible.

4. The State reserves the right to conduct its own concurrent reviews and make scheduling and discharge decisions accordingly.

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5. As requested by the State, the Contractor shall obtain records and provide oral and/or written reports to assist the State in conducting its own concurrent reviews.

6. The Contractor shall maintain and have available for review by the State the following:
   a) Policies and Procedures used for authorizations, prior authorizations, claims administration and utilization review services.
   b) Eligibility verification system.
   c) Communication plan for how findings are presented to each affected party.

7. The Contractor shall provide a qualified psychiatrist who shall:
   a) Review current psychiatric practices,
   b) Provide supervision to any psychiatric nurse practitioners,
   c) Participate in emergency and involuntary medications reviews when requested,
   d) Assist with all required meetings to review quality of care and clinical reviews, and
   e) Establish a system for consulting with treating psychiatrists as needed.

8. Whenever necessary, based on the State's identification of problems that warrant investigation, the State shall evaluate the effectiveness of the Contractor's Utilization Management Program in assuring appropriate levels of care provided to DYS youth. The State shall coordinate review efforts as appropriate with review activities conducted by other agencies under applicable Colorado statutes.

K. <u>Administrative & Reporting Services:</u>

1. DYS expects a full range of administrative and reporting services to be provided by the Contractor. The Contractor shall be responsible for all claims determinations, timely filing guidelines, claims reviews, and appeals, in accordance with the Contractor's Policies and Procedures (P & P). Said P & P are subject to the approval of the State and shall be reported upon monthly. The State will designate a contact person for the Contractor to request approval to override denied claims. P & P include, but are not limited to:
   (a) technology requirements,
   (b) hours of operation,
   (c) prompt authorization or denial of PCP referrals,
   (d) prompt payment to providers,
   (e) claims adjudication,
   (f) standardized reporting and ad hoc reports.

2. The Contractor shall develop a set of financial and clinically based performance reports that serve to identify areas for improvement throughout the contractual term.

3. The Contractor shall assure that outside specialty and/or facility medical care service providers submit claims in a timely manner consistent with industry standards to allow for timely reimbursement by the State.

4. The Contractor shall conduct audits of paid claims at a minimum of every 6 months to ensure that claims to providers were paid accurately according to the terms of the provider contract. The Contractor shall provide a report to the State as to the outcome of the audit and

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a corrective action plan if there are payment errors. If the Contractor has paid the outside provider in excess of the contracted rates, the Contractor must recoup the overpayment from the provider and ensure the agency receives the credit within 60 days of the discovery of the overpayment. If the Contractor fails to recoup any overpayment within the 60 days, the State will withhold payment from the Contractor until such errors are corrected.

5. The Contractor shall provide information requested by the State including claim files, referrals, appeal files, previous correspondence, and canceled checks within five (5) business days following a request for information.

L. Reporting Requirements

The Contractor shall provide the State with a standardized reporting package, due by the 14th of the following month unless otherwise specified, including but not limited to:

1. Monthly profiles of individual DYS facilities, including referrals and utilization.

2. Monthly cost projections of all medical care and pharmacy costs by DYS facility and for DYS that have been authorized by the Contractor but for which funds have not yet been requested by the Contractor (IBNR analysis) due by the 5th of each month reporting.

3. Monthly cost summary and cost projections applied to the contract broken down by DYS facility.

4. A monthly data analysis report showing trends and recommendations to lower costs.

5. A monthly pharmacy report sorted by physician and/or advanced practice providers.

6. A monthly cumulative summary report of medical expenditures. A final year-end report is due to the agency no later than October 1 following the close of the State's fiscal year on June 30th.

7. Quarterly Cost Analysis Report demonstrating any savings related to the Covered Healthcare Services referenced in Exhibit G.

8. An annual trend analysis report comparing historical clinical data from previous years.

9. Other specific reporting may be requested from the Contractor by the State to be provided with short timelines. The Contractor shall produce ad hoc reports within 24 – 72 hours from the receipt of said request, unless otherwise negotiated between the Contractor and the State.

M. Auditing Requirements:

1. The Contractor shall provide robust clinical review on care provided to youth in DYS based on established parameters.
2. The Contractor will conduct a random Quality of Service Survey, to a pool of no less than 20 providers, to include State-employed AFMP's, on an annual basis and report results to the State at a date/time agreed upon by both parties.

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N. Contractor Performance Review: The annual review of Contractor performance shall include evaluation of the effectiveness of the Contractor in overseeing all services and addressing adverse events that were found in the course of care provided to DYS youth under the Contractors' scope of responsibility.

III. Additional Provisions

A. Insurance Requirements: In addition to the General Provisions, paragraph H., the Contractor shall provide insurance for licensed professionals providing services in their professional capacity, professional liability insurance in an amount not less than $150,000 for any injury to one person in any single occurrence, and no less than $600,000 for an injury to two or more persons in any single occurrence.

B. Accounting: The Contractor shall maintain a formal accounting system for all funds related to this contract. The Contractor shall:
1. Maintain a log of all returned funds to ensure timely processing of credits to the State and to facilitate the analysis of returned checks to determine any developing reasons or trends for the return of the checks.
2. Maintain appropriate controls to ensure the separation of functions of claims adjudication and accounting, including receipts and control of returned funds.
3. Adjust claims that will result in funds being returned to the State shall be accomplished through adjustment of future claims submitted by providers, except at end of the fiscal year, adjustments will be returned to the State.
4. Keep appropriate written documentation of all adjustments and the reasons for those adjustments. In addition, the Contractor shall ensure
5. Update the DYS youth's history in a timely manner (at least monthly).

D. External Review: The State will use criteria specified in this Contract, to develop specific areas of examination and criteria of the Contractor's work for review by a third party external reviewer. The State will provide notification to the Contractor 30 days prior to examination and criteria review. However, audits required under special circumstances of Executive/legislative over sight authority may not allow for set notice and the Contractor shall waive 30 days' notice requirement for the State Controller's Office, State Auditor's Office, Office of State Planning & Budgeting, and/or the Joint Budget Committee.

Review activities shall include but are not limited to:
1. Examination of medical services to assess appropriateness of services and compliance with standards for access and quality of care.
2. Examination of Administrative Services to assess compliance with standards.
3. Examination of clinical records and particular types of cases related to potential quality of care issues as determined by the State.
4. Interviews with Contractor staff related to this Contract.
5. Assessment of data reporting systems and data accuracy.

E. Remedial Actions: The State may exercise the following remedial actions in addition to any

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actions already allowed under this Contract or by law, should the Contractor substantially fail to perform its obligations. These remedial actions include, but are not limited to:

1. Written identification of the problem shall be sent by the State to the Contractor.
2. The Contractor shall have fifteen (15) days from receipt of this written problem notification to develop a corrective action plan and submit it in writing to the State.
3. The State shall have five (5) days from receipt of the Contractor's proposed corrective action plan to approve or reject the action plan in writing to The Contractor.
4. The Contractor shall have thirty days (30) from receipt of written approval of the corrective action plan to satisfactorily address the problem.
5. If the identified problem is not adequately addressed following the steps and time line outlined above, the State shall then withhold payment to the Contractor until the necessary services or corrections in performance are satisfactorily completed.

F. Contract Termination: If the Contract is terminated pursuant the General Provisions, paragraph Y.,

1. The Parties shall:
   a) Meet and develop a transition plan that ensures and minimizes disruption to each other's operation and those of Participating Providers
   b) Implement the transition plan in good faith and resolve any disputes promptly and fairly.
2. Contractor shall:
   a) For Administrative Services- assign all Professional Service Agreements with network providers to the State effective with the date of termination and provide all related files or records.
   b) For Covered Services authorized but not yet rendered as of the Termination Date- the Contractor shall promptly supply all information and/or records necessary for the subsequent administration of these Covered Services, e.g. utilization management, claim adjudication, etc.
   c) For Covered Services rendered in months for which Contractor has received an Administrative Fee, the Contractor shall continue to provide all Administrative Services for three (3) months beyond the Termination Date, unless otherwise agreed to by the State. At the end of these three (3) months, the Contractor shall promptly supply all information necessary, in a format mutually agreeable, for the adjudication of any outstanding State claims for Covered Services after the Termination Date.
   d) Provide a means, acceptable to the State, of transferring all historical data and files to the State or other Contractor should this Contract be terminated

IV. Payment and Terms

A. Payment of Adjudicated Claims: The Contractor is responsible for claims adjudication and making all payments to outside specialty medical care and pharmacy providers. To obtain reimbursement for these liabilities, the Contractor shall:

   a. Submit to the State a weekly statement of financial obligations, which the Contractor intends to pay to outside providers for approved services that were provided to DYS youth.

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b. The state will review the statement and make an Electronic Fund Transfer (EFT) to the Contractor for all approved services, upon receipt of supporting documentation required in the funds transfer process.
c. The Contractor releases payment to the service providers after receiving the funds from the State.
d. Payment is made on a pass-through basis (with no "mark-up").

B. The Contractor shall provide the State with a periodic statement (at a minimum monthly for medical and weekly for pharmacy) requesting funds for payment of invoices for outside specialty and/or facility medical care that has been provided to DYS youth. The periodic statement shall contain sufficient information to facilitate the State's ability to verify that the medical care was authorized and provided. The data must be reported with a breakout by DYS facility.

C. Third Party Reimbursement: If an injury or illness is caused by any third party and the DYS youth has the right to recover damages from that third party, the State shall provide payment for Covered Services related to any such illness or injury and the Contractor shall process claims for Covered Services for said illness or injury. Subject to relevant due process considerations, the State shall have a lien on all funds recovered by the DYS youth up to the actual cost incurred by the State for the services and supplies provided to the DYS youth. The State may give notice of that lien to any party who may have contributed to the loss. The State has the right to be subrogated to the DYS youth's rights to the extent of the Covered Services administered under this Contract. This includes the State's right to bring suit against the third party in the DYS client's name. All funds recovered from third parties shall become the property of the State.

D. The State may increase or decrease the quantity of goods/services based upon the rates established in the Contract. If the State exercises the option, it will provide written notice to the Contractor at least 30 days prior to the end of the current contract term in an Option Letter. Delivery/performance of the goods/services shall continue at the same rates and terms. If exercised, the provisions of the Option Letter shall become part of and be incorporated into the original contract.

E. The State may require continued performance for a period of 12 months at the same rates and same terms specified in the Contract. If the state exercises the option, it will provide written notice to the Contractor at least 30 days prior to the end of the current contract term in an Option Letter. If exercised, the provision of the Option Letter shall become part of and be incorporated into the original contract. The total duration of this Contract, including the exercise of any options under this clause shall not exceed 5 years.

F. The Contractor agrees to provide all contractual services herein, for the period July 1, 2021 through June 30, 2022 at the unit/budget prices established for the period July 1, 2021 through June 30, 2022. In the event that a cost-of-living adjustment (COLA) is approved by the State, the Contractor may be eligible for an adjustment to the unit/budget contract price(s). Subject to the availability of funds, the State may increase the level of funding for the scope of work established in the contract by making changes to the unit/budget prices for cost-of-living adjustments. The State may exercise this option by issuing an Option Letter to the Contractor within 30 days before the change in the level of funding occurs. This option is not valid until signed by the State Controller or his designee.

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G. Other bilateral modifications to this contract not within the terms of this Contract must be executed by formal amendment to the contract, approved in accordance with State law.

H. The Contractor may request, in writing, any proposed rate adjustments to the fees referenced in **Exhibit B**, based on the CPI – All Urban Consumers for Medical Services, not to exceed amount of 4%, no less than 90 days prior to the contract expiration date for increases to be applied to the next State fiscal year, and no more than one (1) request within a State fiscal year. Requests must be submitted to the State DYS, Director of Clinical Services.

   a. Any such request is subject to evaluation, negotiation, and approval by the State. The final decision of the State as to any such request, shall be final and binding upon the parties.

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Exhibit B - Budget
CHP - Managed Medical/Physician Services

Services	FY 2021-22 July 1, 2021 - June 30, 2022	Monthly Rate July 1, 2021 - June 30, 2022
General Administrative Fees	$ 171,307.97	$ 14,275.66
Psychiatry Administrative Fees	$ 112,355.96	$ 9,363.00
Physician/Nursing Services Costs	$ 384,101.31	$ 32,008.44
Pharmacy - Case Review Services	$ 183,039.01	$ 15,253.25
Psychiatry Costs	$ 1,132,258.96	$ 94,354.91
Medical Staffing at Marler	$ 345,034.21	$ 28,752.85
Physician/Psychiatry Services at Marler	$ 151,739.00	$ 12,644.92
Profit	$ 261,697.56	$ 21,808.13
TOTAL SERVICES	**$ 2,741,533.98**	**$ 228,461.17**
Managed Care/Claims	$ 771,055.91	N/A
Managed Care/Pharmacy	$ 518,448.11	N/A
TOTAL MANAGED CARE	**$ 1,289,504.02**	
TOTAL CORRECTIONAL HEALTH PARTNERS	**$ 4,031,038.00**	

The Contractor is responsible for claims adjudication and making all payments to outside specialty medical care and pharmacy providers. The amount budgeted is an estimation based on historical payments. For State Fiscal Year 2022, the State will only reimburse for costs incurred by the Contractor up to:

$771,055.91 for Managed Care Claims
$518,448.11 for Managed Care Pharmacy costs

The amount of funds allocated to each line item of the budget may be reallocated upon written request of the Contractor and the subsequent written approval of the State, subject to the limitation of the maximum payable amount.

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Exhibit C- OCYF Nondiscrimination

Nondiscrimination

Definitions

Gender Identity: An individual's innate sense of the individual's own gender, which may or may not correspond with the individual's sex assigned at birth.

Gender Expression: An individual's way of reflecting and expressing the individual's gender to the outside world, typically demonstrated through appearance, dress, and behavior.

Familial Status: Status that includes children under the age of 18 in the household.

Marital Status (or Civil Status): Distinct options that describe a person's relationship with a significant other. A person's state of being single, married, separated, divorced, or widowed. A person's specified civil status might also be married if they are in a civil union or common-law marriage. The civil status of a person who is legally separated is married.

Sexual orientation: An inherent or immutable enduring emotional, romantic or sexual attraction to other people.

Sub-recipients: County departments of human/social services (county departments) and OCYF contractors, subcontractors, grantees, and vendors who receive funding assistance through OCYF in order to provide services or benefits to clients.

Vendor/Contractor agrees to act in a manner consistent with State of Colorado Purchase Order Terms and Conditions Section 28 (see https://osc.colorado.gov/spco/ccu/purchase-order-terms-conditions), all applicable Nondiscrimination laws, as well as the State of Colorado Department of Human Services ("CDHS") Office of Children, Youth, and Families ("OCYF") Nondiscrimination terms set forth herein.

Vendor/Contractor agrees that in its performance of this agreement it shall not discriminate based on race, color, ethnic group, national origin, age, religion, mental or physical disability, sex, Sexual Orientation, Gender Identity or Gender Expression, Marital Status or Civil Status, Familial status, pregnancy, veteran status, or HIV status ("protected characteristics").

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Exhibit D - List of DYC Facilities

DYC Facilities	Age	Gender	Address
Betty K Marler YSC	10-20	F	7862 W Mansfield Pkwy Denver, CO 80235
Gilliam YSC	10-20	M/F	2844 Downing Street Denver, CO 80204
Grand Mesa YSC	10-20	M/F	360 28th Road Grand Junction, CO 81501
Lookout Mtn YSC	15-20	M	2901 Ford Street Golden, CO 80401
Marvin W Foote YSC	10-20	M/F	13500 Fremont Place Englewood, CO 80112
Mount View YSC	10-20	M/F	7862 W Mansfield Pkwy Denver, CO 80235
Platte Valley YSC	10-20	M/F	2200 “O” Street Greeley, CO 80632
Prairie View YSC	10-20	M/F	192 Bromley Business Pkwy Brighton, CO 80603
Pueblo YSC	10-20	M/F	1406 West 17th Street Pueblo, CO 81003
Spring Creek YSC	10-20	M/F	3190 East Las Vegas Colorado Springs, CO 80906
Zebulon Pike YSC	10-20	M	1427 W Rio Grande Colorado Springs, CO 80906

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Financial Services
Department of Human Services
Division of Contracts and Procurement

EXHIBIT E - HIPAA BUSINESS ASSOCIATE AGREEMENT

This HIPAA Business Associate Agreement ("Agreement") between the State and Contractor is agreed to in connection with, and as an exhibit to, the Contract. For purposes of this Agreement, the State is referred to as "Covered Entity" and the Contractor is referred to as "Business Associate". Unless the context clearly requires a distinction between the Contract and this Agreement, all references to "Contract" shall include this Agreement.

1. PURPOSE

Covered Entity wishes to disclose information to Business Associate, which may include Protected Health Information ("PHI"). The Parties intend to protect the privacy and security of the disclosed PHI in compliance with the Health Insurance Portability and Accountability Act of 1996 ("HIPAA"), Pub. L. No. 104-191 (1996) as amended by the Health Information Technology for Economic and Clinical Health Act ("HITECH Act") enacted under the American Recovery and Reinvestment Act of 2009 ("ARRA") Pub. L. No. 111–5 (2009), implementing regulations promulgated by the U.S. Department of Health and Human Services at 45 C.F.R. Parts 160, 162 and 164 (the "HIPAA Rules") and other applicable laws, as amended. Prior to the disclosure of PHI, Covered Entity is required to enter into an agreement with Business Associate containing specific requirements as set forth in, but not limited to, Title 45, Sections 160.103, 164.502(e) and 164.504(e) of the Code of Federal Regulations ("C.F.R.") and all other applicable laws and regulations, all as may be amended.

2. DEFINITIONS

The following terms used in this Agreement shall have the same meanings as in the HIPAA Rules: Breach, Data Aggregation, Designated Record Set, Disclosure, Health Care Operations, Individual, Minimum Necessary, Notice of Privacy Practices, Protected Health Information, Required by Law, Secretary, Security Incident, Subcontractor, Unsecured Protected Health Information, and Use.

The following terms used in this Agreement shall have the meanings set forth below:

a. Business Associate. "Business Associate" shall have the same meaning as the term "business associate" at 45 C.F.R. 160.103, and shall refer to Contractor.

b. Covered Entity. "Covered Entity" shall have the same meaning as the term "covered entity" at 45 C.F.R. 160.103, and shall refer to the State.

c. Information Technology and Information Security. "Information Technology" and "Information Security" shall have the same meanings as the terms "information technology" and "information security", respectively, in §24-37.5-102, C.R.S.

Capitalized terms used herein and not otherwise defined herein or in the HIPAA Rules shall have the meanings ascribed to them in the Contract.

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3. OBLIGATIONS AND ACTIVITIES OF BUSINESS ASSOCIATE

a. Permitted Uses and Disclosures.

i. Business Associate shall use and disclose PHI only to accomplish Business Associate's obligations under the Contract.

i. To the extent Business Associate carries out one or more of Covered Entity's obligations under Subpart E of 45 C.F.R. Part 164, Business Associate shall comply with any and all requirements of Subpart E that apply to Covered Entity in the performance of such obligation.

ii. Business Associate may disclose PHI to carry out the legal responsibilities of Business Associate, provided, that the disclosure is Required by Law or Business Associate obtains reasonable assurances from the person to whom the information is disclosed that:

A. the information will remain confidential and will be used or disclosed only as Required by Law or for the purpose for which Business Associate originally disclosed the information to that person, and;

B. the person notifies Business Associate of any Breach involving PHI of which it is aware.

iii. Business Associate may provide Data Aggregation services relating to the Health Care Operations of Covered Entity. Business Associate may de-identify any or all PHI created or received by Business Associate under this Agreement, provided the de-identification conforms to the requirements of the HIPAA Rules.

d. Minimum Necessary. Business Associate, its Subcontractors and agents, shall access, use, and disclose only the minimum amount of PHI necessary to accomplish the objectives of the Contract, in accordance with the Minimum Necessary Requirements of the HIPAA Rules including, but not limited to, 45 C.F.R. 164.502(b) and 164.514(d).

e. Impermissible Uses and Disclosures.

i. Business Associate shall not disclose the PHI of Covered Entity to another covered entity without the written authorization of Covered Entity.

ii. Business Associate shall not share, use, disclose or make available any Covered Entity PHI in any form via any medium with or to any person or entity beyond the boundaries or jurisdiction of the United States without express written authorization from Covered Entity.

f. Business Associate's Subcontractors.

i. Business Associate shall, in accordance with 45 C.F.R. 164.502(e)(1)(ii) and 164.308(b)(2), ensure that any Subcontractors who create, receive, maintain, or transmit PHI on behalf of

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Business Associate agree in writing to the same restrictions, conditions, and requirements that apply to Business Associate with respect to safeguarding PHI.

ii. Business Associate shall provide to Covered Entity, on Covered Entity's request, a list of Subcontractors who have entered into any such agreement with Business Associate.

iii. Business Associate shall provide to Covered Entity, on Covered Entity's request, copies of any such agreements Business Associate has entered into with Subcontractors.

g. Access to System. If Business Associate needs access to a Covered Entity Information Technology system to comply with its obligations under the Contract or this Agreement, Business Associate shall request, review, and comply with any and all policies applicable to Covered Entity regarding such system including, but not limited to, any policies promulgated by the Office of Information Technology and available at http://oit.state.co.us/about/policies.

h. Access to PHI. Business Associate shall, within ten days of receiving a written request from Covered Entity, make available PHI in a Designated Record Set to Covered Entity as necessary to satisfy Covered Entity's obligations under 45 C.F.R. 164.524.

i. Amendment of PHI.

i. Business Associate shall within ten days of receiving a written request from Covered Entity make any amendment to PHI in a Designated Record Set as directed by or agreed to by Covered Entity pursuant to 45 C.F.R. 164.526, or take other measures as necessary to satisfy Covered Entity's obligations under 45 C.F.R. 164.526.

ii. Business Associate shall promptly forward to Covered Entity any request for amendment of PHI that Business Associate receives directly from an Individual.

j. Accounting Rights. Business Associate shall, within ten days of receiving a written request from Covered Entity, maintain and make available to Covered Entity the information necessary for Covered Entity to satisfy its obligations to provide an accounting of Disclosure under 45 C.F.R. 164.528.

k. Restrictions and Confidential Communications.

i. Business Associate shall restrict the Use or Disclosure of an Individual's PHI within ten days of notice from Covered Entity of:

A. a restriction on Use or Disclosure of PHI pursuant to 45 C.F.R. 164.522; or

B. a request for confidential communication of PHI pursuant to 45 C.F.R. 164.522.

ii. Business Associate shall not respond directly to an Individual's requests to restrict the Use or Disclosure of PHI or to send all communication of PHI to an alternate address.

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iii. Business Associate shall refer such requests to Covered Entity so that Covered Entity can coordinate and prepare a timely response to the requesting Individual and provide direction to Business Associate.

l. Governmental Access to Records. Business Associate shall make its facilities, internal practices, books, records, and other sources of information, including PHI, available to the Secretary for purposes of determining compliance with the HIPAA Rules in accordance with 45 C.F.R. 160.310.

m. Audit, Inspection and Enforcement.

i. Business Associate shall obtain and update at least annually a written assessment performed by an independent third party reasonably acceptable to Covered Entity, which evaluates the Information Security of the applications, infrastructure, and processes that interact with the Covered Entity data Business Associate receives, manipulates, stores and distributes. Upon request by Covered Entity, Business Associate shall provide to Covered Entity the executive summary of the assessment.

ii. Business Associate, upon the request of Covered Entity, shall fully cooperate with Covered Entity's efforts to audit Business Associate's compliance with applicable HIPAA Rules. If, through audit or inspection, Covered Entity determines that Business Associate's conduct would result in violation of the HIPAA Rules or is in violation of the Contract or this Agreement, Business Associate shall promptly remedy any such violation and shall certify completion of its remedy in writing to Covered Entity.

n. Appropriate Safeguards.

i. Business Associate shall use appropriate safeguards and comply with Subpart C of 45 C.F.R. Part 164 with respect to electronic PHI to prevent use or disclosure of PHI other than as provided in this Agreement.

ii. Business Associate shall safeguard the PHI from tampering and unauthorized disclosures.

iii. Business Associate shall maintain the confidentiality of passwords and other data required for accessing this information.

iv. Business Associate shall extend protection beyond the initial information obtained from Covered Entity to any databases or collections of PHI containing information derived from the PHI. The provisions of this section shall be in force unless PHI is de-identified in conformance to the requirements of the HIPAA Rules.

o. Safeguard During Transmission.

i. Business Associate shall use reasonable and appropriate safeguards including, without limitation, Information Security measures to ensure that all transmissions of PHI are authorized and to prevent use or disclosure of PHI other than as provided for by this Agreement.

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ii. Business Associate shall not transmit PHI over the internet or any other insecure or open communication channel unless the PHI is encrypted or otherwise safeguarded with a FIPS-compliant encryption algorithm.

p. Reporting of Improper Use or Disclosure and Notification of Breach.

i. Business Associate shall, as soon as reasonably possible, but immediately after discovery of a Breach, notify Covered Entity of any use or disclosure of PHI not provided for by this Agreement, including a Breach of Unsecured Protected Health Information as such notice is required by 45 C.F.R. 164.410 or a breach for which notice is required under §24-73-103, C.R.S.

ii. Such notice shall include the identification of each Individual whose Unsecured Protected Health Information has been, or is reasonably believed by Business Associate to have been, accessed, acquired, or disclosed during such Breach.

iii. Business Associate shall, as soon as reasonably possible, but immediately after discovery of any Security Incident that does not constitute a Breach, notify Covered Entity of such incident.

iv. Business Associate shall have the burden of demonstrating that all notifications were made as required, including evidence demonstrating the necessity of any delay.

q. Business Associate's Insurance and Notification Costs.

i. Business Associate shall bear all costs of a Breach response including, without limitation, notifications, and shall maintain insurance to cover:

A. loss of PHI data;

B. Breach notification requirements specified in HIPAA Rules and in §24-73-103, C.R.S.; and

C. claims based upon alleged violations of privacy rights through improper use or disclosure of PHI.

ii. All such policies shall meet or exceed the minimum insurance requirements of the Contract or otherwise as may be approved by Covered Entity (e.g., occurrence basis, combined single dollar limits, annual aggregate dollar limits, additional insured status, and notice of cancellation).

iii. Business Associate shall provide Covered Entity a point of contact who possesses relevant Information Security knowledge and is accessible 24 hours per day, 7 days per week to assist with incident handling.

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iv. Business Associate, to the extent practicable, shall mitigate any harmful effect known to Business Associate of a Use or Disclosure of PHI by Business Associate in violation of this Agreement.

r. Subcontractors and Breaches.

i. Business Associate shall enter into a written agreement with each of its Subcontractors and agents, who create, receive, maintain, or transmit PHI on behalf of Business Associate. The agreements shall require such Subcontractors and agents to report to Business Associate any use or disclosure of PHI not provided for by this Agreement, including Security Incidents and Breaches of Unsecured Protected Health Information, on the first day such Subcontractor or agent knows or should have known of the Breach as required by 45 C.F.R. 164.410.

ii. Business Associate shall notify Covered Entity of any such report and shall provide copies of any such agreements to Covered Entity on request.

s. Data Ownership.

i. Business Associate acknowledges that Business Associate has no ownership rights with respect to the PHI.

ii. Upon request by Covered Entity, Business Associate immediately shall provide Covered Entity with any keys to decrypt information that the Business Association has encrypted and maintains in encrypted form, or shall provide such information in unencrypted usable form.

t. Retention of PHI. Except upon termination of this Agreement as provided in Section 5, below, Business Associate and its Subcontractors or agents shall retain all PHI throughout the term of this Agreement, and shall continue to maintain the accounting of disclosures required under Section 3.h, above, for a period of six years.

4. OBLIGATIONS OF COVERED ENTITY

a. Safeguards During Transmission. Covered Entity shall be responsible for using appropriate safeguards including encryption of PHI, to maintain and ensure the confidentiality, integrity, and security of PHI transmitted pursuant to this Agreement, in accordance with the standards and requirements of the HIPAA Rules.

b. Notice of Changes.

a.

i. Covered Entity maintains a copy of its Notice of Privacy Practices on its website. Covered Entity shall provide Business Associate with any changes in, or revocation of, permission to use or disclose PHI, to the extent that it may affect Business Associate's permitted or required uses or disclosures.

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ii. Covered Entity shall notify Business Associate of any restriction on the use or disclosure of PHI to which Covered Entity has agreed in accordance with 45 C.F.R. 164.522, to the extent that it may affect Business Associate's permitted use or disclosure of PHI.

5. TERMINATION

b. Breach.

i. In addition to any Contract provision regarding remedies for breach, Covered Entity shall have the right, in the event of a breach by Business Associate of any provision of this Agreement, to terminate immediately the Contract, or this Agreement, or both.

ii. Subject to any directions from Covered Entity, upon termination of the Contract, this Agreement, or both, Business Associate shall take timely, reasonable, and necessary action to protect and preserve property in the possession of Business Associate in which Covered Entity has an interest.

u. Effect of Termination.

i. Upon termination of this Agreement for any reason, Business Associate, at the option of Covered Entity, shall return or destroy all PHI that Business Associate, its agents, or its Subcontractors maintain in any form, and shall not retain any copies of such PHI.

ii. If Covered Entity directs Business Associate to destroy the PHI, Business Associate shall certify in writing to Covered Entity that such PHI has been destroyed.

iii. If Business Associate believes that returning or destroying the PHI is not feasible, Business Associate shall promptly provide Covered Entity with notice of the conditions making return or destruction infeasible. Business Associate shall continue to extend the protections of Section 3 of this Agreement to such PHI, and shall limit further use of such PHI to those purposes that make the return or destruction of such PHI infeasible.

6. INJUNCTIVE RELIEF

Covered Entity and Business Associate agree that irreparable damage would occur in the event Business Associate or any of its Subcontractors or agents use or disclosure of PHI in violation of this Agreement, the HIPAA Rules or any applicable law. Covered Entity and Business Associate further agree that money damages would not provide an adequate remedy for such Breach. Accordingly, Covered Entity and Business Associate agree that Covered Entity shall be entitled to injunctive relief, specific performance, and other equitable relief to prevent or restrain any Breach or threatened Breach of and to enforce specifically the terms and provisions of this Agreement.

7. LIMITATION OF LIABILITY

Any provision in the Contract limiting Contractor's liability shall not apply to Business Associate's liability under this Agreement, which shall not be limited.

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8. DISCLAIMER

Covered Entity makes no warranty or representation that compliance by Business Associate with this Agreement or the HIPAA Rules will be adequate or satisfactory for Business Associate's own purposes. Business Associate is solely responsible for all decisions made and actions taken by Business Associate regarding the safeguarding of PHI.

9. CERTIFICATION

Covered Entity has a legal obligation under HIPAA Rules to certify as to Business Associate's Information Security practices. Covered Entity or its authorized agent or contractor shall have the right to examine Business Associate's facilities, systems, procedures, and records, at Covered Entity's expense, if Covered Entity determines that examination is necessary to certify that Business Associate's Information Security safeguards comply with the HIPAA Rules or this Agreement.

10. AMENDMENT

a. Amendment to Comply with Law. The Parties acknowledge that state and federal laws and regulations relating to data security and privacy are rapidly evolving and that amendment of this Agreement may be required to provide procedures to ensure compliance with such developments.

i. In the event of any change to state or federal laws and regulations relating to data security and privacy affecting this Agreement, the Parties shall take such action as is necessary to implement the changes to the standards and requirements of HIPAA, the HIPAA Rules and other applicable rules relating to the confidentiality, integrity, availability and security of PHI with respect to this Agreement.

ii. Business Associate shall provide to Covered Entity written assurance satisfactory to Covered Entity that Business Associate shall adequately safeguard all PHI, and obtain written assurance satisfactory to Covered Entity from Business Associate's Subcontractors and agents that they shall adequately safeguard all PHI.

i. iii. Upon the request of either Party, the other Party promptly shall negotiate in good faith the terms of an amendment to the Contract embodying written assurances consistent with the standards and requirements of HIPAA, the HIPAA Rules, or other applicable rules.

ii. iv. Covered Entity may terminate this Agreement upon 30 days' prior written notice in the event that:

A. Business Associate does not promptly enter into negotiations to amend the Contract and this Agreement when requested by Covered Entity pursuant to this Section; or

B. Business Associate does not enter into an amendment to the Contract and this Agreement, which provides assurances regarding the safeguarding of PHI sufficient,

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in Covered Entity's sole discretion, to satisfy the standards and requirements of the HIPAA, the HIPAA Rules and applicable law.

v. Amendment of Appendix. The Appendix to this Agreement may be modified or amended by the mutual written agreement of the Parties, without amendment of this Agreement. Any modified or amended Appendix agreed to in writing by the Parties shall supersede and replace any prior version of the Appendix.

11. ASSISTANCE IN LITIGATION OR ADMINISTRATIVE PROCEEDINGS

Covered Entity shall provide written notice to Business Associate if litigation or administrative proceeding is commenced against Covered Entity, its directors, officers, or employees, based on a claimed violation by Business Associate of HIPAA, the HIPAA Rules or other laws relating to security and privacy or PHI. Upon receipt of such notice and to the extent requested by Covered Entity, Business Associate shall, and shall cause its employees, Subcontractors, or agents assisting Business Associate in the performance of its obligations under the Contract to, assist Covered Entity in the defense of such litigation or proceedings. Business Associate shall, and shall cause its employees, Subcontractor's and agents to, provide assistance, to Covered Entity, which may include testifying as a witness at such proceedings. Business Associate or any of its employees, Subcontractors or agents shall not be required to provide such assistance if Business Associate is a named adverse party.

12. INTERPRETATION AND ORDER OF PRECEDENCE

Any ambiguity in this Agreement shall be resolved in favor of a meaning that complies and is consistent with the HIPAA Rules. In the event of an inconsistency between the Contract and this Agreement, this Agreement shall control. This Agreement supersedes and replaces any previous, separately executed HIPAA business associate agreement between the Parties.

13. SURVIVAL

Provisions of this Agreement requiring continued performance, compliance, or effect after termination shall survive termination of this contract or this agreement and shall be enforceable by Covered Entity.

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APPENDIX TO HIPAA BUSINESS ASSOCIATE AGREEMENT

This Appendix ("Appendix") to the HIPAA Business Associate Agreement ("Agreement") is s an appendix to the Contract and the Agreement. For the purposes of this Appendix, defined terms shall have the meanings ascribed to them in the Agreement and the Contract. Unless the context clearly requires a distinction between the Contract, the Agreement, and this Appendix, all references to "Contract" or "Agreement" shall include this Appendix.

1. PURPOSE

This Appendix sets forth additional terms to the Agreement. Any sub-section of this Appendix marked as "Reserved" shall be construed as setting forth no additional terms.

2. ADDITIONAL TERMS

a. Additional Permitted Uses. In addition to those purposes set forth in the Agreement, Business Associate may use PHI for the following additional purposes:

i. Reserved.

b. Additional Permitted Disclosures. In addition to those purposes set forth in the Agreement, Business Associate may disclose PHI for the following additional purposes:

i. Reserved.

c. Approved Subcontractors. Covered Entity agrees that the following Subcontractors or agents of Business Associate may receive PHI under the Agreement:

i. Reserved.

d. Definition of Receipt of PHI. Business Associate's receipt of PHI under this Contract shall be deemed to occur, and Business Associate's obligations under the Agreement shall commence, as follows:

i. Reserved.

e. Additional Restrictions on Business Associate. Business Associate agrees to comply with the following additional restrictions on Business Associate's use and disclosure of PHI under the Contract:

i. Reserved.

f. Additional Terms. Business Associate agrees to comply with the following additional terms under the Agreement:

i. Reserved.

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DIVISION OF YOUTH SERVICES
ACCOUNTING REQUIREMENTS FOR INDEPENDENT CONTRACTORS

The purpose of these requirements is to provide minimum assurance the Contractor has adequate accounting and budgeting information available to allow management to maintain a financially viable enterprise.

1) The Contractor must have in place a double entry accounting system, which complies with generally accepted accounting principles (GAAP). All expenses must be posted to the double entry accounting system. Billings for services must be reconcilable to the double entry accounting system. The vendor must have adequate time keeping and cost allocation systems to allocate salary cost and indirect cost to appropriate cost centers.

2) All billing by the Contractor must be in a format approved by the Division of Youth Services (DYS). The Contractor must provide all supporting documentation requested by the Division of Youth Services. Contractors must bill DYS at least once a month. Contractors may bill up to twice a month. Bills will be returned unpaid if the bills do not conform to the approved format or the documentation is inadequate.

3) The Contractor must have an annual audit of their financial statements (Income Statement, Balance Sheet, and Statement of Cash Flows) by an independent public accounting firm if the ***Contractor receives $400,000*** dollars or more of state funds. If the Contractor is a government agency that has an independent audit done by another agency of that government, their regular audit meets this requirement. The audit must be completed and a copy provided to DYS Program Services within six (6) months after the end of the Contractor's fiscal year. The audited financial statements must contain **supplemental statements providing detailed financial information for the expenditures of this contract.** Contractors that are a subsidiary of a parent organization must submit separate financial statements for the subsidiary that detail each of the Contractor's facilities and/or programs that provide services for the Division and also must reconcile with the consolidated statements of the parent organization. In cases where audit deficiencies are noted, a plan of corrective action shall be submitted to DYS for approval within four (4) months of the date of the audit.

4) If the Contractor does not submit their annual audit or refuse to disclose financial information regarding the operation of the program in a timely manner, DYS may withhold payment until the audit and/or requested information is submitted.

5) If the contract contains a line item budget, any changes greater than 10% between budget categories must have prior written approval from the appropriate DYS Administrator. Any changes that delete or add line items to the budget must have prior written approval from the appropriate DYS Administrator. This type of change may require a formal written contract amendment. If the contract includes any Federal funds, any changes to the approved budget must meet all of the additional requirements specified in the Federal grant.

6) If the Contractor is a sub recipient of federal funds, the Contractor is responsible for complying with all appropriate federal requirements for an adequate accounting system, audits, reporting and financial management. In cases where audit deficiencies are noted, a plan of corrective action shall be submitted to DYS for approval within four (4) months of the date of the audit.

7) Failure to comply with any of these requirements is justification for DYS to cancel the contract.

8) The Contractor's financial records shall be open for inspection and audit at reasonable times by an authorized representative of the State. The Contractor must allow the State complete access to all-financial and accounting records pertaining to the operation of the Contractor's program. This shall include but not be limited to inspection of the Contractor's accounting information system and any records related to the Contractor's accounting information system.

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Exhibit G – Covered Health Care Services

I. General Requirements for Covered Health Care Services

A. All covered services are subject to approval by the Contractor's Utilization Management Program. To be eligible for payment, all covered services must be rendered in compliance with the Contractor's Utilization Management Program.

B. DYC Youth are eligible to receive the services set forth in this schedule. The fact that a participating provider may prescribe, order, recommend or approve a service or supply does not, in and of itself, make the service or supply a covered benefit. The Contractor shall evaluate the appropriate level and place of service for requested medical care services. Due to the statutory mandate that the State provides all healthcare to committed DYC youth, the State reserves the right to approve excluded covered medical services based on individual circumstances of its eligible and non-eligible members.

C. Interpretation of Covered Services: The State shall work with the Contractor to resolve any inquiries with the understanding that unreasonable delays result in a loss of operational efficiencies to both the Contractor and the State, and possible degradation of services to participating network providers and DYC youth. The State shall respond in writing to requests for clarification within three (3) business days and emergency requests within on (1) business day. The State retains the authority to make final decisions regarding any and all interpretations of covered health care services.

D. Modifications to Covered Services: The State may modify the covered health care services provided to DYC youth included in this attachment and has the sole discretion to do so in order to achieve the most cost effective provision of medical services while maintaining an acceptable standard of care. The State shall give 10 business days' written notice of any modification; the written notice shall include the exact wording of the change, the effective date, and clarifying remarks. The Contractor shall be responsible to implement said change by its effective date and shall promptly notify the State of any exception.

II. Schedule of Covered Health Care Services

<u>Physician Services</u>

Primary Care

Primary care is provided under the direction of the Primary Care Provider in order to effectively evaluate and treat the health needs of the DYC youth, including consultation as needed, and on-call services by the appointed Medical Authority for detained and committed DYC youth. Such activities may include, but are not limited to, physical exam, therapeutic treatment, specialty referral, surgical services and dietary counseling for medical conditions.

Covered preventive services include:

- initial screening;
- routine immunizations;
- mandatory testing for general health welfare;

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- periodic physical assessment based on age, sex, general health status and known risk factors.

Specialty Care

Covered services include consultation with a specialty care provider (SCP) whose opinion or advice is requested by the DYC youth's primary care provider (PCP), Chief Medical Officer or Medical Authority for further evaluation of an illness or injury. Services are performed either on an inpatient or outpatient basis and may include examination, diagnostics, therapeutic treatment or surgery and telemedicine.

Diagnostic Services

Covered services include:

- **Laboratory Diagnostic Services:** includes diagnostic, clinical and anatomic pathological laboratory services and materials;
- **Radiological and Non-Radiological Diagnostic Imaging Services:** includes radiography, fluoroscopy, mammography and ultrasounds;
- **Imaging Services:** includes nuclear medicine, computerized axial tomography (CAT), positron emission tomography (PET), cardiac ultrasonography, magnetic resonance imaging (MRI), cardiac catheterization and arthrography;
- **Complex Vascular Diagnostic Services:** includes holter monitoring, treadmill or stress testing, and impedance venous arteriography;
- **Complex Neurological Diagnostic Services:** includes electroencephalogram (EEG) or electromylogram (EMG) and evoked potential;
- **Complex Pulmonary Diagnostic Services:** includes pulmonary function testing and apnea monitoring;
- **Complex Allergy Diagnostic Services:** includes allergy skin tests;
- **Otologic Services:** includes evaluations to determine the need for medical or surgical treatment of hearing deficit or a related medical problem.

Therapeutic Services

Covered services include:

- **Chemotherapy Services:** includes oral and injectable medication when medically appropriate;
- **Therapeutic Radiology Services:** utilized for the treatment of cancer and other diseases;
- **Complex Vascular Therapeutic Services:** includes percutaneous transluminal angioplasty;
- **Hemodialysis and Peritoneal Renal Dialysis Intervention:** includes education and medically necessary supplies;
- **Rehabilitation Services, Speech, Physical and Occupational Therapy:** therapies are subject to review for significant improvement within two (2) months of onset of therapy. All services require an approved treatment plan and are subject to re-evaluation at any time. In the case of physical therapy, the goal is to instruct the patient to perform a self-monitored therapeutic exercise program, e.g., post-operative orthopedic case.

Inpatient/Outpatient Hospital Services

In the event DYC is responsible for providing payment for services, the following are covered:

Inpatient only

Covered services include the accommodations, services and supplies as ordered by a member's physician during an admission to a hospital for acute or intensive care. An admission on any given

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day includes one of the following room accommodations:

- medical, surgical or critical care units (e.g., ICU), including bed, board and both general and special nursing care;
- private rooms are **excluded** unless medically necessary required for security reasons, the hospital does not have a semi-private room available or the hospital furnishes private rooms as the principal room accommodation for its patients.

Inpatient and Outpatient

Covered services include:

- operating, recovery and treatment rooms and equipment (inpatient only);
- labor/delivery rooms and equipment (inpatient only);
- anesthesia material and its administration (inpatient only);
- diagnostic services and supplies required to diagnose illness, injury or other conditions;
- therapeutic services and supplies required to diagnose illness, injury or other conditions;
- medications approved by the Food and Drug Administration (FDA);
- dressings, splints, casts and other supplies for medical treatment by facility;
- oxygen and its administration;
- non-replaced blood, blood plasma, blood derivatives and their administration and processing;
- intravenous injections and solutions.

The following services and supplies are examples of benefits that are **not covered**:

- vocational rehabilitation services (outpatient only);
- private duty nursing services, unless approved by Contractor's Clinical Support Services and Medical Operations Coordinator;
- personal convenience or hygiene items;
- medications and supplies for the DYC youth's use after discharge beyond DYC policy 12.10;
- medications that have been approved by the FDA for experimental or investigational use, unless approved by Contractor's Clinical Support Services;
- occupational therapy.

<u>Emergency Services (do not require authorization)</u>

Covered services include:

- emergency room related charges and physician services;
- ambulance services, including ambulance transport to the nearest appropriate hospital when any other form of transportation is not appropriate and when the ambulance service is provided in conjunction with emergency medical care;
- detoxification screenings and medical detoxification services for DYC youths when medically necessary.

<u>Surgical Services</u>

Covered services include surgical services that are performed by a Primary Care Provider or Specialty Care Provider and are generally recognized and accepted procedures for diagnostic or therapeutic purposes in the treatment of an illness or injury. The location of service must be appropriate to the complexity of the surgery involved. These sites include the physician's office, emergency room, inpatient and outpatient hospital and ambulatory surgery center. Specific services include:

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- **physician services—**includes a **surgical assistant** when medically necessary and when performed by an assistant surgeon in connection with a surgical procedure;
- **anesthesia services—**when medically necessary to administer anesthetics and when performed by a qualified professional to achieve general or regional anesthesia, related resuscitative procedures and pre-operative and post-operative visits.

Operative procedures
- suture of wounds;
- debridement of wounds, burns or infections;
- use of a needle or cannula for biopsy, aspiration or injection;
- intravenous, arterial or cardiac catheterization;
- electrical, chemical or medical destruction of tissue;
- reconstructive plastic surgery in order to maintain or prevent loss of function (mastectomy reconstruction is excluded).

Miscellaneous procedures
- reduction of fractures or dislocations;
- orthopedic castings;
- endoscopic examination of internal organs of the body.

Oral surgical services are limited to treating the following medical conditions: accidental injury to sound, natural teeth, jawbones or surrounding tissues; correction of a non-dental, pathophysiological condition that has resulted in a severe functional impairment; or treatment for tumor and cysts requiring pathological examination of the jaws, cheeks, tongue, roof and floor of mouth. **Removal of impacted wisdom teeth and root canals are covered for DYC juveniles.** Oral Surgeries **do not include** treatment for temporomandibular joint disorder (TMJ).

Services **not covered** by the benefit plan include:
- acupuncture;
- hypnosis;
- administration of general anesthesia by the primary surgeon or the assistant surgeon;
- dental services or dental surgery, except accidental injury to sound, natural teeth, jawbones or surrounding tissues; the correction of a non-dental, pathophysiological condition that has resulted in a severe functional impairment; or treatment for tumors and cysts requiring pathological examination of the jaws, cheeks, lips, tongue, roof and floor of the mouth.

Pregnancy, Maternity and Newborn Services
Covered services include:
- prenatal services;
- delivery and related postpartum care;
- Juvenile members' newborns are immediately covered by a designated caregiver or the Department of Social Services.

Services **not covered** by the program:
- procedures intended solely for determining the sex of the fetus;
- non-therapeutic sterilizations;
- non-therapeutic abortions.

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Pharmacy Plan
Covered medications, means medications approved by the FDA.

Covered services include covered medications requested by a DYC youth's physician or mid-level provider and subject to approval by the DYC youth's primary care provider.

Compliance with the DYC medication formularies, as applicable, is required. Exceptions are approved by the appointed Medical Authority, the Medical Operations Coordinator, or his/her designee prior to dispensing. Prior Authorization Requests (PARs) for non-formulary psychotropic medications are approved by the contractor psychiatrist.

The program **does not include**:
- personal care items;
- I.V. equipment dispensed without the I.V. solutions;
- spirituous liquors of any kind;
- dietary needs or food supplements unless prior authorized according to specified guidelines;
- hypodermic needles, syringes or similar devices (except for the administration of medication prescribed by a physician);
- medications classified by FDA as "investigational" or "experimental."

Prosthetic Devices, Durable Medical Equipment (DME) and Oxygen
Covered prosthetic devices include:
- cardiac pacemakers;
- colostomy bags (and other ostomy bags) and necessary equipment required for attachment, including irrigation and flushing equipment and other items/supplies related to ostomy care;
- terminal devices, e.g., hand, leg or artificial eyes when used as non-cosmetic spacers;
- hearing aids.

Prosthetic devices **not covered** by the program include:
- devices in connection with temporomandibular joint (TMJ) dysfunction to increase vertical dimensions or to restore occlusion, unless approved;
- medical devices that have not been approved for marketing by the FDA or approved for coverage by Medicaid.

Durable medical equipment (DME) covered by the program includes:
- rental or purchase of DME;
- repair, maintenance and delivery services;
- disposable supplies essential to approved care;
- custom orthotics (inserts) for comfort (elimination of pain).

DME must meet the following criteria:
- can stand repeated use and is used to serve a medical purpose;
- is not useful to a person in the absence of an illness or injury;
- is appropriate for use in the home or workplace.

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DME items **not covered** by the program:
- air purifiers;
- air conditioning;
- barbells or other physical fitness equipment;
- bed boards;
- Braille teaching text;
- bras (surgical);
- cages (knee);
- corsets, L-S;
- diathermy machine;
- disposable artificial larynx (permanent device preferred);
- electronic speech aids;
- extra mattresses;
- neck halter & c-collar;
- over door traction kit;
- comfort or convenience items;
- convenience items for persons caring for an member (i.e., stairways, elevators and cushion life chairs).

Oxygen supplies are covered by the program for members with significant hypoxemia who meet the medically necessary criteria, including laboratory evidence and health conditions. Oxygen contractors are the usual and customary benefit for patients who qualify.

Skilled Extended Care Facilities

DYC Youth may be admitted to an extended care facility with skilled nursing services as an alternative to hospitalization.

Covered services include:
- semi-private (multi-bed unit) room accommodations, i.e., bed, board and general nursing care;
- diagnostic services and supplies required to diagnose illness, injury or other conditions;
- therapeutic services and supplies required to diagnose illness, injury or other conditions;
- medications approved by the FDA;
- dressings, splints, casts and other supplies for medical treatment provided by the nursing facility;
- oxygen and its administration;
- non-replaced blood, blood plasma, blood derivatives and their administration;
- intravenous injections and solutions;
- special dietary needs and food supplements;
- physical therapy.

Services and supplies **not covered** by the program:
- private duty nursing services;
- personal convenience or hygiene items;
- medications and supplies for the patient's use after discharge from the skilled extended care facility;
- medications that have been approved by the FDA for experimental or investigational use.

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Vision

DYC
Covered services for DYC youth include:
- periodic routine eye examinations;
- refractions;
- prescription glasses*****—lenses and frames are provided as needed; however, tints or special treatment are not covered unless the condition meets medically necessary criteria.

*Repairs and/or replacements require no authorization.

Supplies and services **not covered** by the program:
- contact lenses and related supplies, unless medically necessary;
- radial/laser keratotomy, PRK and other surgical procedures for sole purpose of improving vision for cosmetic reasons;
- special treatment of prescription eyeglasses that are not medically required for health and safety.

Hearing Services

Covered services include:
- examination to determine need for hearing correction;
- bilateral hearing aids for cases that meet medical criteria for **DYC** youth.

Cochlear implants are **not covered** by the program.

Dental Services
The DYC Dental Authority provides oversight of all dental services.

Covered services that do not require prior authorization from the Contractor:
- initial exam within fourteen (14) days of incarceration;
- amalgams and composite restorations (fillings);
- cleanings deemed necessary by treating dentist;
- bite guards when necessary for **DYC** juveniles.

Covered Services for **DYC** youth requiring prior authorization:
- (If services exceed one hundred dollars ($100) in cost, X-Rays are also to be submitted with authorization request.)
- root canal treatment on anterior bicuspid and first molar teeth that are restorable with composite of amalgam;
- necessary extractions;
- transitional partials.

Services **not covered** by the program:
- prosthetics, commonly known as crowns and bridges;
- orthodontics - including maintenance of braces;
- implants;

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- precision attachments;
- cast metal framework, removal of partial dentures;
- hemisections, root resections, periodontal bone grafts;
- cosmetic procedures to include cosmetic, oral and maxillofacial surgery;
- routine cleanings unless deemed necessary by the treating dentist.

General Exclusions

These items include:

- Any service that is:
  - not in the current schedule of covered services, unless approved by the State;
  - not reasonable and medically necessary according to developed criteria;
  - performed while not incarcerated by DYC;
  - only for the convenience of the member.

- All medical care and services rendered without obtaining authorization as required by the Contractor's Utilization Management Program;
- Sexual dysfunction or inadequacy;
- Personal comfort or convenience items, including tennis shoes, geo-mattresses (egg-crate), heavy coats, etc.;
- Services of chiropractors;
- Cosmetic surgery or implants;
- Experimental or investigational treatment, procedures or devices as determined by the Contractor;
- Acupuncture;
- Holistic or homeopathic care, including medications and ecological or environmental medicine;
- Fertility testing;
- Paternity testing.

Psychological Services

Covered services include psychological services provided in accordance with ethical and professional standards, Colorado State law and DYC administrative regulations. Psychological Services are **currently being provided by the State**.

Psychiatric Services

The Contractor shall be responsible for the provision of psychiatric services. Psychiatric services may be provided via subcontract of the Contractor and include:

- A psychiatric medical director who oversees the care provided to the DYC youth in the legal custody of the Division.