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**SEALED BID
INFORMATION TECHNOLOGY REQUEST FOR PROPOSAL
INTEGRATED ELIGIBILITY SOLUTION**

Expected RFP Schedule Summary:

Procurement Schedule	
RFP Release Date	3/20/2014
Vendor Questions due	4/4/2014
Vendor Conference	4/30/2014
Responses to Vendor Questions are Posted	5/7/2014
Letters of Intent	5/9/2014
Proposals Due	6/5/2014, 3 PM
Vendor Demonstrations/Oral Presentations	6/27/2014-7/3/2014
Tentative Award Announcement	7/9/2014
Anticipated Contract Start Date	10/13/2014

LOCATION OF BID OPENING: 10 Baldwin St., Montpelier, VT 05633

PLEASE BE ADVISED THAT ALL NOTIFICATIONS, RELEASES, AND AMENDMENTS ASSOCIATED WITH THIS RFP WILL BE POSTED AT:

<http://bgs.vermont.gov/purchasing/bids>

THE STATE WILL MAKE NO ATTEMPT TO CONTACT VENDORS WITH UPDATED INFORMATION. IT IS THE RESPONSIBILITY OF EACH VENDOR TO CHECK <http://bgs.vermont.gov/purchasing/bids> FOR ANY AND ALL NOTIFICATIONS, RELEASES AND AMENDMENTS ASSOCIATED WITH THE RFP.

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Revisions

Version	Date	Author	Requestor	Description
4.01	3/4/14	Tom Papp	CMS/FNS	<p>Added FNS to Appendix 1 (Glossary)</p> <p>Added reference/link to new FNS testing rule.</p> <p>Updated page #'s on TOC.</p> <p>Removed duplicate schedule table and added hyperlinks.</p>
4.02	3/14/14	Venkat Ramanujam	IE Team	<p>Complete Glossary definitions</p> <p>Remove question marks from all tables.</p> <p>Add MMIS FH,G&A requirements</p> <p>Security doc updates</p> <p>Revise RFP schedule</p> <p>Revise implementation schedule</p> <p>Update proc lib docs.</p> <p>Add Description of Letters of Intent</p> <p>Added comment in AHS Business Process Analysis v4</p> <p>Updated Non-Functional Requirements with latest Security Requirements and Definition of Terms</p> <p>Updated Fair Hearings, Grievances and Appeals in Functional Requirements</p> <p>Updated Template F with reference requirements for vendor staff</p> <p>Added New Regulation Regarding System Testing in Procurement Library</p> <p>Other updates per CMS and FNS comments detailed in the excel sheet on SharePoint IE_RFP_v4.0_Changes and Approvals_17Mar2014</p> <p>Additional language added-3/20/2014</p>

1.0 General Information

1.1 Introduction

The State of Vermont, on behalf of the Agency of Human Services (AHS), is soliciting competitive, sealed, fixed price proposals, from qualified vendors for the Design, Development, and Implementation of a Health and Human Services Integrated Eligibility (IE) Solution for the State of Vermont. The envisioned IE Solution will migrate eligibility functionality for all in-scope programs from the current legacy eligibility system known as ACCESS.

The State is currently using OneGate as our accelerator for the VHC solution but should a vendor offer a different solution to meet our Enterprise strategy the vendors will need to explain their rationale.

This Request for Proposal (RFP) provides details on what is required to submit a Proposal for the Work, how AHS will evaluate the Proposals, and what will be required of the Contractor performing the Work.

If a suitable offer is made in response to this Request for Proposal (RFP), the AHS Agency may enter into a contract (the Contract) to have the selected Vendor (the Contractor) perform all or part of the Work.

1.2 Sole Point of Contact

All communications concerning this RFP are to be addressed in writing to the attention of:

John McIntyre, Purchasing Agent
Department of Buildings and General Services
Agency of Administration
BGS Financial Operations
Office of Purchasing & Contracting
10 Baldwin St
Montpelier VT05633-7501

John McIntyre, Purchasing Agent is the sole contact for this proposal and can be contacted by email at John.McIntyre@state.vt.us or by phone at (802) 828-2210. Actual contact with any other Party or attempts by bidders to contact any other Party could result in the rejection of their proposal.

1.3 Procurement Schedule

Table 1 documents the critical pre-award events for the procurement. All dates are subject to change at State of Vermont's discretion.

[Table 1 - Procurement Schedule. See Cover Page.](#)

1.4 Background

1.4.1 Current Agency Organization and Healthcare Overview

1.4.1.1 AHS' Mission and Structure

AHS is the Agency responsible for health care and human services support across the State and has the statutory responsibility for child welfare and protection, the protection of vulnerable populations, public safety, public health, public benefits, mental health and administration of Vermont's public insurance system. The Agency also serves as the single State Medicaid Agency (SMA).

The stated mission of AHS is:

The Agency of Human Services strives to improve the health and well-being of Vermonters today and tomorrow and to protect those among us who are unable to protect themselves.

The Agency Vision is:

- The reduction of the impacts of poverty in our state
- The promotion of health, well-being and safety in our communities
- An enhanced focus on accountability and effectiveness in achieving our goals
- The assurance of high quality health care for all Vermonters

AHS consists of the following Departments with the following responsibilities:

- Department for Children and Families (DCF)
- Vermont Department of Health (VDH)
- Department of Corrections (DOC)
- Department of Disabilities, Aging and Independent Living (DAIL)
- Department of Mental Health (DMH)
- Department of Vermont Health Access

For an AHS organization chart see the AHS Organization Chart document in the Procurement Library.

Department of Vermont Health Access (DVHA) – DVHA administers nearly all of the publically funded health care programs for the State of Vermont. The majority of the funding is through Medicaid and is authorized under two Centers for Medicare & Medicaid Services (CMS) approved

1115 Demonstration waivers. Several finance streams are outside the waiver programs and include information technology enhancements, Disproportionate Share Hospital (DSH) payments, and the State Children's Health Insurance Program (SCHIP) services. In addition, DVHA administers the State's health care reform efforts including health information technology (HIT) and health information exchange (HIE) activities in Vermont, and Blueprint for Health.

Department for Children and Families (DCF) - The State's eligibility and enrollment for Medicaid and all public assistance programs are administered by DCF. Economic Services Division (ESD) conducts all eligibility determinations regarding applications for State supported financial and health care benefits. There are over 200 eligibility categories for health care programs. DCF is responsible for updating and maintaining eligibility information in the State's legacy eligibility and enrollment system (ACCESS).

Vermont Department of Health (VDH) - VDH sets the State's public health priorities and works with DVHA to help realize public health goals within the population served by DVHA. VDH works closely with DVHA on clinical initiatives with the goal of working to reduce medical costs in the State through the agency's Global Commitment to Health program waiver. These programs include Early Periodic Screening, Diagnosis, and Treatment (EPSDT) and dental care initiatives to children across the State.

Department of Corrections (DOC) – The Department of Corrections is responsible for managing all adult prisons and community correctional sites. For incarcerated offenders, the department is required and committed to provide basic and humane care. For offenders in the community, the Department is charged with ensuring compliance with conditions by providing or coordinating a variety of support services.

Department of Disabilities, Aging and Independent Living (DAIL) - DAIL is responsible for all community-based long-term care services for older Vermonters, individuals with developmental disabilities, traumatic brain injuries, and physical disabilities. DAIL administers all programs that provide individualized services to older Vermonters and people with disabilities, including Medicaid waiver services for older Vermonters, people with developmental disabilities and traumatic brain injuries, children and adult personal care/attendant services, high technology nursing, and other Medicaid services. DAIL works with DCF and DVHA to implement the Choices for Care Waiver program.

Department of Mental Health - DMH administers mental health programs across the State through multiple programs. They are responsible for both adult and children's services. They ensure that citizens have access to mental health services and that citizens in need of mental health services are able to obtain those services. DAIL and DVHA work with DMH to coordinate care for individuals at risk.

1.4.1.2 Vermont Health Reform

In 2006, Vermont enacted a comprehensive health care reform that created over 36 separate initiatives focused on improving access (e.g., Catamount Health and premium assistance programs), increasing quality (e.g., Blueprint for Health, community wellness grants, hospital report cards), and containing health care costs.

Additional legislation has been enacted in each subsequent year since 2006 to supplement these initial reforms, including the enactment of Act 48 (2011) and passage of Act 171 (H.559), signed by Governor Peter Shumlin on May 16, 2012. During the 2010 session, Vermont lawmakers passed a health care bill requiring the legislature to contract with a consultant to create three design options

for establishing a universal health care system. One of three plan designs to be submitted for implementation must be a single payer system, a second shall include a public option for insurance coverage, and a third design option to be determined by the consultant, according to Act 128 of 2007, the “Universal Access To Health Care Act.”

More information about these reforms can be found at: <http://hcr.vermont.gov/>.

1.4.1.2.1 Act 48 – The Vermont Health Reform Law Of 2011

Act 48 is the key enabling legislation for a vision of a single payer system in Vermont. The Act specifically:

- Establishes the Green Mountain Board charged with regulating health insurers and health care providers, moving away from a fee-for-service system and controlling growth in health care costs.
- Establishes Green Mountain Care as a universal, unified, single payer system.
- Establishes a Health Benefit Exchange as required by federal law.

The Act outlines the supporting technologies that need to be in place to migrate from the current state of business to the future, single payer system managing programs that range across the public assistance spectrum and ensuring that all Vermonters have health insurance coverage, that health care delivery is efficient and high quality, that costs are manageable and sustainable.

For more information on Act 48, refer to <http://www.leg.state.vt.us/docs/2012/Acts/ACT048.pdf> and <http://hcr.vermont.gov/sites/hcr/files/ACT%2048%20one%20page%20summary%20June%2014.pdf>

1.4.1.2.2 The Blueprint for Health

The Vermont Blueprint for Health is a vision, a plan, and a statewide partnership pilot project to improve health and the health care system for Vermonters. The Blueprint provides the information, tools, and support that Vermonters with chronic conditions need to manage their own health as well as information that doctors need to keep their patients healthy. The Blueprint is working to change health care to a system focused on preventing illness and complications, rather than reacting to health emergencies.

The Blueprint for Health is defined as the State’s plan for a chronic care infrastructure, prevention of chronic conditions, and chronic care management programs, and includes an integrated approach to patient self-management, community development, health care system and professional practice change, and information technology initiatives. It is mandated to become a State-wide service that will encompass pediatric care with an incentive based payment structure.

One goal of the Blueprint is that Vermont will have a Chronic Care Information System (CCIS) that supports statewide implementation of the Blueprint for both individual and population-based care management. The Blueprint has entered into agreements with the Vermont Information Technology Leaders (VITL) for data services and with DocSite for the medical disease registry to provide access to information for physician’s offices statewide. Populating the registry automatically with clinical data available in electronic format is essential to provider participation and use. Health plan data is essential to ensure completeness and accuracy of the information in the registry and evaluate Blueprint outcomes. Further information about the Blueprint initiative can be found at: <http://healthvermont.gov/blueprint.aspx>.

In response to Act 48 and the Blueprint for Health, Vermont has developed a vision and target architecture for a person-centered Health Services Enterprise (HSE) that identifies a number of key organizational capabilities that are enabled by information technologies and a coordinated, aggressive multi-year Health Services Enterprise Roadmap. The Roadmap focuses on health services portfolio management, core system components and shared services, and shared data analytics and infrastructure. See Figure 1 for the Health Services Enterprise Architecture.

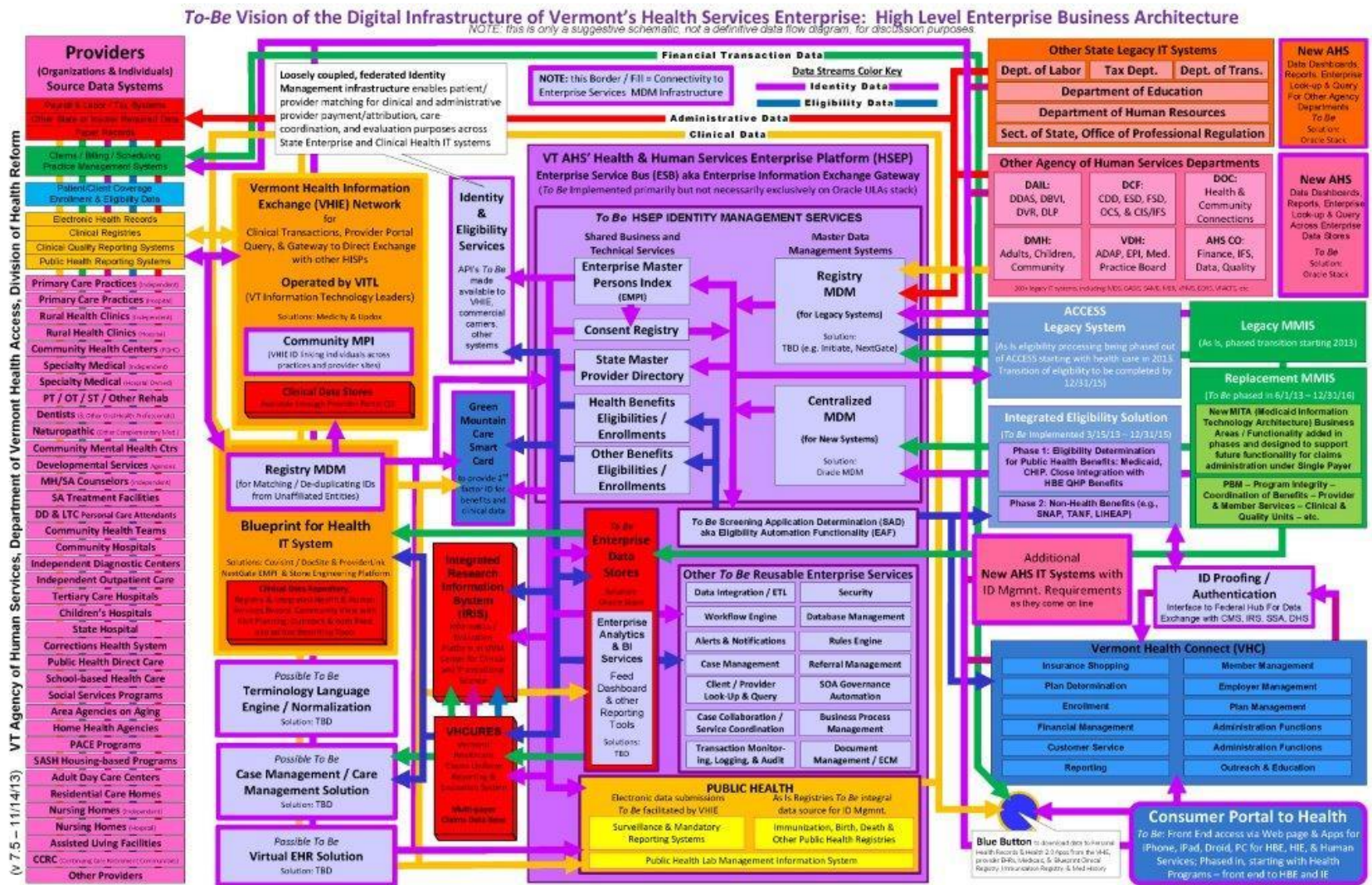


Figure 1 - Health Services Enterprise Architecture

1.4.2 Table of Programs to be Served

Table 2 details the programs that need to be migrated from ACCESS to the new IE Solution. The new IE system must be extensible for the future inclusion of other programs with an eligibility business process.

Programs in the table below are prioritized by group in the Group Priority column. Groups are initially prioritized by funding priority. Groups 1 through 5 are aligned to take advantage of OMB A-87 exception funding using Title XIX funds; these groups place all health care eligibility programs first. Group 6 is aligned to leverage funds from FNS.

Groups are further prioritized to logically combine programs from both business and implementation points-of-view. Those points-of-view are explained further in Section 1.4.3 below. Within each group, each program also is prioritized individually.

Level of complexity for each program was estimated holistically based on complexity of existing business rules and processes, complexity of current system implementation, and number of beneficiaries impacted.

The Contractor will be expected to validate with the State once contract is awarded the information provided below, including target disposition and migration target date.

Table 2 - Current Programs

Program	Estimated Level of Complexity	Anticipated Vendor Action	Group Priority	Priority within Group
SSI-Related Medicaid - General	High	Migrate all functionality to IE Solution	1	1
Medicare Savings Programs (MSP)	High	Migrate all functionality to IE Solution	1	2
Working Persons with Disabilities (WPWD)	Moderate	Migrate all functionality to IE Solution	1	3
Breast or Cervical Cancer Treatment (BCCT)	Moderate	Migrate all functionality to IE Solution	1	4
Disabled Child in Home Care (DCHC - Katie Beckett)	Moderate	Migrate all functionality to IE Solution	1	5
Long Term Care (LTC) Medicaid (Choices for Care)	High	Migrate all functionality to IE Solution	1	6
VPharm	High	Migrate all functionality to IE Solution	2	1
Healthy Vermonters Program (HVP)	Moderate	Migrate all functionality to IE Solution	2	2
Family Planning Option	Moderate	Create all functionality within IE Solution	2	3

Program	Estimated Level of Complexity	Anticipated Vendor Action	Group Priority	Priority within Group
Money Follows the Person (MFP)	Moderate	Create all functionality within IE Solution	2	4
Refugee Medical Assistance (RMA)	Low	Migrate all functionality to IE Solution	3	1
Foster Children (Medicaid Title IV-E and non IV-E)	Low	Migrate all functionality to IE Solution	3	2
Ladies First	Moderate	Migrate information exchange between program and IE Solution	3	3
Community Rehabilitation and Treatment (CRT)	Moderate	Migrate information exchange between program and IE Solution	3	4
General Assistance and Emergency Assistance (healthcare processes only)	High	Migrate all functionality to IE Solution	3	5
Individuals with Disabilities Act (IDEA) Part C – Early Intervention	Low	Migrate information exchange between program and IE Solution	3	6
Children with Special Health Needs (CSHN)	Low	Migrate information exchange between program and IE Solution	3	7
Level I Psychiatric Covered Services	Low	Migrate information exchange between program and IE Solution	3	8
Vermont Medication Assistance Program (VMAP)	Low	Migrate information exchange between program and IE Solution	3	9
HIV Dental Care Assistance Program (DCAP)	Low	Migrate information exchange between program and IE Solution	3	10
HIV Insurance Continuation Assistance Program (ICAP)	Low	Migrate information exchange between program and IE Solution	3	11
DOC Hospitalization (Medicaid Coverage)	Moderate	Create information exchange between program and IE Solution	3	12
MAGI-Medicaid	High	Migrate all functionality to IE Solution	4	1
Dr. Dynasaur	High	Migrate all functionality to IE Solution	4	2
Children's Health Insurance Program (CHIP)	High	Migrate all functionality to IE Solution	4	3

Program	Estimated Level of Complexity	Anticipated Vendor Action	Group Priority	Priority within Group
Health Insurance Premium Program (HIPP)	Moderate	Create information exchange between department and IE Solution	5	1
Disability Determination Services (DDS)	High	Create information exchange between department and IE Solution	5	2
3SquaresVT (SNAP; formerly Food Stamps)	High	Migrate all functionality to IE Solution	6	1
General Assistance (GA)	High	Migrate all functionality to IE Solution	7	1
Emergency Assistance (EA)	High	Migrate all functionality to IE Solution	7	2
Fuel Assistance (LIHEAP)	High	Migrate all functionality to IE Solution	7	3
Crisis Fuel Assistance	Moderate	Migrate all functionality to IE Solution	7	4
Reach Up (TANF)	High	Migrate all functionality to IE Solution	7	5
Reach First	High	Migrate all functionality to IE Solution	7	6
Reach Ahead	High	Migrate all functionality to IE Solution	7	7
Post-Secondary Education (PSE)	High	Migrate all functionality to IE Solution	7	8
Phone Assistance (Lifeline)	Low	Migrate all functionality to IE Solution	7	9
Essential Person (EP)	Low	Migrate all functionality to IE Solution	7	10
Vermont Rental Subsidy	Low	Create all functionality within IE Solution	8	1
Farm to Family	Low	Create all functionality within IE Solution	8	2
Weatherization Program	Moderate	Create information exchange between program and IE Solution	8	3
Child Care Financial Assistance	Low	Migrate information exchange between program and IE Solution	8	4
Women, Infants, and Children (WIC)	Moderate	Create information exchange between program and IE Solution	8	5

1.4.3 Descriptions of Programs to be Served

1.4.3.1 Group 1 Programs

Group 1 items include programs using SSI-related Medicaid rules, which currently only exist in ACCESS. Eligibility for these programs will be directly determined by the IE Solution.

1.4.3.1.1 SSI-Related Medicaid - General

Medicaid is a government health insurance program for Vermonters. It's for eligible seniors 65 or older and people who are blind or disabled. Medicaid covers most medical care and services, such as doctor visits, hospital care, prescriptions, vision and dental care, long-term care in a nursing home or at home, physical therapy and more.

In order to qualify for this benefit program, you must be a resident of the state of Vermont, a U.S. national, citizen, permanent resident, or legal alien, in need of health care/insurance assistance, whose financial situation would be characterized as low income or very low income. You must also have a disability or be 65 years of age or older.

1.4.3.1.2 Medicare Savings Programs (MSP)

The Medicare Beneficiaries Savings Program assists low-income elderly or disabled individuals who are eligible for Medicare (available through the Social Security Administration) by paying for some or all of the associated costs of Medicare, specifically the Medicare Insurance Premiums and deductibles.

The Medicare Beneficiaries Savings Program is also referred to as the Buy-In program.

1.4.3.1.2.1 Qualified Medicare Beneficiary (QMB)

Individuals with lower incomes may qualify to have their Medicare Parts A and B premiums and all Medicare co-insurance and deductibles paid for through the Qualified Medicare Beneficiaries (QMB) program.

1.4.3.1.2.2 Specified Low-Income Medicare Beneficiary (SLMB)

Individuals with somewhat higher incomes may qualify to have all or a portion of Medicare Part B premiums paid for through the Specified Low-Income Beneficiaries (SLMB) programs.

1.4.3.1.2.3 Medicare Savings Program – Qualified Individuals (QI/QI-1)

Individuals with somewhat higher incomes may qualify to have all or a portion of Medicare Part B premiums paid for through the Specified Low-Income Beneficiaries (SLMB) programs.

1.4.3.1.2.4 Medicare Savings Program – Qualified Disabled and Working Individuals (QDWI)

The Qualified Disabled and Working Individuals (QDWI) program provides payment of Medicare Part A premiums for eligible working individuals with disabilities who are entitled to enroll in Medicare Part A, but who have lost Medicare Part A coverage due to earnings. Individuals eligible for QDWI may not otherwise be eligible for Medicaid.

1.4.3.1.3 Working Person with Disabilities (WPWD)

Vermont's Medicaid for Working People With Disabilities (WPWD) program was initiated in January 1, 2000, under the authority of the federal Balanced Budget Act (BBA) of 1997, PL 105-33, Sec. 4733, and Vermont Act 62 of 1999. Known at the federal level as the "Medicaid Buy-In Program", it allows many people with disabilities to work while keeping or obtaining Medicaid coverage for which they might not otherwise qualify due to higher incomes resulting from employment. The program is designed as a work incentive for people with disabilities, to help them achieve community inclusion through employment and achieve greater economic independence. In Vermont, the program was initiated in part as a response to a legislative study and statewide series of focus groups conducted in 1997 showing that fear of losing health care coverage was a major barrier to employment for people with disabilities.

Under current rules, to qualify for WPWD Medicaid, a person must:

- Live in Vermont.
- Be disabled according to Social Security standards.
- Be employed or self-employed.
- Have countable assets of less than \$5,000 for an individual, or \$6,000 for a couple, excluding savings from earnings generated while on the program.
- Have net countable family income of less than 250% of the federal poverty level (FPL), based on the person's family size.
 - o This is referred to as the Step 1 income eligibility test. Net countable income is calculated based on standard income exclusions under federal SSI rules, as is done for SSI-related Medicaid generally.
- Have no more than a limited amount of unearned income.
 - o This is referred to as the Step 2 income eligibility test. The income must not exceed the Medicaid Protected Income Level (PIL) for one person, or the supplemental security income (SSI) payment level for two, whichever is higher, after disregarding all earnings of the working individual with disabilities, any Social Security Disability Insurance benefits, and any veteran's disability benefits.

1.4.3.1.4 Breast or Cervical Cancer Treatment Medicaid Program (BCCT)

The program offers full Medicaid benefits to women during their treatment period. Ladies First initiates applications for this program.

Medicaid Treatment Program Eligibility Criteria:

1. A woman must be enrolled in Ladies First.
2. A woman must be screened for breast or cervical cancer by Ladies First.
3. A woman must be diagnosed with breast cancer, cervical cancer, or a pre-malignant condition (cervical dysplasia).
4. A woman must require treatment services.
5. A woman must have no other creditable health insurance.
6. A woman must be a US citizen or a qualified alien.
7. A woman must be under age 65.

1.4.3.1.5 Disabled Child in Home Care (DCHC - Katie Beckett)

“Katie Beckett” Medicaid coverage is a pathway to Medicaid eligibility for certain children with serious health conditions who live at home. Children with “Katie Beckett” coverage get full Medicaid benefits, the same benefits that all Medicaid eligible children get.

1. The child is under 19 years of age and determined to be disabled by standards of the Social Security Administration in Vermont and by NH standards of disability (similar to but not exactly same as Social Security).
2. The child requires a level of care in the home that is typically provided in a medical or psychiatric hospital or other institution.
3. The child’s care can be safely and appropriately delivered in the family’s home.
4. The child’s income and assets must *NOT* exceed the resource and Income standards as defined by either NH Medicaid or VT. Medicaid. The parents’ income and assets are not counted.
5. The cost of care provided in the home does not exceed the cost Medicaid would pay for care in a hospital or institution.

1.4.3.1.6 Long Term Care (LTC) Medicaid (Choices for Care)

Choices for Care is a Medicaid-funded, long-term care program to pay for care and support for older Vermonters and people with physical disabilities. The program assists people with everyday activities at home, in an enhanced residential care setting, or in a nursing facility.

1.4.3.1.6.1 Highest and High Needs

Support includes hands-on assistance with eating, bathing, toilet use, dressing, and transferring from bed to chair; assistance with tasks such as meal preparation, household chores, and medication management and increasing or maintaining independence.

1.4.3.1.6.2 Moderate Needs

A second program is for Moderate Needs individuals who need minimal assistance to remain at home. This program offers limited case management, adult day services, and/or homemaker service.

1.4.3.1.6.3 Flexible Choices

The Flexible Choices option within Choices for Care is based on the belief that consumers and their families know best how to meet the needs of individuals needing care at home. Flexible Choices offers consumers an allowance, which is based on their needs and the value of their Choices for Care Home Based Service Plan. Then, working with a Flexible Choices consultant, consumers develop a budget to use that allowance in a way that best meets their needs.

Consumers, working with the Flexible Choices consultant, develop their own package of services tailored to their needs. The content of these services is limited by the amount of the consumer’s allowance, program guidelines and what the individual needs to stay healthy and independent. All participants in Flexible Choices receive the following:

- Allowance for care.
- Consultant Services to assist and support consumers in planning their care and developing and managing their budget.

- Fiscal Intermediary Services Organization to help carry manage payroll for consumer-hired workers and other costs associated with care at home
- Be a Vermont resident.
- Be 65 years of age or older or 18 years of age with a physical disability.
- Be enrolled in Choices for Care and be directing their personal care services through a Consumer or Surrogate Directed option
- Complete the Self-Screening Tool (CFC830) so as to indicate a capacity to handle the responsibilities of the option.
- Meet criteria for Consumer or Surrogate Direction established by Choices for Care. (See Employer Agent Certification Form).
- Meet financial criteria for Vermont Long-Term Care Medicaid.

Meet specific clinical criteria – qualify for nursing home level of care.

1.4.3.2 Group 2 Programs

Group 2 items include other healthcare programs with eligibility that will be directly determined by the IE Solution. Some of these programs are currently in ACCESS.

The successful completion of groups 1 and 2 will remove healthcare eligibility from ACCESS.

1.4.3.2.1 VPharm

Beneficiaries who are Medicare-eligible, enrolled in a Part D plan, and meet established eligibility requirements are eligible for Vermont's VPharm program. VPharm is a publicly-funded drug benefit program that provides "wrap" coverage of covered Part D drugs, and also provides coverage of many over-the-counter (OTC) drugs and diabetic supplies that are not defined as covered products under the Part D benefit.

1.4.3.2.1.1 VPharm-1

VPharm-1 provides coverage for beneficiaries up to 150% FPL by Vermont Health Access Plan rules. For those beneficiaries whose household income is not greater than 150 percent of the federal poverty level (FPL), the drugs in the above categories are covered as they are covered under Medicaid. In addition, benefits are provided for one comprehensive visual analysis (including a refraction) and one interim eye exam (including a refraction) within a two-year period, and diagnostic visits and tests related to vision.

1.4.3.2.1.2 VPharm-2

VPharm-2 provides coverage for beneficiaries over 150% FPL and up to 175% FPL by Vermont Health Access Plan rules. For those beneficiaries whose household income is greater than 150 percent FPL and no greater than 225 percent FPL, VPharm covers the drugs in the above categories only if they are maintenance drugs. "Maintenance drug" means a drug approved by the FDA for continuous use and prescribed to treat a chronic condition for a prolonged period of time of 30 days or longer and includes insulin, an insulin syringe and an insulin needle. It may not be dispensed unless prescribed by a licensed physician. In addition, VPharm covers beneficiary cost-sharing after any federal limited-income subsidy (LIS) is applied. This may include basic beneficiary premiums for the PDP up to the low-income premium subsidy amount (as determined by the Centers for Medicare and Medicaid Services), Part D deductible, co-

payments, coinsurance, the Part D coverage gap, and catastrophic co-payments according to Medicare Part D rules. Beneficiaries have co-payments as described in rule 3505.1.

1.4.3.2.1.3 VPharm-3

VPharm-3 provides coverage for beneficiaries over 175% FPL and up to 225% FPL by Vermont Health Access Plan rules. For those beneficiaries whose household income is greater than 175 percent but no greater than 225 percent of the poverty level, cost-sharing coverage is limited to maintenance drugs. On a case-by-case basis, DVHA may pay or subsidize a higher premium for a Medicare Part D prescription drug plan offering expanded benefits if it is cost-effective to do so.

1.4.3.2.2 Healthy Vermonters Program (HVP)

Individuals are eligible for Healthy Vermonters if they have household income no greater than 300 percent of the federal poverty level (FPL), as calculated under the rules for the VHAP program.

Individuals are also eligible for Healthy Vermonters if they have household income no greater than 400 percent of the FPL, as calculated under the rules for the VHAP program (5300), and meet the categorical eligibility requirements.

Individuals remain eligible as long as they meet all program requirements.

1.4.3.2.3 Family Planning Option

Income standard for eligibility cross-references to the income standard for a pregnant woman. A pregnant woman's income standard for Medicaid eligibility will be 208% beginning 1/1/14 (per Section 7.03(a)(2)).

Family planning services

(1) Basis This provision implements §§ 1902(a)(10)(A)(ii)(XXI) and 1902(ii) and clause (XVI) in the matter following 1902(a)(10)(G) of the Act.

(2) Eligibility Medicaid coverage will be provided to an individual (male and female) who meets all of the following requirements:

- (i) Is not pregnant; and
- (ii) Meets the income eligibility requirements under (g)(3) of this sub clause.

(3) Income standard The individual has MAGI-based household income (as defined in § 28.03) that is at or below the income standard for a pregnant woman as described in §7.03(a)(2). The individual's household income is determined in accordance with § 28.03(j).

(4) Covered services An individual eligible under this sub clause is covered for family planning and family planning-related benefits.

1.4.3.2.4 Money Follows the Person (MFP)

Money Follows the Person (MFP) is a five-year federally-funded demonstration project for Vermont's Long-term Medicaid Choices for Care program. The statewide program helps people living in nursing facilities move into their communities with the supports they need. Transition funds, up to \$2,500, helps provide items and services not covered by Medicaid.

1.4.3.3 Group 3 Programs

Group 3 items are healthcare-related, have an application and/or eligibility process outside the IE Solution, and require the IE Solution to pass data to other entities. Most of these processes currently exist within ACCESS.

The successful completion of groups 1 through 3 will remove all healthcare processes from ACCESS.

1.4.3.3.1 Refugee Medical Assistance

Refugee Medical Assistance (RMA) is a 100% federally funded program that provides up to eight months of health care coverage to certain noncitizens who are considered refugees under the Immigration and Naturalization Act. To be eligible for RMA, these refugees must meet **all** of the following conditions:

- Be ineligible for other state health care programs
- Have an immigration status of refugee or asylee
- Register with Vermont's resettlement agency

1.4.3.3.2 Foster Children (Medicaid Title IV-E and non-IV-E)

Adoption or Foster Care - Children under the age of 21 living in Vermont for whom an adoption assistance agreement is in effect or foster care maintenance payments are being made (by any state) under title IV-E of the Act are automatically eligible for ANFC-related Medicaid.

Committed children in the custody of the Family Services Division not IV-E eligible must pass the applicable eligibility tests before their eligibility for Medicaid can be established.

Special Needs Adoption - Children under the age of 21 with special needs for medical or rehabilitative care at the time of adoption who were eligible for Medicaid prior to the adoption assistance agreement other than an agreement under title IV-E are automatically eligible for ANFC-related Medicaid.

1.4.3.3.3 Ladies First

Federally funded through a grant to the Health Department, Ladies First pays for:

- annual mammograms
- clinical breast exams
- pelvic exams
- cervical Pap tests
- instruction in breast self-exam
- cardiovascular disease risk factor (cholesterol, high blood pressure, diabetes) screening.

Services are provided locally, by the woman's own physician in most cases. Ladies First also pays for repeat mammograms, ultrasounds, biopsies, and colposcopies.

1.4.3.3.4 Community Rehabilitation and Treatment (CRT)

Direct services are provided by private, non-profit service providers called Designated Agencies located throughout the state. The Department of Mental Health designates one Designated Agency (DA) in each geographic region of the state as responsible for ensuring needed services are available through local planning, service coordination, and monitoring outcomes within their region.

Vermont's Community Rehabilitation and Treatment (CRT) programs assist adults that have been diagnosed with a mental illness. Symptoms may be mild or substantially disabling, and long-term or short term.

The programs help individuals and their families to develop skills and supports important to living the life they want for themselves.

1.4.3.3.5 General Assistance and Emergency Assistance (healthcare processes only)

See section 1.4.3.7.1 for information about General Assistance. See section 1.4.3.7.2 for information about Emergency Assistance.

1.4.3.3.6 Individuals with Disabilities Act (IDEA) Part C – Early Intervention

IDEA – Part C early intervention services brings together families and service providers from many aspects of the community, including public and private agencies, parent child centers, local school districts, and private providers. Supports and services come together to meet each child's unique needs and the needs of their family in their home and community. Payment for services comes from a variety of sources, including insurance, Medicaid, participating agencies, local schools, family cost share, etc. By assisting in the coordination of locally available services, Children's Integrated Services is working to ensure that Vermont's young children and their families have access to the widest possible array of early intervention services.

Early intervention services may include the following:

- Audiology
- Assistive Technology
- Counseling/Psychological
- Family training, counseling and home visits
- Medical Evaluation (for diagnostic purposes only)
- Nursing
- Nutrition
- Occupational Therapy
- Physical Therapy
- Service Coordination
- Social Work
- Special Instruction

- Speech/Language
- Transportation
- Vision

Families who are eligible for services through the IDEA – Part C early intervention services include children ages birth to three years old who are experiencing developmental delays or who have a diagnosed condition that has a high probability of resulting in a developmental delay.

1.4.3.3.7 Children with Special Health Needs (CSHN)

The Office of Children with Special Health Needs (CSHN) provides a number of services to Vermont children - birth to age 21 - who have complex health conditions, and to their families.

Families are a child's best caregivers, advocates and decision-makers. Our mission is to provide information, medical services, care coordination and resources to help families support their children's well-being, growth and development.

CSHN focuses on coordinating our efforts with the good work done by children's primary care physicians. With the family's permission, we stay in close touch.

1.4.3.3.8 Level I Psychiatric Covered Services

Patients presenting for involuntary psychiatric admission who have severe psychiatric illness and require intense treatment services will be considered "Level I" patients eligible for enhanced inpatient bed day payment by the Department of Mental Health. An "exception" **may be** made for patients at other levels of inpatient care who require significant and more than usual resources.

Clinical Eligibility and Severity:

- Patients who are admitted under Emergency Examination or Warrants for Examination;
- Patients who are court ordered for inpatient evaluation;
- Patients in the custody of the Department of Corrections;
- Patients, who, following commitment hearing, are determined to need non-emergency involuntary medication until stabilized and discharged;
- With prior DMH approval, voluntary patients who require significant and more than usual resources.

and who exhibit:

- significant danger to self (either imminent or strongly suggested by patient history) such that significant and more than usual resources are needed to manage the patient's care; or,

- significant danger to others (either imminent or strongly suggested by patient history) such that significant and more than usual resources are needed to manage the patient's care; or,
- significant disruptive behaviors such that significant and more than usual resources are needed to manage the patient's care; or,
- great difficulties caring or protecting for self that significant and more than usual resources are necessary to manage the patient's care.

"Significant and more than usual resources" means such interventions as additional staffing on the unit, including 1:1 and 2:1 staffing, or extra psychiatrist or other clinical staff time, repeated restraints or seclusions.....

1.4.3.3.9 Vermont Medication Assistance Program (VMAP)

Vermont Medication Assistance Program provides financial assistance for the purchase of prescription medications to Vermonters living with HIV disease who meets certain income guidelines. If you are eligible, this program may help pay for your treatment drugs, insurance premiums, co-pays and/or deductibles.

1.4.3.3.10 HIV Dental Care Assistance Program (DCAP)

This program provides free dental assessments and offers additional preventative care, including cleanings and basic restorative treatments such as fillings. As with the Early Intervention Program, any licensed practitioner in Vermont can access this fund on your behalf.

1.4.3.3.11 HIV Insurance Continuation Assistance Program (ICAP)

This program is designed to pay the insurance premiums for eligible individuals who, because of HIV/AIDS-related illness, are unable to continue working or who have had to reduce their hours of employment and are at risk of losing their existing health insurance coverage.

1.4.3.3.12 DOC Hospitalization

The State of Vermont is authorized to use Medicaid funds to pay for inpatient hospitalization of Vermont inmates. This program covers the coordination of both the start and end of such coverage.

Desired Business Process

The IE system should establish an interface with DOC Offender Management System and this system will send to IE, what the status is such as detainees, parolees and incarcerated.

Detainees and parolees can get Medicaid, if not incarcerated.

IE system will determine eligibility based on the offender status and send the benefits information to MMIS. This will include whether the person is on parole. Then IE system will send this data to offender management system – all details, such as eligibility, etc. depending on what it can accept.

In summary:

- IE receives offender status from OMS
- IE determines eligibility based on offender status and other data known to the IE system

- IE sends the relevant benefit info to the MMIS
- IE sends eligibility data to OMS

1.4.3.4 Group 4 Programs

Group 4 items are healthcare programs for which financial eligibility currently is determined by Vermont Health Connect.

1.4.3.4.1 MAGI Medicaid

The Vermont Medicaid program covers all mandatory categories of enrollees. It also offers all mandatory services—general hospital inpatient; outpatient hospital and rural health clinics; other laboratory and x-ray; nursing facility, Early Periodic Screening, Diagnosis and Treatment (EPSDT), and family planning services and supplies; physician's services and medical and surgical services of a dentist; home health services; and nurse-midwife and nurse practitioner services. Vermont includes certain, but not all, optional categories of enrollees. Vermont has also elected to cover certain, but not all, optional services for which federal financial participation is available.

1.4.3.4.2 Dr. Dynasaur

Children under age 19 who would be eligible for ANFC-related Medicaid except that their income or resources exceed the maximums are categorically eligible for Dr. Dynasaur as long as their household income does not exceed 300 percent of the federal poverty level (FPL). There is no resource test under this provision.

Premiums as specified in rules 4160– 4162 are required for the following individuals within this coverage group. When a single household includes more than one individual eligible for Dr. Dynasaur coverage, the household must pay the highest applicable Dr. Dynasaur premium.

Children who are members of federally designated American Indian or Alaskan Native tribes, as designated by the federal Bureau of Indian Affairs do not have to pay a premium if their household income is more than 225% but less than or equal to 300% FPL and they have no other insurance.

Pregnant women who would be eligible for ANFC-related Medicaid except that their income or resources exceed the maximums are categorically eligible for Dr. Dynasaur as long as their family income does not exceed 200 percent of the federal poverty level (FPL), without regard to any change in their Medicaid group's income during and during the 60-day post-pregnancy period, which ends on the last day of the month during which the 60th day falls. There is no resource test under this provision.

1.4.3.4.3 Children's Health Insurance Program (CHIP)

(a) In general CHIP (known from its inception until March 2009 as the State Children's Health Insurance Program, or SCHIP) is authorized by Title XXI of the Social Security Act.

(b) Vermont CHIP Vermont utilizes CHIP to provide health coverage to uninsured children with household incomes between 225% and 300% of the federal poverty level (FPL). CHIP is part of the coverage array known as "Dr. Dynasaur."

All of the provisions in this rule that apply to the “child” Medicaid coverage group (§ 7.03(a)(3)) apply with equal effect to an individual who is enrolled in CHIP.

1.4.3.5 Group 5 Programs

Group 5 items are healthcare-related, but do not fit in any of the above groups.

The successful completion of groups 1 through 5 will place all healthcare-related tasks in the IE Solution.

1.4.3.5.1 Health Insurance Premium Program (HIPP)

The Health insurance Premium Payment Program is a program where premiums may be paid by the State if an individual is eligible for Medicaid and is enrolled in a cost-effective employer provided health insurance plan. Cost effective generally means if the cost of the employer insurance premium, and the other insurance, deductible and copayment is less than paying the medical expenses under Medicaid.

1.4.3.5.2 Disability Determination Services (DDS)

The Vermont Office of Disability Determination Services (DDS) determines the eligibility of Vermonters who apply for disability benefits under Social Security Disability Insurance (SSDI) and Supplemental Security Income (SSI).

We also determine the medical eligibility of Vermonters who apply for Medicaid based on having a disability.

1.4.3.6 Group 6 Program

The Group 6 item is the ESD program for which the State can leverage funding from FNS to mitigate our current high eligibility error rates. This item currently resides in ACCESS.

1.4.3.6.1 3SquaresVT (SNAP, formerly Food Stamps)

3SquaresVT is a federal USDA program (formerly *food stamps*) that can help you stretch your food budget so you can put three healthy meals on your table every day.

You may be eligible if:

- Your gross household income is equal to or less than 185% of the federal poverty level — regardless of the resources you own.
- Your gross household income is over that limit as long as your household includes someone age 60+ or with a disability. However, we would consider bank accounts or other resources you own, except for some things like your home and certain retirement accounts.
- You have children and get the Vermont Earned Income Tax Credit.

1.4.3.7 Group 7 Programs

Group 7 items are the remaining ESD programs that currently reside in ACCESS.

The successful completion of groups 1 through 7 will allow ESD to transition from ACCESS.

1.4.3.7.1 General Assistance (GA)

General Assistance (GA) is an emergency financial assistance program for eligible applicant households, whose emergency needs, according to department standards, cannot be met under any other assistance program administered by the department and cannot be relieved without the department's intervention. Receipt of 3SquaresVT, however, shall not be a factor in determination of emergency need since this is a diet supplement program and may not be considered in determining eligibility for or level of benefits in any other assistance program.

A household may qualify for GA in two ways, by meeting either the non-catastrophic or the catastrophic rules. All households must meet the citizenship and residence criteria.

Emergency / General Assistance helps individuals and families with their emergency basic needs such as housing (e.g., mortgage, rent, room rent, temporary housing), fuel & utilities, personal need items, and medical needs.

Benefits are paid directly to the vendor, with the exception of personal need items, which are paid on an EBT card called *Vermont Express*.

1.4.3.7.2 Emergency Assistance (EA)

Emergency assistance (EA) is assistance provided for eligible families with dependent children whose emergency needs, according to department standards, cannot be met under any other assistance program administered by the department and cannot be relieved without the department's intervention. A family may qualify for EA in two ways, by meeting either the non-catastrophic or the catastrophic rules. All families must furnish required information as specified in rule 2806.

Emergency / General Assistance helps individuals and families with their emergency basic needs such as housing (e.g., mortgage, rent, room rent, temporary housing), fuel & utilities, personal need items, and medical needs.

One may be eligible if they have an emergency need and do not have the income or resources to meet that need..

Benefits are paid directly to the vendor, with the exception of personal need items, which are paid on an EBT card called *Vermont Express*.

1.4.3.7.3 Fuel Assistance (LIHEAP)

Fuel Assistance (also known as *Home Heating Assistance*) can help pay part of one's home heating bills whether they:

- Own their home or rent;
- Pay for heat directly or as part of rent;
- Rent a room in someone's home; or

- Live in public, subsidized, or Section 8 housing AND rent includes the cost of heat.

One may be eligible if their gross household income is equal to or less than 185% of the federal poverty level, based on household size — regardless of the resources (e.g., savings, retirement accounts, or property) that is own.

Income is the total money coming into your household each month, including wages, Reach Up cash assistance, Unemployment Compensation, Social Security or SSI benefits, child support or alimony. There may be people who live in your home who will not be in your Fuel Assistance household (e.g., caretaker or roomer). This means their income will not count when we determine whether you are eligible and for how much. You still need to list everyone living in your home on the application form.

1.4.3.7.4 Crisis Fuel Assistance

Crisis Fuel Assistance can help one with a heating crisis during the winter months (e.g., they are out of fuel or very close to running out of fuel and have no money to buy more).

If found eligible, Crisis Fuel Assistance may help with the:

- Purchase the primary source of your heat (e.g., electricity, kerosene, natural gas, oil, propane, or wood);
- Purchase electricity if it is required to run your heating system; and
- Repair or replacement of ones furnace

We can also help you to negotiate payment plans and will work with your electric or natural gas company to prevent disconnection.

One's household income can be up to 200% of the federal poverty level. However, in addition to being income eligible, one must show that they are experiencing a crisis. The income level used to determine eligibility for Crisis Fuel Assistance is higher than that of the Seasonal Fuel Assistance Program.

1.4.3.7.5 Reach Up (TANF)

Reach Up helps families with children by providing cash assistance for basic needs and services that support work and self-sufficiency.

Eligibility depends on your income, resources, living expenses, family members in your household, and other factors.

1.4.3.7.6 Reach First

Reach First helps families overcome temporary, short-term financial crises and avoid the need for ongoing assistance.

You may choose to participate in Reach First, if you:

- Are filing a new application for Reach Up assistance;

- Only need temporary, short-term help; and
- Are likely to be self-sufficient in 4 months or less.

Eligibility for Reach First is the same as for Vermont's Reach Up program with one exception: income from child support (after a disregard of the first \$50 received in a month) is counted as unearned income to determine eligibility and potential benefits.

Reach First provides case management, financial help, and support services. A cash benefit may be provided in a lump sum or in payments, based on a family's needs.

1.4.3.7.7 Reach Ahead

Reach Ahead helps families who participated in Vermont's Reach Up or Post-Secondary Education (PSE) program.

To be eligible, your family must:

1. Apply within six months of leaving Reach Up or PSE;
2. Include a work-eligible adult who is meeting the work requirement through paid employment;
3. Include a minor child; and
4. Meet all other Reach Up requirements (e.g., residency, family composition, and verification of income).

Reach Ahead provides eligible families with services and financial assistance for up to 12 months. Financial benefits are issued on an EBT card and may only be used to buy food. Families receive \$100 a month for the first six months and \$50 a month for the next six months.

1.4.3.7.8 Post-Secondary Education (PSE)

The postsecondary education (PSE) program is a solely state-funded program to assist parents in eligible low-income families to obtain two- or four-year postsecondary undergraduate degrees in fields directly related to employment. The PSE program provides financial assistance, case management, and support services. In eligible two-parent families, only one parent at a time may participate in the PSE program and the second parent must be employed if able to work. Eligibility is based on financial and non-financial criteria.

The PSE program is not an entitlement program. Participation may be denied to applicants meeting the eligibility criteria if program funds are insufficient for all eligible applicants to participate. If program funds are insufficient to serve all eligible applicants, the priorities for admission to the PSE program established by these regulations will be followed.

At the discretion of the commissioner, the department may fund certain families' PSE financial assistance with state funds claimed as TANF Maintenance of Effort (MOE) when such funding meets the intent of TANF regulations and the participating family is meeting the applicable Reach Up work requirement with hours in postsecondary education or other approved work activity.

1.4.3.7.9 Phone Assistance (Lifeline)

The Lifeline Telephone Service Credit offers eligible Vermonters a discount of at least \$9.25 off their monthly phone bills.

Note: *not all phone companies participate.*

You are eligible if you live in Vermont, have phone service, and:

1. Will be 65 or older by June 15, 2013 and your household income is less than \$26,478; or
2. Are under 65 and your household income is less than \$22,695.

1.4.3.7.10 Essential Person

The Essential Person Program helps you stay in your home by contributing to the cost of having someone live with you to provide essential care.

People who are blind, have a disability, or are 65 or older AND meet the income guidelines.

1.4.3.8 Group 8 Programs

Group 8 items are the remaining items that do not fit in the above groups.

1.4.3.8.1 Vermont Rental Subsidy

The Vermont Rental Subsidy Program is a state-funded initiative providing rental assistance to Vermont households whose monthly income would otherwise be insufficient to afford the cost of renting in their communities. Beyond supporting stability and permanence, the Vermont Rental Subsidy Program provides a cost-effective and humane alternative to emergency motel stays which strain state budgets and place unnecessary pressure on families. Participants pay a set percentage of their income towards their rental costs and the State of Vermont pays the difference to the apartment owner in the form of a monthly check. As the participants' income increases, their share of the rent obligation increases, and the State's share is reduced proportionally, much in the way a federal section 8 rental subsidy is managed. The Department has established eligibility criteria and a points system to rank all applicants on a statewide list.

1.4.3.8.2 Farm to Family

Farm To Family coupons help you buy locally-grown fresh fruits and vegetables at participating farmers' markets.

About one in four Vermonters qualifies for Farm To Family coupons.

1. Families enrolled in the Vermont Department of Health's WIC Program; and
2. Other individuals or families who have a household income at or below 185% of the federal poverty limit. Those income limits are updated each spring. For example, the limits for the 2013 farmers' market season are \$1,772 a month for a single person, \$2,392 for a couple, or \$3,631 for a family of four. Some of the coupons are reserved for income-eligible households that include someone aged 60 or older.

You can get \$30 in coupons as well as tips about shopping at farmers' markets and selecting fresh produce.

1.4.3.8.3 Weatherization Program

Vermont's Weatherization Program is designed to help lower income residents — particularly older Vermonters, people with disabilities, and families with children — to save fuel and money by improving the energy efficiency of their homes.

Eligible households include any whose incomes are at or below 80 percent of Vermont's median income, based on household size.

However, if a household includes a member who receives Supplemental Security Income (SSI) or Fuel Assistance, the household is considered automatically eligible for weatherization services.

The services available may include:

- Comprehensive "whole house" assessment of energy-related problems.
- State-of-the-art building diagnostics including: blower door, carbon monoxide, and heating system testing and infrared scans.
- "Full-service" energy-efficient retrofits including dense-pack sidewall insulation, air sealing, attic insulation, heating system upgrades and replacements.

Renters qualify for services if they meet the income eligibility guidelines.

1.4.3.8.4 Child Care Financial Assistance

Child care financial assistance (also known as *child care subsidy*) is a payment that helps eligible families with the cost of child care. Payments are made directly to child care providers. To be eligible for child care financial assistance your family must:

1. Have an accepted service need (*a reason*) for child care; and
2. Meet current income guidelines

1.4.3.8.5 Women, Infants, and Children (WIC) Program

WIC is a nutrition program that helps pregnant women, new mothers, and young children eat well, learn about nutrition and stay healthy. WIC is the Federal "Special Supplemental Nutrition Program for Women, Infants and Children." To be determined eligible, the women must be over the age of 21, have an income at or below 250% FLP and not be on Medicaid or Medicare.

WIC is designed to serve income-eligible pregnant women, women who are breastfeeding or who have a new baby, infants and children up to age 5 who are nutritionally or medically at risk.

In addition to providing healthy foods, WIC provides nutrition counseling, breastfeeding support, health education, and connections to other community resources. Further information on this program can be located at the following link:

<http://www.fns.usda.gov/sites/default/files/3.1-Certification.pdf>

1.5 Project Overview

The IE Solution Project will result in the implementation of a fully functional integrated eligibility solution that will allow the State to retire its legacy IE system – ACCESS. The new IE Solution will be leveraged by current programs, programs in development, planned solutions, and other future solutions built on the HSE Platform, or those that may reside outside of the Health Services Enterprise. The IE Solution Project will be responsible for the migration of health and human services programs currently supported by the State's legacy IE Solution – ACCESS. This effort is envisioned to lead to the final retirement of ACCESS for those programs.

Work required on the ACCESS mainframe will be performed by the State and/or its designate. The IE Solution Vendor will be responsible for collaborating with the State and/or its designate regarding program migration, but the IE Solution Vendor will not be responsible for the actual retirement of programs within ACCESS.

The IE solution will also support the integrated eligibility business processes and functionality that are currently supported by the legacy ACCESS system and performed by the Department of Children and Families, Economic Services Division and other sister departments within AHS.

1.5.1 Objectives for the Proposed System and Key Dates

The future IE System will replace functionality currently contained within the State's legacy ACCESS integrated eligibility system, as well as integrate with the eligibility functions that are required to be implemented due to the Affordable Care Act (ACA). The new IE Solution built upon the HSE platform, with its underlying and coordinated technologies, will provide the functionality necessary for the delivery of enhanced eligibility services for the State's programs including robust citizen self-service, efficient workflow management and coordination, improved data quality and decision support capabilities. The new IE Solution will align with the State's vision for a person/family-centered model of practice to support improvement in State productivity capabilities while providing enhanced accessibility of benefits to Vermonters through a modern, robust IE solution as part of the State's vision for an enterprise approach to the State's health and human services.

The future AHS HSE platform will provide or enable key distinct technology components that together will support the IE and VHC solutions, as well as the HSE platform core functional capabilities. These components (i.e., combination of core applications and technologies), detailed in Section 2.1, will bring a combined set of new health and human services business capabilities to Vermont to enable citizen-centric health and human services delivery.

This RFP specifically requires responses for those functions that enable the new Integrated Eligibility Solution. Responses are not required for reusable components of the HSEP. Responses are required for components that are not reusable as implemented.

1.5.2 Key Dates

The State expects the IE Vendor to propose the completion of the Platform Implementation Phase and programs in Groups 1 through 5 by December 31, 2015. December 31, 2015 is the date by which projects must be completed to qualify for funding via the OMB A-87 exception.

1.5.3 Current Legacy System Details

1.5.3.1 ACCESS

Eligibility for the State of Vermont health care and human services programs is currently determined and authorized in the legacy integrated eligibility determination system, called ACCESS, which has been in operation since 1983 and is maintained by the Department for Children and Families. In addition to Medicaid and related health care benefit programs, ACCESS is used to determine eligibility for a number of other programs including Reach Up (TANF), 3SquaresVT (Food Stamps), Low-Income Home Energy Assistance Program (LIHEAP), and the State's financial assistance programs. ACCESS also supports Child Support Enforcement functions.

The ACCESS application resides on an IBM mainframe in the State's data center. Its database management system is ADABAS and its programming language is Natural, both Software AG products with declining user number of skilled resources in the marketplace and a shrinking resource pool. (See additional ACCESS information in the Procurement Library)

The current ACCESS system is described below -

- ACCESS is a large and complex system and has undergone significant changes since it was first deployed nearly 30 years ago. The demand for change continues and ACCESS is becoming increasingly difficult and costly to change.
- ACCESS was constructed using proprietary technologies and development environments and never followed principles for a SOA approach now regarded as best practice for building systems that can adapt to changing circumstances during their life. ACCESS was built in an era before these principles had been developed. As a result ACCESS does not comply with the Centers for Medicare and Medicaid (CMS) Seven Standards and Conditions and it is not a feasible option to convert it to meet the conditions or align with the Medicaid Information Technology Architecture (MITA). This lack of ability to achieve compliance with CMS standards will become a financial burden for Vermont as it is expected to lead to reduced levels of federal funding in future years as the platform becomes more difficult and expensive to maintain, let alone keep up with the anticipated changes in the industry.
- Continued use of ACCESS is dependent on the obsolete 4GL Natural/ADABAS platform for which it is now difficult to acquire and retain skilled and experienced technical staff resources. This is a declining situation that will get substantially worse going forward.
- ACCESS is dependent upon a mainframe platform the State is committed to retire. In future years the State will have more difficulty justifying mainframe platform upgrades necessary to retain support and capacity to run ACCESS and similar applications.

1.5.3.2 Vermont Health Connect

The Vermont Health Connect business and functional solution is a fully-integrated technical platform that provides application, enrollment, and eligibility functionality for Vermont's health insurance exchange, MAGI Medicaid, Dr. Dynasaur, and CHIP. The VHC approach is achieved primarily through a blending of OneGate and the Oracle stack, as well as additional components detailed in Figure 2.

The State is currently using OneGate as our accelerator for the VHC solution but should a vendor offer a different solution to meet our Enterprise strategy the vendors will need to explain their rationale.

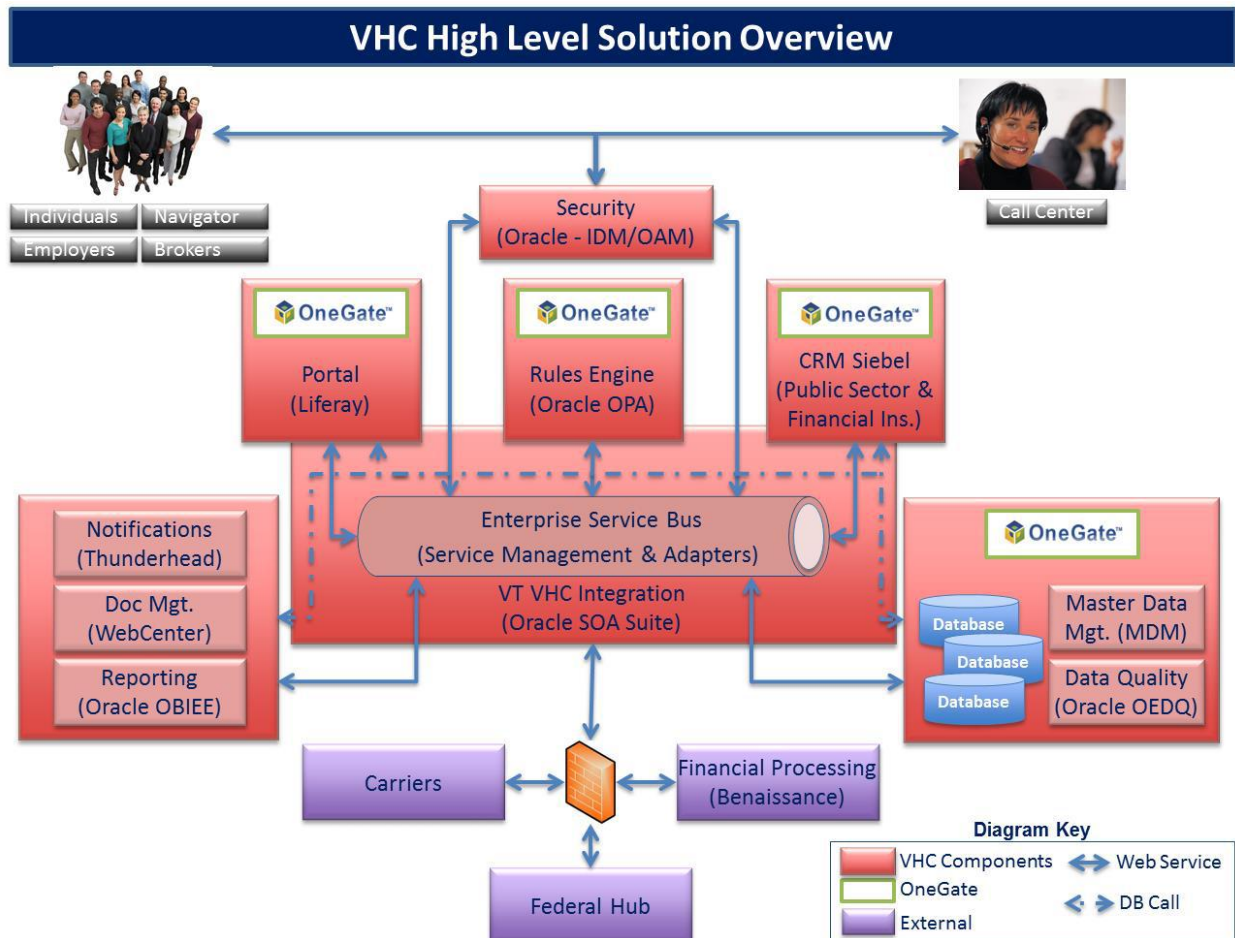


Figure 2 - Vermont Health Connect High-Level Architecture Overview

The Vermont Health Connect is hosted in its hosting provider's Arizona datacenter, with a back-up location in Pennsylvania. The details of the hosting agreement and requirements for the hosted solution are defined by over 900 non-functional requirements as defined in the hosting provider's contract. Figure 3 contains a high-level summary of the application components.

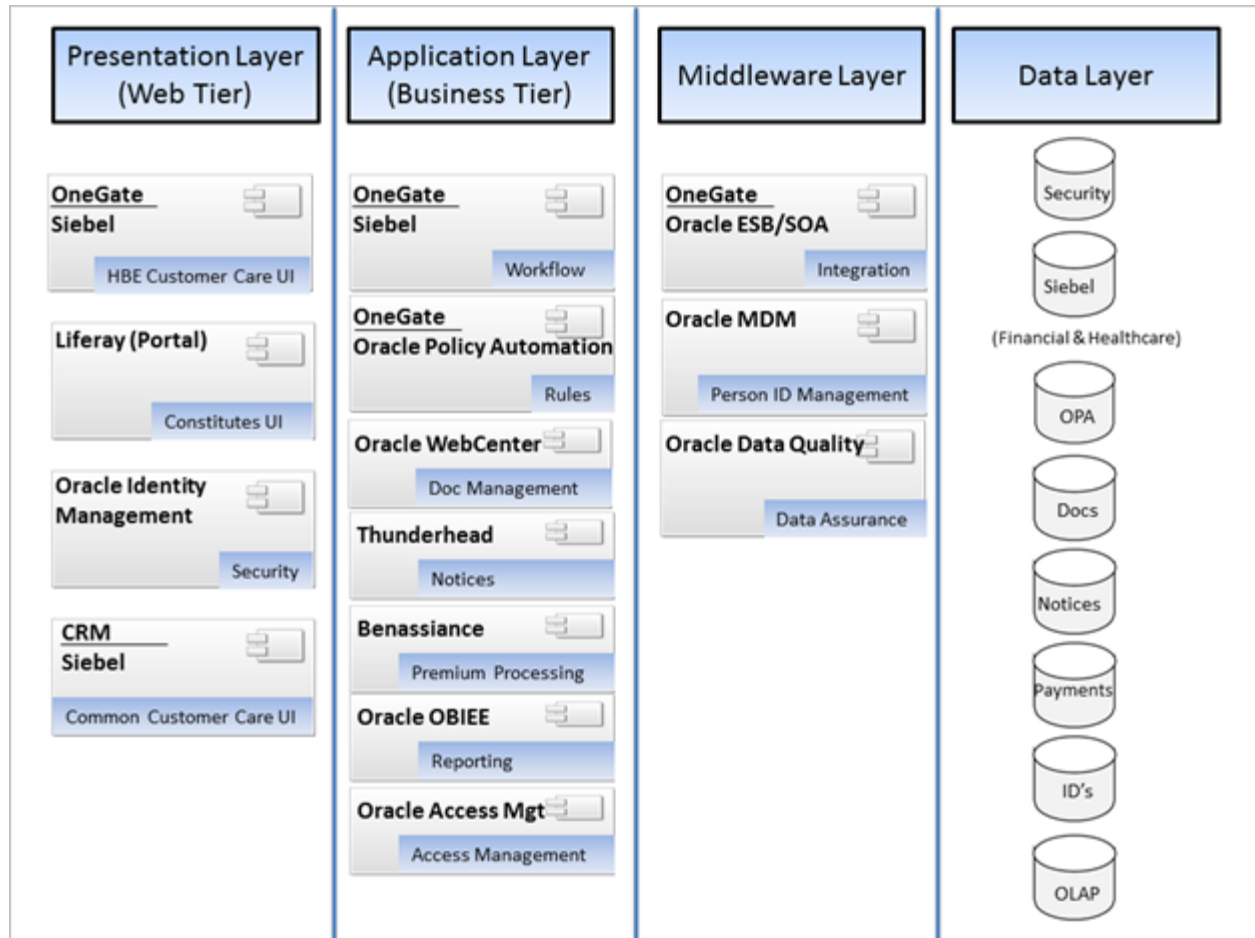


Figure 3 - Vermont Health Connect High-Level Hosted Architecture Diagram

1.5.4 Interdependencies with Other Vermont's Agency of Human Services Efforts

The IE Solution is part of the Health Services Enterprise (HSE), which contains multiple projects. A brief description of other projects within the HSEP is listed in Table 3 below.

Table 3 - Related Vermont Health Services Enterprise Projects

Project	Description
Vermont Health Connect (VHC)	VHC is Vermont's implementation of the federal Health Insurance Exchange. CGI is responsible for the implementation of the HBE. With the exception of eligibility, all HBE-specific functionality is out of scope for this RFP, including enrollment functions for the HBE.

Project	Description
ACCESS Integration	AHS has engaged PSI/MAXIMUS to ensure that the ACCESS system provides the functionality required to send applicant or participant demographic data from the IE Solution to the Medicaid Management Information System (MMIS). Ensures that Medicaid enrollments will be sent from VHC to MMIS.
Medicaid Management Information System (MMIS)	AHS has decided to replace the legacy MMIS system. The new MMIS will be integrated in the future with the HSEP SOA framework by utilizing the shared services HBE such as EMPI, Identity and Access Management, etc. AHS is planning to begin procurement of a new Solution this year.

AHS has a vision called "the Agency of One". Its intent is to make access and delivery of both health care and human services more person-centric. The vision will shape AHS's future investments in healthcare and human services processes and systems. AHS currently is developing this vision. The IE Solution vendor will work with AHS to incorporate guiding principles from the Agency of One vision into the design and development of the IE Solution.

Contract Information

1.5.5 Contract Requirements

The State of Vermont expects the Vendor to agree to the State and AHS Customary Contracting Provisions outlined in Section 1.5.12 and Attachments C, E, F, G and H of this RFP, as they may be applicable. Exceptions to the Standard State Provision for Contracts and Grants shall be noted in Template P: Proposed Changes to Standard Terms and Conditions. Exceptions may be subject to review by the Office of the Attorney General.

Failure to note exceptions will be deemed to be acceptance of the Standard State Provision for Contracts and Grants. If exceptions are not noted in the Response but raised during contract negotiations, the State reserves the right to cancel the negotiation if deemed to be in the best interests of the State of Vermont.

DVHA reserves the right to incorporate standard contract provisions which can be mutually agreed upon into any contract negotiated as a result of any proposal submitted in response to this RFP. These provisions may include such things as the normal day-to-day relationships with the Vendor, but may not substantially alter the requirements of this RFP. Further, the successful Vendor is to be aware that all material submitted in response to this RFP, as well as the RFP itself, may be included in the final contract. The selected Vendor(s) will sign a contract with DVHA to provide the items named in their responses, at the prices listed. The Contract will be subject to review throughout its term. DVHA will consider cancellation upon discovery that the selected Vendor is in violation of any portion of the Contract, including an inability by the Vendor to provide the products, support and/or service promised in their response. If two or more organizations' joint proposal is apparently successful, one organization must be designated as the Prime Bidder. The Prime Bidder will be DVHA's sole point of contact and will bear sole responsibility for performance under any resulting Contract. AHS reserves the right to cancel this RFP, to make a partial award, or to make no award if it determines that such action is in the best interest of the State of Vermont.

1.5.6 Contract Review

All contracts are subject to review and approval by the Attorney General, the Secretary of Administration and the States Chief Information Officer.

1.5.7 Contract Type and Term

Tentatively, the resulting contract period of performance as an outcome of this RFP shall be three (3) years. The State may renew this Contract for two additional one-year renewals; therefore, the maximum term of the Contract is five (5) years. The Contract is subject to and contingent upon the discretionary decision of the Vermont Legislature to appropriate funds for this Contract in each new fiscal year. The State may renew all or part of this Contract subject to the satisfactory performance of the Vendor and the needs of State of Vermont. The Vendor shall guarantee its rate offerings, over the term of the contract, are comparable to other customers of similar size and requirements. If offerings are rendered to a comparable customer that improves the pricing agreed to in the Contract, the Vendor agrees to apply those same discounts and offerings to the State of Vermont.

1.5.8 Basic Philosophy: Contracting for Results

AHS' fundamental commitment is to contract for results. AHS defines a successful result as the generation of defined, measurable, and beneficial outcomes that satisfy the contract requirements and support the missions and objectives of AHS. This RFP describes what is required of the Contractor in terms of services, deliverables, performance measures and outcomes, and unless otherwise noted in the RFP, places the responsibility for how they are accomplished on the contractor.

The State encourages strategic partnerships from Vendors to ensure the capabilities necessary to achieve the results required for the new Integrated Eligibility Solution.

1.5.9 External Factors

External factors may affect the project, including budgetary and resource constraints. Any contract resulting from the RFP is subject to the availability of State and Federal funds. As of the issuance of this RFP, AHS anticipates that budgeted funds will be available to reasonably fulfill the project requirements. If, however, funds are not available, AHS reserves the right to withdraw the RFP or terminate the resulting contract without penalty.

1.5.10 Legal and Regulatory Constraints

This Agreement will be governed by the laws of the State of Vermont.

1.5.11 Conflicts of Interest

A conflict of interest is a set of facts or circumstances in which either a Vendor or anyone acting on its behalf in connection with this procurement has past, present, or currently planned personal, professional, or financial interests or obligations that, in AHS' determination, would actually or apparently conflict or interfere with the Vendor's contractual obligations to AHS. A conflict of interest would include circumstances in which a Vendor's personal, professional or financial interests or obligations may directly or indirectly:

- Make it difficult or impossible to fulfill its contractual obligations to AHS in a manner that is consistent with the best interests of the State of Vermont;
- Impair, diminish, or interfere with that Vendor's ability to render impartial or objective

assistance or advice to AHS; or

- Provide the Vendor with an unfair competitive advantage in future AHS procurements.

Neither the Vendor nor any other person or entity acting on its behalf, including but not limited to Subcontractors, employees, agents and representatives, may have a conflict of interest with respect to this procurement. Before submitting a proposal, a Vendor must certify that they do not have personal or business interests that present a conflict of interest with respect to the RFP and resulting contract. Additionally, if applicable, the Vendor must disclose all potential conflicts of interest. The Vendor must describe the measures it will take to ensure that there will be no actual conflict of interest and that its fairness, independence and objectivity will be maintained. AHS will determine to what extent, if any, a potential conflict of interest can be mitigated and managed during the term of the contract. Failure to identify potential conflicts of interest may result in disqualification of a proposal or termination of the contract.

1.5.12 STATE AND AGENCY CUSTOMARY CONTRACTING PROVISIONS

1.5.12.1 ATTACHMENT C - CUSTOMARY PROVISIONS FOR CONTRACTS AND GRANTS

1. **Entire Agreement:** This Agreement, whether in the form of a Contract, State Funded Grant, or Federally Funded Grant, represents the entire agreement between the parties on the subject matter. All prior agreements, representations, statements, negotiations, and understandings shall have no effect.
2. **Applicable Law:** This Agreement will be governed by the laws of the State of Vermont.
3. **Definitions:** For purposes of this Attachment, "Party" shall mean the Contractor, Grantee or Sub recipient, with whom the State of Vermont is executing this Agreement and consistent with the form of the Agreement.
4. **Appropriations:** If appropriations are insufficient to support this Agreement, the State may cancel on a date agreed to by the parties or upon the expiration or reduction of existing appropriation authority. In the case that this Agreement is funded in whole or in part by federal or other non-State funds, and in the event those funds become unavailable or reduced, the State may suspend or cancel this Agreement immediately, and the State shall have no obligation to fund this Agreement from State revenue.
5. **No Employee Benefits For Party:** The Party understands that the State will not provide any individual retirement benefits, group life insurance, group health and dental insurance, vacation or sick leave, workers compensation or other benefits or services available to State employees, nor will the state withhold any state or federal taxes except as required under applicable tax laws, which shall be determined in advance of execution of the Agreement. The Party understands that all tax returns required by the Internal Revenue Code and the State of Vermont, including but not limited to income, withholding, sales and use, and rooms and meals, must be filed by the Party, and information as to Agreement income will be provided by the State of Vermont to the Internal Revenue Service and the Vermont Department of Taxes.
6. **Independence, Liability:** The Party will act in an independent capacity and not as officers or employees of the State.

The Party shall defend the State and its officers and employees against all claims or suits arising in whole or in part from any act or omission of the Party or of any agent of the Party. The State shall notify the Party in the event of any such claim or suit, and the Party shall immediately retain counsel and otherwise provide a complete defense

against the entire claim or suit. The Party shall notify its insurance company and the State within 10 days of receiving any claim for damages, notice of claims, pre-claims, or service of judgments or claims, for any act or omissions in the performance of this Agreement.

After a final judgment or settlement the Party may request recoupment of specific defense costs and may file suit in the Superior Court of State of Vermont, Civil Division, and Washington Unit requesting recoupment. The Party shall be entitled to recoup costs only upon a showing that such costs were entirely unrelated to the defense of any claim arising from an act or omission of the Party.

The Party shall indemnify the State and its officers and employees if the State, its officers or employees become legally obligated to pay any damages or losses arising from any act or omission of the Party.

7. **Insurance:** Before commencing work on this Agreement the Party must provide certificates of insurance to show that the following minimum coverage is in effect. It is the responsibility of the Party to maintain current certificates of insurance on file with the state through the term of the Agreement. No warranty is made that the coverage and limits listed herein are adequate to cover and protect the interests of the Party for the Party's operations. These are solely minimums that have been established to protect the interests of the State.

Workers Compensation: With respect to all operations performed, the Party shall carry workers' compensation insurance in accordance with the laws of the State of Vermont.

General Liability and Property Damage: With respect to all operations performed under the Agreement, the Party shall carry general liability insurance having all major divisions of coverage including, but not limited to:

Premises — Operations

Products and Completed Operations

Personal Injury Liability

Contractual Liability

The policy shall be on an occurrence form and limits shall not be less than:

\$1,000,000 Per Occurrence

\$1,000,000 General Aggregate

\$1,000,000 Products/Completed Operations Aggregate

\$50,000 Fire/Legal/Liability

Party shall name the State of Vermont and its officers and employees as additional insured for liability arising out of this Agreement.

Automotive Liability: The Party shall carry automotive liability insurance covering all motor vehicles, including hired and non-owned coverage, used in connection with the Agreement. Limits of coverage shall not be less than: \$1,000,000 combined single limit.

Party shall name the State of Vermont and its officers and employees as additional insured for liability arising out of this Agreement.

Professional Liability: Before commencing work on this Agreement and throughout the term of this Agreement, the Party shall procure and maintain professional liability

insurance for any and all services performed under this Agreement, with minimum coverage of \$5,000,000 per occurrence.

8. **Reliance by the State on Representations:** All payments by the State under this Agreement will be made in reliance upon the accuracy of all prior representations by the Party, including but not limited to bills, invoices, progress reports and other proofs of work.
9. **Requirement to Have a Single Audit:** In the case that this Agreement is a Grant that is funded in whole or in part by federal funds, the Sub recipient will complete the Sub recipient Annual Report annually within 45 days after its fiscal year end, informing the State of Vermont whether or not a single audit is required for the prior fiscal year. If a single audit is required, the Sub recipient will submit a copy of the audit report to the granting Party within 9 months. If a single audit is not required, only the Sub recipient Annual Report is required.

A single audit is required if the sub recipient expends \$500,000 or more in federal assistance during its fiscal year and must be conducted in accordance with OMB Circular A-133. The Sub recipient Annual Report is required to be submitted within 45 days, whether or not a single audit is required.

10. **Records Available for Audit:** The Party will maintain all books, documents, payroll papers, accounting records and other evidence pertaining to costs incurred under this agreement and make them available at reasonable times during the period of the Agreement and for three years thereafter for inspection by any authorized representatives of the State or Federal Government. If any litigation, claim, or audit is started before the expiration of the three year period, the records shall be retained until all litigation, claims or audit findings involving the records have been resolved. The State, by any authorized representative, shall have the right at all reasonable times to inspect or otherwise evaluate the work performed or being performed under this Agreement.
11. **Fair Employment Practices and Americans with Disabilities Act:** Party agrees to comply with the requirement of Title 21V.S.A. Chapter 5, Subchapter 6, relating to fair employment practices, to the full extent applicable. Party shall also ensure, to the full extent required by the Americans with Disabilities Act of 1990, as amended, that qualified individuals with disabilities receive equitable access to the services, programs, and activities provided by the Party under this Agreement. Party further agrees to include this provision in all subcontracts.
12. **Set Off:** The State may set off any sums which the Party owes the State against any sums due the Party under this Agreement; provided, however, that any set off of amounts due the State of Vermont as taxes shall be in accordance with the procedures more specifically provided hereinafter.
13. **Taxes Due to the State:**
 - a. Party understands and acknowledges responsibility, if applicable, for compliance with State tax laws, including income tax withholding for employees performing services within the State, payment of use tax on property used within the State, corporate and/or personal income tax on income earned within the State.
 - b. Party certifies under the pains and penalties of perjury that, as of the date the Agreement is signed, the Party is in good standing with respect to, or in full compliance with, a plan to pay any and all taxes due the State of Vermont.

- c. Party understands that final payment under this Agreement may be withheld if the Commissioner of Taxes determines that the Party is not in good standing with respect to or in full compliance with a plan to pay any and all taxes due to the State of Vermont.
- d. Party also understands the State may set off taxes (and related penalties, interest and fees) due to the State of Vermont, but only if the Party has failed to make an appeal within the time allowed by law, or an appeal has been taken and finally determined and the Party has no further legal recourse to contest the amounts due.

14. **Child Support:** (Applicable if the Party is a natural person, not a corporation or partnership.) Party states that, as of the date the Agreement is signed, he/she:

- a. is not under any obligation to pay child support; or
- b. is under such an obligation and is in good standing with respect to that obligation; or
- c. has agreed to a payment plan with the Vermont Office of Child Support Services and is in full compliance with that plan.

Party makes this statement with regard to support owed to any and all children residing in Vermont. In addition, if the Party is a resident of Vermont, Party makes this statement with regard to support owed to any and all children residing in any other state or territory of the United States.

15. **Sub-Agreements:** Party shall not assign, subcontract or sub grant the performance of his Agreement or any portion thereof to any other Party without the prior written approval of the State. Party also agrees to include in subcontract or sub grant agreements a tax certification in accordance with paragraph 13 above.

Notwithstanding the foregoing, the State agrees that the Party may assign this agreement, including all of the Party's rights and obligations hereunder, to any successor in interest to the Party arising out of the sale of or reorganization of the Party.

16. **No Gifts or Gratuities:** Party shall not give title or possession of anything of substantial value (including property, currency, travel and/or education programs) to any officer or employee of the State during the term of this Agreement.

17. **Copies:** All written reports prepared under this Agreement will be printed using both sides of the paper.

18. **Certification Regarding Debarment:** Party certifies under pains and penalties of perjury that, as of the date that this Agreement is signed, neither Party nor Party's principals (officers, directors, owners, or partners) are presently debarred, suspended, proposed for debarment, declared ineligible or excluded from participation in federal programs, or programs supported in whole or in part by federal funds.

Party further certifies under pains and penalties of perjury that, as of the date that this Agreement is signed, Party is not presently debarred, suspended, nor named on the State's debarment list at: <http://bgs.vermont.gov/purchasing/debarment>

19. **Certification Regarding Use of State Funds:** In the case that Party is an employer and this Agreement is a State Funded Grant more than \$1,001, Party certifies that none of these State funds will be used to interfere with or restrain the exercise of Party's employee's rights with respect to unionization.

1.5.12.2 ATTACHMENT E - BUSINESS ASSOCIATE AGREEMENT

THIS BUSINESS ASSOCIATE AGREEMENT (“AGREEMENT”) IS ENTERED INTO BY AND BETWEEN THE STATE OF VERMONT AGENCY OF HUMAN SERVICES, OPERATING BY AND THROUGH ITS DEPARTMENT OF VERMONT HEALTH ACCESS (“COVERED ENTITY”) AND [INSERT NAME OF CONTRACTOR/GRANTEE] (“BUSINESS ASSOCIATE”) AS OF _____ (“EFFECTIVE DATE”). THIS AGREEMENT SUPPLEMENTS AND IS MADE A PART OF THE CONTRACT/GRANT TO WHICH IT IS ATTACHED.

Covered Entity and Business Associate enter into this Agreement to comply with standards promulgated under the Health Insurance Portability and Accountability Act of 1996 (“HIPAA”), including the Standards for the Privacy of Individually Identifiable Health Information, at 45 CFR Parts 160 and 164 (“Privacy Rule”), and the Security Standards, at 45 CFR Parts 160 and 164 (“Security Rule”), as amended by Subtitle D of the Health Information Technology for Economic and Clinical Health Act (HITECH), and any associated federal rules and regulations.

The parties agree as follows:

1. **Definitions.** All capitalized terms used but not otherwise defined in this Agreement have the meanings set forth in 45 CFR Parts 160 and 164 as amended by HITECH and associated federal rules and regulations.

“Agent” means those person(s) who are agents(s) of the Business Associate, in accordance with the Federal common law of agency, as referenced in 45 CFR § 160.402(c).

“Breach” means the acquisition, access, use or disclosure of protected health information (PHI) which compromises the security or privacy of the PHI, except as excluded in the definition of Breach in 45 CFR § 164.402.

“Business Associate shall have the meaning given in 45 CFR § 160.103.

“Individual” includes a person who qualifies as a personal representative in accordance with 45 CFR § 164.502(g).

“Protected Health Information” or PHI shall have the meaning given in 45 CFR § 160.103, limited to the information created or received by Business Associate from or on behalf of Agency.

“Security Incident” means any known successful or unsuccessful attempt by an authorized or unauthorized individual to inappropriately use, disclose, modify, access, or destroy any information or interference with system operations in an information system.

“Services” includes all work performed by the Business Associate for or on behalf of Covered Entity that requires the use and/or disclosure of protected health information to perform a business associate function described in 45 CFR § 160.103 under the definition of Business Associate.

“Subcontractor” means a person or organization to whom a Business Associate delegates a function, activity or service, other than in the capacity of a member of the workforce of the Business Associate. For purposes of this Agreement, the term Subcontractor includes Sub grantees.

2. **Identification and Disclosure of Privacy and Security Offices.** Business Associate and Subcontractors shall provide, within ten (10) days of the execution of this agreement, written notice to the Covered Entity's contract/grant manager the names and contact information of both the HIPAA Privacy Officer and HIPAA Security Officer. This information must be updated any time either of these contacts changes.
3. **Permitted and Required Uses/Disclosures of PHI.**
 - 3.1 Except as limited in this Agreement, Business Associate may use or disclose PHI to perform Services, as specified in the underlying grant or contract with Covered Entity. The uses and disclosures of Business Associate are limited to the minimum necessary, to complete the tasks or to provide the services associated with the terms of the underlying agreement. Business Associate shall not use or disclose PHI in any manner that would constitute a violation of the Privacy Rule if used or disclosed by Covered Entity in that manner. Business Associate may not use or disclose PHI other than as permitted or required by this Agreement or as Required by Law.
 - 3.2 Business Associate may make PHI available to its employees who need access to perform Services provided that Business Associate makes such employees aware of the use and disclosure restrictions in this Agreement and binds them to comply with such restrictions. Business Associate may only disclose PHI for the purposes authorized by this Agreement: (a) to its agents and Subcontractors in accordance with Sections 9 and 17 or, (b) as otherwise permitted by Section 3.
 - 3.3 Business Associate shall be directly liable under HIPAA for impermissible uses and disclosures of the PHI it handles on behalf of Covered Entity, and for impermissible uses and disclosures, by Business Associate's Subcontractor(s), of the PHI that Business Associate handles on behalf of Covered Entity and that it passes on to Subcontractors.
4. **Business Activities.** Business Associate may use PHI received in its capacity as a Business Associate to Covered Entity if necessary for Business Associate's proper management and administration or to carry out its legal responsibilities. Business Associate may disclose PHI received in its capacity as Business Associate to Covered Entity for Business Associate's proper management and administration or to carry out its legal responsibilities if a disclosure is Required by Law or if Business Associate obtains reasonable written assurances via a written agreement from the person to whom the information is to be disclosed that the PHI shall remain confidential and be used or further disclosed only as Required by Law or for the purpose for which it was disclosed to the person, and the Agreement requires the person or entity to notify Business Associate, within two (2) business days (who in turn will notify Covered Entity within two (2) business days after receiving notice of a Breach as specified in Section 6.1), in writing of any Breach of Unsecured PHI of which it is aware. Uses and disclosures of PHI for the purposes identified in Section 3 must be of the minimum amount of PHI necessary to accomplish such purposes.
5. **Safeguards.** Business Associate, its Agent(s) and Subcontractor(s) shall implement and use appropriate safeguards to prevent the use or disclosure of PHI other than as provided for by this Agreement. With respect to any PHI that is maintained in or transmitted by electronic media, Business Associate or its Subcontractor(s) shall comply with 45 CFR sections 164.308 (administrative safeguards), 164.310 (physical safeguards), 164.312 (technical safeguards) and 164.316 (policies and procedures and documentation requirements). Business Associate or its Agent(s) and Subcontractor(s)

shall identify in writing upon request from Covered Entity all of the safeguards that it uses to prevent impermissible uses or disclosures of PHI.

6. **Documenting and Reporting Breaches.**

6.1 Business Associate shall report to Covered Entity any Breach of Unsecured PHI, including Breaches reported to it by a Subcontractor, as soon as it (or any of its employees or agents) becomes aware of any such Breach, and in no case later than two (2) business days after it (or any of its employees or agents) becomes aware of the Breach, except when a law enforcement official determines that a notification would impede a criminal investigation or cause damage to national security.

6.2 Business Associate shall provide Covered Entity with the names of the individuals whose Unsecured PHI has been, or is reasonably believed to have been, the subject of the Breach and any other available information that is required to be given to the affected individuals, as set forth in 45 CFR § 164.404(c), and, if requested by Covered Entity, information necessary for Covered Entity to investigate the impermissible use or disclosure. Business Associate shall continue to provide to Covered Entity information concerning the Breach as it becomes available to it. Business Associate shall require its Subcontractor(s) to agree to these same terms and conditions.

6.3 When Business Associate determines that an impermissible acquisition, use or disclosure of PHI by a member of its workforce is not a Breach, as that term is defined in 45 CFR § 164.402, and therefore does not necessitate notice to the impacted individual(s), it shall document its assessment of risk, conducted as set forth in 45 CFR § 402(2). When requested by Covered Entity, Business Associate shall make its risk assessments available to Covered Entity. It shall also provide Covered Entity with 1) the name of the person(s) making the assessment, 2) a brief summary of the facts, and 3) a brief statement of the reasons supporting the determination of low probability that the PHI had been compromised. When a breach is the responsibility of a member of its Subcontractor's workforce, Business Associate shall either 1) conduct its own risk assessment and draft a summary of the event and assessment or 2) require its Subcontractor to conduct the assessment and draft a summary of the event. In either case, Business Associate shall make these assessments and reports available to Covered Entity.

6.4 Business Associate shall require, by contract, a Subcontractor to report to Business Associate and Covered Entity any Breach of which the Subcontractor becomes aware, no later than two (2) business days after becomes aware of the Breach.

7. **Mitigation and Corrective Action.** Business Associate shall mitigate, to the extent practicable, any harmful effect that is known to it of an impermissible use or disclosure of PHI, even if the impermissible use or disclosure does not constitute a Breach. Business Associate shall draft and carry out a plan of corrective action to address any incident of impermissible use or disclosure of PHI. If requested by Covered Entity, Business Associate shall make its mitigation and corrective action plans available to Covered Entity. Business Associate shall require a Subcontractor to agree to these same terms and conditions.

8. **Providing Notice of Breaches.**

8.1 If Covered Entity determines that an impermissible acquisition, access, use or disclosure of PHI for which one of Business Associate's employees or agents was responsible constitutes a Breach as defined in 45 CFR § 164.402, and if requested by

Covered Entity, Business Associate shall provide notice to the individual(s) whose PHI has been the subject of the Breach. When requested to provide notice, Business Associate shall consult with Covered Entity about the timeliness, content and method of notice, and shall receive Covered Entity's approval concerning these elements. The cost of notice and related remedies shall be borne by Business Associate.

8.2 If Covered Entity or Business Associate determines that an impermissible acquisition, access, use or disclosure of PHI by a Subcontractor of Business Associate constitutes a Breach as defined in 45 CFR § 164.402, and if requested by Covered Entity or Business Associate, Subcontractor shall provide notice to the individual(s) whose PHI has been the subject of the Breach. When Covered Entity requests that Business Associate or its Subcontractor provide notice, Business Associate shall either 1) consult with Covered Entity about the specifics of the notice as set forth in section 8.1, above, or 2) require, by contract, its Subcontractor to consult with Covered Entity about the specifics of the notice as set forth in section 8.1

8.3 The notice to affected individuals shall be provided as soon as reasonably possible and in no case later than 60 calendar days after Business Associate reported the Breach to Covered Entity.

8.4 The notice to affected individuals shall be written in plain language and shall include, to the extent possible, 1) a brief description of what happened, 2) a description of the types of Unsecured PHI that were involved in the Breach, 3) any steps individuals can take to protect themselves from potential harm resulting from the Breach, 4) a brief description of what the Business Associate is doing to investigate the Breach, to mitigate harm to individuals and to protect against further Breaches, and 5) contact procedures for individuals to ask questions or obtain additional information, as set forth in 45 CFR § 164.404(c).

8.5 Business Associate shall notify individuals of Breaches as specified in 45 CFR § 164.404(d) (methods of individual notice). In addition, when a Breach involves more than 500 residents of Vermont, Business Associate shall, if requested by Covered Entity, notify prominent media outlets serving Vermont, following the requirements set forth in 45 CFR § 164.406.

9. **Agreements with Subcontractors.** Business Associate shall enter into a Business Associate Agreement with any Subcontractor to whom it provides PHI received from Covered Entity or created or received by Business Associate on behalf of Covered Entity in which the Subcontractor agrees to the same restrictions and conditions that apply through this Agreement to Business Associate with respect to such PHI. Business Associate must enter into this Business Associate Agreement before any use by or disclosure of PHI to such agent. The written agreement must identify Covered Entity as a direct and intended third party beneficiary with the right to enforce any breach of the agreement concerning the use or disclosure of PHI. Business Associate shall provide a copy of the Business Associate Agreement it enters into with a subcontractor to Covered Entity upon request. Business associate may not make any disclosure of PHI to any Subcontractor without prior written consent of Covered Entity.
10. **Access to PHI.** Business Associate shall provide access to PHI in a Designated Record Set to Covered Entity or as directed by Covered Entity to an Individual to meet the requirements under 45 CFR § 164.524. Business Associate shall provide such access in the time and manner reasonably designated by Covered Entity. Within three (3) business days, Business Associate shall forward to Covered Entity for handling any request for access to PHI that Business Associate directly receives from an Individual.

11. **Amendment of PHI.** Business Associate shall make any amendments to PHI in a Designated Record Set that Covered Entity directs or agrees to pursuant to 45 CFR § 164.526, whether at the request of Covered Entity or an Individual. Business Associate shall make such amendments in the time and manner reasonably designated by Covered Entity. Within three (3) business days, Business Associate shall forward to Covered Entity for handling any request for amendment to PHI that Business Associate directly receives from an Individual.
12. **Accounting of Disclosures.** Business Associate shall document disclosures of PHI and all information related to such disclosures as would be required for Covered Entity to respond to a request by an Individual for an accounting of disclosures of PHI in accordance with 45 CFR § 164.528. Business Associate shall provide such information to Covered Entity or as directed by Covered Entity to an Individual, to permit Covered Entity to respond to an accounting request. Business Associate shall provide such information in the time and manner reasonably designated by Covered Entity. Within three (3) business days, Business Associate shall forward to Covered Entity for handling any accounting request that Business Associate directly receives from an Individual.
13. **Books and Records.** Subject to the attorney-client and other applicable legal privileges, Business Associate shall make its internal practices, books, and records (including policies and procedures and PHI) relating to the use and disclosure of PHI received from Covered Entity or created or received by Business Associate on behalf of Covered Entity available to the Secretary in the time and manner designated by the Secretary. Business Associate shall make the same information available to Covered Entity, upon Covered Entity's request, in the time and manner reasonably designated by Covered Entity so that Covered Entity may determine whether Business Associate is in compliance with this Agreement.
14. **Termination.**
 - 14.1 This Agreement commences on the Effective Date and shall remain in effect until terminated by Covered Entity or until all of the PHI provided by Covered Entity to Business Associate or created or received by Business Associate on behalf of Covered Entity is destroyed or returned to Covered Entity subject to Section 18.7.
 - 14.2 If Business Associate breaches any material term of this Agreement, Covered Entity may either: (a) provide an opportunity for Business Associate to cure the breach and Covered Entity may terminate the contract or grant without liability or penalty if Business Associate does not cure the breach within the time specified by Covered Entity; or (b) immediately terminate the contract or grant without liability or penalty if Covered Entity believes that cure is not reasonably possible; or (c) if neither termination nor cure are feasible, Covered Entity shall report the breach to the Secretary. Covered Entity has the right to seek to cure any breach by Business Associate and this right, regardless of whether Covered Entity cures such breach, does not lessen any right or remedy available to Covered Entity at law, in equity, or under the contract or grant, nor does it lessen Business Associate's responsibility for such breach or its duty to cure such breach.
15. **Return/Destruction of PHI.**
 - 15.1 Business Associate in connection with the expiration or termination of the contract or grant shall return or destroy, at the discretion of the Covered Entity, all PHI received from Covered Entity or created or received by Business Associate on behalf of Covered Entity pursuant to this contract or grant that Business Associate still maintains

in any form or medium (including electronic) within thirty (30) days after such expiration or termination. Business Associate shall not retain any copies of the PHI. Business Associate shall certify in writing for Covered Entity (1) when all PHI has been returned or destroyed and (2) that Business Associate does not continue to maintain any PHI. Business Associate is to provide this certification during this thirty (30) day period.

15.2 Business Associate shall provide to Covered Entity notification of any conditions that Business Associate believes make the return or destruction of PHI infeasible. If Covered Entity agrees that return or destruction is infeasible, Business Associate shall extend the protections of this Agreement to such PHI and limit further uses and disclosures of such PHI to those purposes that make the return or destruction infeasible for so long as Business Associate maintains such PHI. This shall also apply to all Agents and Subcontractors of Business Associate.

16. **Penalties and Training.** Business Associate understands that: (a) there may be civil or criminal penalties for misuse or misappropriation of PHI and (b) violations of this Agreement may result in notification by Covered Entity to law enforcement officials and regulatory, accreditation, and licensure organizations. If requested by Covered Entity, Business Associate shall participate in training regarding the use, confidentiality, and security of PHI.
17. **Security Rule Obligations.** The following provisions of this section apply to the extent that Business Associate creates, receives, maintains or transmits Electronic PHI on behalf of Covered Entity.

17.1 Business Associate shall implement and use administrative, physical, and technical safeguards in compliance with 45 CFR sections 164.308, 164.310, and 164.312 with respect to the Electronic PHI that it creates, receives, maintains or transmits on behalf of Covered Entity. Business Associate shall identify in writing upon request from Covered Entity all of the safeguards that it uses to protect such Electronic PHI.

17.2 Business Associate shall ensure that any Agent and Subcontractor to whom it provides Electronic PHI agrees in a written agreement to implement and use administrative, physical, and technical safeguards that reasonably and appropriately protect the Confidentiality, Integrity and Availability of the Electronic PHI. Business Associate must enter into this written agreement before any use or disclosure of Electronic PHI by such Agent or Subcontractor. The written agreement must identify Covered Entity as a direct and intended third party beneficiary with the right to enforce any breach of the agreement concerning the use or disclosure of Electronic PHI. Business Associate shall provide a copy of the written agreement to Covered Entity upon request. Business Associate may not make any disclosure of Electronic PHI to any Agent or Subcontractor without the prior written consent of Covered Entity.

17.3 Business Associate shall report in writing to Covered Entity any Security Incident pertaining to such Electronic PHI (whether involving Business Associate or an Agent or Subcontractor). Business Associate shall provide this written report as soon as it becomes aware of any such Security Incident, and in no case later than two (2) business days after it becomes aware of the incident. Business Associate shall provide Covered Entity with the information necessary for Covered Entity to investigate any such Security Incident.

17.4 Business Associate shall comply with any reasonable policies and procedures Covered Entity implements to obtain compliance under the Security Rule.

18. Miscellaneous.

18.1 In the event of any conflict or inconsistency between the terms of this Agreement and the terms of the contract/grant, the terms of this Agreement shall govern with respect to its subject matter. Otherwise, the terms of the contract/grant continue in effect.

18.2 Business Associate shall cooperate with Covered Entity to amend this Agreement from time to time as is necessary for Covered Entity to comply with the Privacy Rule, the Security Rule, or any other standards promulgated under HIPAA.

18.3 Any ambiguity in this Agreement shall be resolved to permit Covered Entity to comply with the Privacy Rule, Security Rule, or any other standards promulgated under HIPAA.

18.4 In addition to applicable Vermont law, the parties shall rely on applicable federal law (e.g., HIPAA, the Privacy Rule and Security Rule, and the HIPAA omnibus final rule) in construing the meaning and effect of this Agreement.

18.5 As between Business Associate and Covered Entity, Covered Entity owns all PHI provided by Covered Entity to Business Associate or created or received by Business Associate on behalf of Covered Entity.

18.6 Business Associate shall abide by the terms and conditions of this Agreement with respect to all PHI it receives from Covered Entity or creates or receives on behalf of Covered Entity even if some of that information relates to specific services for which Business Associate may not be a "Business Associate" of Covered Entity under the Privacy Rule.

18.7 Business Associate is prohibited from directly or indirectly receiving any remuneration in exchange for an individual's PHI. Business Associate will refrain from marketing activities that would violate HIPAA, including specifically Section 13406 of the HITECH Act. Reports or data containing the PHI may not be sold without Agency's or the affected individual's written consent.

18.8 The provisions of this Agreement that by their terms encompass continuing rights or responsibilities shall survive the expiration or termination of this Agreement. For example: (a) the provisions of this Agreement shall continue to apply if Covered Entity determines that it would be infeasible for Business Associate to return or destroy PHI as provided in Section 14.2 and (b) the obligation of Business Associate to provide an accounting of disclosures as set forth in Section 11 survives the expiration or termination of this Agreement with respect to accounting requests, if any, made after such expiration or termination.

(Rev: 9/21/13)

1.5.12.3 ATTACHMENT F - AGENCY OF HUMAN SERVICES' CUSTOMARY CONTRACT PROVISIONS

1. **Agency of Human Services — Field Services Directors** will share oversight with the department (or field office) that is a party to the contract for provider performance using outcomes, processes, terms and conditions agreed to under this contract.
2. **2-1-1 Data Base**. The Contractor providing a health or human services within Vermont, or near the border that is readily accessible to residents of Vermont, will provide relevant descriptive information regarding its agency, programs and/or contact and will adhere to the "Inclusion/Exclusion" policy of Vermont's United Way/Vermont 211. If included, the

Contractor will provide accurate and up to date information to their database as needed. The "Inclusion/Exclusion" policy can be found at www.vermont211.org

3. **Medicaid Program Contractors.**

Inspection of Records: Any contracts accessing payments for services through the Global Commitment to Health Waiver and Vermont Medicaid program must fulfill state and federal legal requirements to enable the Agency of Human Services (AHS), the United States Department of Health and Human Services (DHHS) and the Government Accounting Office (GAO) to:

Evaluate through inspection or other means the quality, appropriateness, and timeliness of services performed; and Inspect and audit any financial records of such Contractor or subcontractor.

Subcontracting for Medicaid Services: Having a subcontract does not terminate the Contractor, receiving funds under Vermont's Medicaid program, from its responsibility to ensure that all activities under this agreement are carried out. Subcontracts must specify the activities and reporting responsibilities of the Contractor or subcontractor and provide for revoking delegation or imposing other sanctions if the Contractor or subcontractor's performance is inadequate. The Contractor agrees to make available upon request to the Agency of Human Services; the Department of Vermont Health Access; the Department of Disabilities, Aging and Independent Living; and the Center for Medicare and Medicaid Services (CMS) all contracts and subcontracts between the Contractor and service providers.

Medicaid Notification of Termination Requirements: Any Contractor accessing payments for services under the Global Commitment to Health Waiver and Medicaid programs who terminates their practice will follow the Department of Vermont Health Access, Managed Care Organization enrollee notification requirements.

Encounter Data: Any Contractor accessing payments for services through the Global Commitment to Health Waiver and Vermont Medicaid programs must provide encounter data to the Agency of Human Services and/or its departments and ensure that it can be linked to enrollee eligibility files maintained by the State.

Federal Medicaid System Security Requirements Compliance: All contractors and subcontractors must provide a security plan, risk assessment, and security controls review document within three months of the start date of this agreement (and update it annually thereafter) to support audit compliance with 45CFR95.621 subpart F, *ADP* (Automated Data Processing) *System Security Requirements and Review Process*.

4. **Non-discrimination Based on National Origin as evidenced by Limited English Proficiency.** The Contractor agrees to comply with the non-discrimination requirements of Title VI of the Civil Rights Act of 1964, 42 USC Section 2000d, et seq., and with the federal guidelines promulgated pursuant to Executive Order 13166 of 2000, which require that contractors and subcontractors receiving federal funds must assure that people with limited English proficiency can meaningfully access services. To the extent the Contractor provides assistance to individuals with limited English proficiency through the use of oral or written translation or interpretive services in compliance with this requirement, such individuals cannot be required to pay for such services.
5. **Voter Registration.** When designated by the Secretary of State, the Contractor agrees to become a voter registration agency as defined by 17 V.S.A. §2103 (41), and to comply with the requirements of state and federal law pertaining to such agencies.

6. **Drug Free Workplace Act.** The Contractor will assure a drug-free workplace in accordance with 45 CFR Part 76.

7. **Privacy and Security Standards.**

Protected Health Information: The Contractor shall maintain the privacy and security of all individually identifiable health information acquired by or provided to it as a part of the performance of this contract. The Contractor shall follow federal and state law relating to privacy and security of individually identifiable health information as applicable, including the Health Insurance Portability and Accountability Act (HIPAA) and its federal regulations.

Substance Abuse Treatment Information: The confidentiality of any alcohol and drug abuse treatment information acquired by or provided to the Contractor or subcontractor shall be maintained in compliance with any applicable state or federal laws or regulations and specifically set out in 42 CFR Part 2.

Other Confidential Consumer Information: The Contractor agrees to comply with the requirements of AHS Rule No. 08-048 concerning access to information. The Contractor agrees to comply with any applicable Vermont State Statute, including but not limited to 12 VSA §1612 and any applicable Board of Health confidentiality regulations. The Contractor shall ensure that all of its employees and subcontractors performing services under this agreement understand the sensitive nature of the information that they may have access to and sign an affirmation of understanding regarding the information's confidential and non-public nature.

Social Security Numbers: The Contractor agrees to comply with all applicable Vermont State Statutes to assure protection and security of personal information, including protection from identity theft as outlined in Title 9, Vermont Statutes Annotated, Ch. 62.

8. **Abuse Registry.** The Contractor agrees not to employ any individual, use any volunteer, or otherwise provide reimbursement to any individual in the performance of services connected with this agreement, who provides care, custody, treatment, transportation, or supervision to children or vulnerable adults if there is a substantiation of abuse or neglect or exploitation against that individual. The Contractor will check the Adult Abuse Registry in the Department of Disabilities, Aging and Independent Living. Unless the Contractor holds a valid child care license or registration from the Division of Child Development, Department for Children and Families, the Contractor shall also check the Central Child Protection Registry. (See 33 V.S.A. §4919(a)(3) & 33 V.S.A. §6911(c)(3)).
9. **Reporting of Abuse, Neglect, or Exploitation.** Consistent with provisions of 33 V.S.A. §4913(a) and §6903, any agent or employee of a Contractor who, in the performance of services connected with this agreement, has contact with clients or is a caregiver and who has reasonable cause to believe that a child or vulnerable adult has been abused or neglected as defined in Chapter 49 or abused, neglected, or exploited as defined in Chapter 69 of Title 33 V.S.A. shall make a report involving children to the Commissioner of the Department for Children and Families within 24 hours or a report involving vulnerable adults to the Division of Licensing and Protection at the Department of Disabilities, Aging, and Independent Living within 48 hours. This requirement applies except in those instances where particular roles and functions are exempt from reporting under state and federal law. Reports involving children shall contain the information required by 33 V.S.A. §4914. Reports involving vulnerable adults shall contain the information required by 33 V.S.A. §6904. The Contractor will ensure that its agents or

employees receive training on the reporting of abuse or neglect to children and abuse, neglect or exploitation of vulnerable adults.

10. **Intellectual Property/Work Product Ownership.** All data, technical information, materials first gathered, originated, developed, prepared, or obtained as a condition of this agreement and used in the performance of this agreement — including, but not limited to all reports, surveys, plans, charts, literature, brochures, mailings, recordings (video or audio), pictures, drawings, analyses, graphic representations, software computer programs and accompanying documentation and printouts, notes and memoranda, written procedures and documents, which are prepared for or obtained specifically for this agreement — or are a result of the services required under this grant — shall be considered "work for hire" and remain the property of the State of Vermont, regardless of the state of completion — unless otherwise specified in this agreement. Such items shall be delivered to the State of Vermont upon 30 days notice by the State. With respect to software computer programs and/or source codes first developed for the State, all the work shall be considered "work for hire," i.e., the State, not the Contractor or subcontractor, shall have full and complete ownership of all software computer programs, documentation and/or source codes developed.

The Contractor shall not sell or copyright a work product or item produced under this agreement without explicit permission from the State.

If the Contractor is operating a system or application on behalf of the State of Vermont, then the Contractor shall not make information entered into the system or application available for uses by any other party than the State of Vermont, without prior authorization by the State. Nothing herein shall entitle the State to pre-existing Contractor's materials.

11. **Security and Data Transfers.** The State shall work with the Contractor to ensure compliance with all applicable State and Agency of Human Services' policies and standards, especially those related to privacy and security. The State will advise the Contractor of any new policies, procedures, or protocols developed during the term of this agreement as they are issued and will work with the Contractor to implement any required.

The Contractor will ensure the physical and data security associated with computer equipment — including desktops, notebooks, and other portable devices — used in connection with this agreement. The Contractor will also assure that any media or mechanism used to store or transfer data to or from the State includes industry standard security mechanisms such as continually up-to-date malware protection and encryption. The Contractor will make every reasonable effort to ensure media or data files transferred to the State are virus and spyware free. At the conclusion of this agreement and after successful delivery of the data to the State, the Contractor shall securely delete data (including archival backups) from the Contractor's equipment that contains individually identifiable records, in accordance with standards adopted by the Agency of Human Services.

12. **Computing and Communication.** The Contractor shall select, in consultation with the Agency of Human Services' Information Technology unit, one of the approved methods for secure access to the State's systems and data, if required. Approved methods are based on the type of work performed by the Contractor as part of this agreement. Options include, but are not limited to:

- a. Contractor's provision of certified computing equipment, peripherals and mobile devices, on a separate Contractor's network with separate Internet access. The Agency of Human Services' accounts may or may not be provided.
- b. State supplied and managed equipment and accounts to access state applications and data, including State issued active directory accounts and application specific accounts, which follow the National Institutes of Standards and Technology (NIST) security and the Health Insurance Portability & Accountability Act (HIPAA) standards.

The State will not supply email accounts to the Contractor.

13. **Lobbying.** No federal funds under this agreement may be used to influence or attempt to influence an officer or employee of any agency, a member of Congress, an officer or employee of Congress, or an employee of a member of Congress in connection with the awarding of any federal contract, continuation, renewal, amendments other than federal appropriated funds.
14. **Non-discrimination.** The Contractor will prohibit discrimination on the basis of age under the Age Discrimination Act of 1975, on the basis of handicap under section 504 of the Rehabilitation Act of 1973, on the basis of sex under Title IX of the Education Amendments of 1972, or on the basis of race, color or national origin under Title VI of the Civil Rights Act of 1964. No person shall on the grounds of sex (including, in the case of a woman, on the grounds that the woman is pregnant) or on the grounds of religion, be excluded from participation in, be denied the benefits of, or be subjected to discrimination, to include sexual harassment, under any program or activity supported by state and/or federal funds.

The Contractor will also not refuse, withhold from or deny to any person the benefit of services, facilities, goods, privileges, advantages, or benefits of public accommodation on the basis of disability, race, creed, color, national origin, marital status, sex, sexual orientation or gender identity under Title 9 V.S.A. Chapter 139.

15. **Environmental Tobacco Smoke.** Public Law 103-227, also known as the Pro-children Act of 1994 (Act), requires that smoking not be permitted in any portion of any indoor facility owned or leased or contracted for by an entity and used routinely or regularly for the provision of health, child care, early childhood development services, education or library services to children under the age of 18, if the services are funded by federal programs either directly or through state or local governments, by federal grant, contract, loan or loan guarantee. The law also applies to children's services that are provided in indoor facilities that are constructed, operated, or maintained with such Federal funds.

The law does not apply to children's services provided in private residences; portions of facilities used for inpatient drug or alcohol treatment; service providers whose sole source of applicable federal funds is Medicare or Medicaid; or facilities where Women, Infants, & Children (WIC) coupons are redeemed.

Failure to comply with the provisions of the law may result in the imposition of a civil monetary penalty of up to \$1,000 for each violation and/or the imposition of an administrative compliance order on the responsible entity.

Contractors are prohibited from promoting the use of tobacco products for all clients. Facilities supported by state and federal funds are prohibited from making tobacco products available to minors.

1.5.12.4 Attachment G – Addendum to Attachment C - ADDENDUM TO STANDARD STATE PROVISIONS FOR IT CONSULTING SERVICES

1. Milestone Schedule: The Party shall perform all services and deliver all deliverables in accordance with the Milestone Schedule. In the event that the Party fails to meet any Milestone Date, in addition to any other legal or equitable remedies available to the State, the Party and the State agree that the amount of damage to the State will be the following amount for the number of days beyond the applicable Milestone Date for any services or deliverable:

.02% total fees of contract for one day up to three days late;

.5% total fees of contract for three days to seven days late;

4% total fees of contract for seven to fourteen days late;

8 % of total fees of contract every day beyond fourteen days up to a maximum of 20% per missed Milestone Date.

To the extent that a material failure of performance of the State's obligations due solely to an act or omission of the State, causes the Party to fail to meet a Milestone Date, the Party shall be entitled to a day-for-day extension of the applicable Milestone Date as a result of the State's delay.

The Party shall pay to the State the amounts specified in this Section as liquidated damages and not as a penalty. Damages payable under this Section shall not exceed twenty (20%) percent of the total fees payable under this Agreement per missed Milestone Date. The Party shall pay any amounts due to the State as liquidated damages hereunder within 60 days of the missed Milestone Date, or, at the State's option, such amounts may be deducted from all or any portion of the total fees payable pursuant to this Agreement. The State shall notify the Party in writing of any claim for liquidated damages pursuant to this Section on or before the State deducts such sums from the fees.

2. Acceptance: All services and deliverables shall be subject to the State's review and approval. In the event that an Acceptance Test has not been met by the applicable Acceptance Date, in addition to any other legal or equitable remedies available to the State, the Party and the State agree that the amount of damage to the State will be the following amounts beyond the two-week period after the Acceptance Date that, by reason of the Party's failure to correct any performance defects revealed during Acceptance Testing, the Acceptance Test is not met:

.02% total fees of contract for one day up to three days late

.5% total fees of contract for three days to seven days late

4% total fees of contract for seven to fourteen days late

8 % of total fees of contract every day beyond fourteen days up to a maximum 20% per missed Acceptance Date.

To the extent that a material failure of performance of the State's obligations due solely to an act or omission of the State, causes the Party to fail to meet the Acceptance Date, the Party shall be entitled to a day-for-day extension of the Acceptance Date as a result of the State's delay.

The Party shall pay to the State the amounts specified in this Section as liquidated damages and not as a penalty. Damages payable under this Section shall not exceed twenty (20%) percent of the total fees under this Agreement per missed Acceptance Date. The Party shall pay any amounts due to the State as liquidated damages hereunder within 60 days of the Acceptance Date, or, at the State's option, such amounts may be deducted from all or any portion of the total fees payable pursuant to this Agreement. The State shall notify the Party in writing of any claim for liquidated damages pursuant to this Section on or before the State deducts such sums from the fees.

3. Warranties: The Party represents, warrants and covenants that:

- (a) The Party has all requisite power and authority to execute, deliver and perform its obligations under this Agreement and the execution, delivery and performance of this Agreement by the Party has been duly authorized by the Party.
- (b) There is no outstanding litigation, arbitrated matter or other dispute to which the Party is a party which, if decided unfavorably to the Party, would reasonably be expected to have a material adverse effect on the Party's ability to fulfill its obligations under this Agreement.
- (c) The Party will comply with all laws applicable to its performance of the services and otherwise to the Party in connection with its obligations under this Agreement.
- (d) All deliverables will be free from material errors and shall perform in accordance with the specifications therefor.
- (e) The Party owns or has the right to use under valid and enforceable agreements, all intellectual property rights reasonably necessary for and related to delivery of the services and provision of the deliverables as set forth in this Agreement and none of the deliverables or other materials or technology provided by the Party to the State will infringe upon or misappropriate the intellectual property rights of any third party.
- (f) Each and all of the services shall be performed in a timely, diligent, professional and workpersonlike manner, in accordance with the highest professional or technical standards applicable to such services, by qualified persons with the technical skills, training and experience to perform such services in the planned environment. At its own expense and without limiting any other rights or remedies of the State hereunder, the Party shall re-perform any services that the State has determined to be unsatisfactory in its reasonable discretion, or the Party will refund that portion of the fees attributable to each such deficiency.
- (g) The Party has adequate resources to fulfill its obligations under this Agreement.

4. Personnel:

The Party uses an external screening agency to perform pre-employment background investigations for newly hired U.S. personnel and represents that such procedures are at least consistent with good industry practices.

[The Party represents that none of its personnel have been excluded from participating in Medicare, Medicaid, or other federal health care programs. The Party shall notify the State immediately in the event that it learns that either the Party or any of its personnel becomes

ineligible to participate in Medicare, Medicaid, or any other federal health care program during the term of this Agreement. If any personnel are excluded from participating in Medicare, Medicaid, or any other federal health care program, the Party shall immediately replace such personnel. If The Party is excluded from participating in Medicare, Medicaid, or any other federal health care program, this Agreement shall terminate automatically effective as of the date of such exclusion.

The personnel the Party assigns to perform the services shall be properly trained and qualified for services they are to perform. No costs or expenses of the Party associated with replacement or training of personnel shall be passed to the State. Any unavailability of the Party personnel, discontinuity in the Party's project team or other the Party personnel-related cause will not excuse the Party's failure to perform as specified in this Agreement. The Party agrees that personnel identified as Key Personnel in the Agreement shall participate in the delivery of the services in the capacity indicated and the Party shall ensure that each of the Key Personnel stays assigned to the performance of the services until completed and that other assignments will not impair the ability of any Key Personnel to perform such services.

The Party will obtain a written confidentiality agreement from each subcontractor (if any) before that subcontractor provides service. No subcontracting will release the Party from its responsibility for its obligations under this Agreement. The Party will be responsible for the work and activities of each of its subcontractors, including compliance with the terms of this Agreement and for all payments to its subcontractors.

5. Rights Granted: Notwithstanding anything in the Agreement to the contrary, the Party agrees and acknowledges that this Agreement that is specifically designed in furtherance of the State's implementation of the Patient Protection and Affordable Care Act of 2010, and is subject to the certain property rights provisions of the Code of Federal Regulations and a grant from the U.S. Department of Health and Human Services, Centers for Medicare & Medicaid Services (the "Grant"). This Agreement is subject to, and incorporates by reference, 45 CFR 74.36 and 45 CFR 92.34 governing rights to intangible property. Intangible property includes but is not limited to: computer software; patents, inventions, formulae, processes, designs, patterns, trade secrets, or know-how; copyrights and literary, musical, or artistic compositions; trademarks, trade names, or brand names; franchises, licenses, or contracts; methods, programs, systems, procedures, campaigns, surveys, studies, forecasts, estimates, customer lists, or technical data; and other similar items. The Party may copyright any work that is subject to copyright and was developed, or for which ownership was purchased under this agreement. The Party must deliver all intangible property, including but not limited to intellectual property, to the State in a manner that ensures the Centers for Medicare & Medicaid Services, an agency of the U.S. Department of Health and Human Services, obtains a royalty-free, non-exclusive, and irrevocable right to reproduce, publish, or otherwise use the work for Federal purposes, and to authorize others to do so. Federal purposes include the purpose of administering State exchanges under the Affordable Care Act of 2010. The Party is further subject to applicable regulations governing patents and inventions, including those issued by the U.S. Department of Commerce at 37 CFR Part 401.

6. Data Security: The Party agrees to comply with the Vermont Access to Public Records Law, 1 V.S.A. §315 et seq., and all other applicable state and federal laws relating to data privacy or confidentiality and that all of the rights, duties and obligations set forth in this Section are subject to applicable laws.

The Party acknowledges in the performance of the services under this agreement that it shall receive, collect, process, or be in possession of data and information (i) relating to the State, (ii) personally identifiable information of State residents, and (iii) protected health information or electronic protected health information of State residents ("State Data"). As defined herein, State Data shall also include all processed, aggregated and/or de-identified forms of State Data, even where such processing, aggregating or de-identification is performed by the Party.

In performance of this Agreement, and any exhibit or schedule hereunder, the Party acknowledges that certain State Data to which the Party may have access may contain individual federal tax information, personal protected health information and other individually identifiable information protected by State or federal law. In addition to the provisions of this Section, the Party shall execute the HIPAA Business Associate Agreement attached as Attachment E. Before receiving or controlling State Data, the Party will have an information security policy that protects its systems and processes and media that may contain State Data from internal and external security threats and State Data from unauthorized disclosure, and a copy of such policy has been provided to the State. No State Data will be stored, accessed from, or transferred to any location outside the United States.

The Party represents and warrants that it has implemented and it shall maintain during the Term of this Agreement industry-standard administrative, technical, and physical safeguards reasonably designed to (i) ensure the security and confidentiality of State Data; (ii) protect against any anticipated security threats or hazards to the security or integrity of the State Data; and (iii) protect against unauthorized access to or use of State Data. Such measures include, as applicable: (1) access controls on information systems, including controls to authenticate and permit access to State Data only to authorized individuals and controls to prevent the Party employees from providing State Data to unauthorized individuals who may seek to obtain this information (whether through fraudulent means or otherwise); (2) industry-standard firewall protection; (3) encryption of electronic State Data while in transit from the Party networks to external networks; (4) industry-standard measures to store in a secure fashion all State Data which shall include multiple levels of authentication; (5) dual control procedures, segregation of duties, and pre-employment criminal background checks for employees with responsibilities for or access to State Data; (6) industry-standard measures to ensure that the State Data shall not be altered or corrupted without the prior written consent of the State; (7) industry-standard measures to protect against destruction, loss or damage of State Data due to potential environmental hazards, such as fire and water damage; (8) staff training to implement the information security measures; and (9) monitoring of the security of any portions of the Party systems that are used in the provision of the services against intrusion on a twenty-four (24) hour a day basis.

7. Requirements for Federal Tax Information:

The Party will receive or have access to federal tax information as defined in Internal Revenue Service (IRS) Publication 1075 ("Federal Tax Information" or "FTI"). To comply with IRS requirements, the Party agrees to specifically comply with and assume responsibility for compliance by its employees with the following requirements:

- (a) All work will be done under the supervision of the Party or the Party's employees.
- (b) Any federal tax return or federal tax return information ("Federal Tax Information" or FTI") made available in any format shall be used only for the purpose of carrying out the provisions of this agreement. FTI contained in such material will be treated as confidential and will not be divulged or made known in any manner to any person except as may be necessary in

the performance of this contract. Disclosure to anyone other than an officer or employee of the Party will be prohibited.

(c) All Federal Tax Information will be accounted for upon receipt and properly stored before, during, and after processing. In addition, all related output will be given the same level of protection as required for the source material.

(d) The Party certifies that any data processed during the performance of the services will be completely purged from all data storage components of its computer facility, and no output will be retained by the Party at the time the services are completed. If immediate purging of all data storage components is not possible, the Party certifies that any FTI remaining in any storage component will be safeguarded to prevent unauthorized disclosures.

(e) Any spoilage or any intermediate hard copy printout that may result during the processing of FTI will be given to the State. When this is not possible, the Party will be responsible for the destruction of the spoilage or any intermediate hard copy printouts, and will provide the State with a statement containing the date of destruction, description of material destroyed, and the method used.

(f) All the Party computer systems receiving, processing, storing, or transmitting Federal Tax Information shall meet the requirements defined in IRS Publication 1075. To meet functional and assurance requirements, the security features of the Party environments must provide for the managerial, operational, and technical controls. All security features must be available and activated to protect against unauthorized use of and access to Federal Tax Information.

(g) No work involving Federal Tax Information furnished under this agreement will be subcontracted without prior written approval of the IRS.

(h) The Party will maintain a list of employees authorized access. Such list will be provided to the State and, upon request, to the IRS reviewing office.

(i) The State will have the right to void this Agreement if the Party fails to provide the safeguards described above.

8. Notice of Criminal/Civil Sanction Pursuant to IRS Publication 1075:

(a) Each officer or employee of any person to whom FTI is or may be disclosed will be notified in writing by such person that FTI disclosed to such officer or employee can be used only for a purpose and to the extent authorized herein, and that further disclosure of any such FTI for a purpose or to an extent unauthorized herein constitutes a felony punishable upon conviction by a fine of as much as \$5,000 or imprisonment for as long as 5 years, or both, together with the costs of prosecution. Such person shall also notify each such officer and employee that any such unauthorized further disclosure of FTI may also result in an award of civil damages against the officer or employee in an amount not less than \$1,000 with respect to each instance of unauthorized disclosure. These penalties are prescribed by Internal Revenue Code ("IRC") sections 7213 and 7431 and set forth at 26 CFR 301.6103(n)-1.

(b) Each officer or employee of any person to whom FTI is or may be disclosed shall be notified in writing by such person that any FTI made available in any format shall be used only for the purpose of carrying out the provisions of this agreement. Information contained in such material shall be treated as confidential and shall not be divulged or made known in any manner to any person except as may be necessary in the performance of the agreement. Inspection by

or disclosure to anyone without an official need to know constitutes a criminal misdemeanor punishable upon conviction by a fine of as much as \$1,000 or imprisonment for as long as 1 year, or both, together with the costs of prosecution. Such person shall also notify each such officer and employee that any such unauthorized inspection or disclosure of FTI may also result in an award of civil damages against the officer or employee in an amount equal to the sum of the greater of \$1,000 for each act of unauthorized inspection or disclosure with respect to which such defendant is found liable or the sum of the actual damages sustained by the plaintiff as a result of such unauthorized inspection or disclosure plus in the case of a willful inspection or disclosure which is the result of gross negligence, punitive damages, plus the costs of the action. These penalties are prescribed by IRC section 7213A and 7431.

(c) Additionally, it is incumbent upon the Party to inform its officers and employees of the penalties for improper disclosure imposed by the Privacy Act of 1974, 5 U.S.C. 552a. Specifically, 5 U.S.C. 552a(i)(1), which is made applicable to contractors by 5 U.S.C. 552a(m)(1), provides that any officer or employee of a contractor, who by virtue of his/her employment or official position, has possession of or access to agency records which contain individually identifiable information, the disclosure of which is prohibited by the Privacy Act or regulations established thereunder, and who knowing that disclosure of the specific material is prohibited, willfully discloses the material in any manner to any person or agency not entitled to receive it, shall be guilty of a misdemeanor and fined not more than \$5,000.

(d) Granting the Party access to FTI must be preceded by certifying that each individual understands the agency's security policy and procedures for safeguarding IRS information. The Party must maintain its authorization to access FTI through annual recertification. The initial certification and recertification must be documented and placed in the agency's files for review. As part of the certification and at least annually afterwards, contractors should be advised of the provisions of IRC Sections 7431, 7213, and 7213A (see Exhibit 6, *IRC Sec. 7431 Civil Damages for Unauthorized Disclosure of Returns and Return Information* and Exhibit 5, *IRC Sec. 7213 Unauthorized Disclosure of Information*). The training provided before the initial certification and annually thereafter must also cover the incident response policy and procedure for reporting unauthorized disclosures and data breaches. For both the initial certification and the annual certification, the Party must sign, either with ink or electronic signature, a confidentiality statement certifying its understanding of the security requirements.

(e) The IRS and the State shall have the right to send its officers and employees into the offices and plants of the Party for inspection of the facilities and operations provided for the performance of any work under this Agreement. On the basis of such inspection, specific measures may be required in cases where the Party is found to be noncompliant with contract safeguards.

9. Security Breach Reporting:

The Party acknowledges that in the performance of its obligations under this Agreement, it will be a "data collector" pursuant to Chapter 62 of Title 9 of the Vermont Statutes (9 V.S.A. §2430(3)). In the event of any actual or suspected security breach the Party either suffers or learns of that either compromises or could compromise State Data in any format or media, whether encrypted or unencrypted (including PII, PHI or ePHI)(for example, but not limited to, physical trespass on a secure facility, intrusion or hacking or other brute force attack on any State environment, loss/theft of a PC or other portable device (laptop, desktop, tablet, smartphone, removable data storage device), loss/theft of printed materials, failure of security policies, etc.) (collectively, a "Security Breach"), and in accordance with 9 V.S.A. §2435(b)(2), the Party will immediately notify appropriate State personnel of such Security Breach.

The Party's report shall identify: (i) the nature of the Security Breach, (ii) the State Data used or disclosed, (iii) who made the unauthorized use or received the unauthorized disclosure, (iv) what the Party has done or shall do to mitigate any deleterious effect of the unauthorized use or disclosure, and (v) what corrective action the Party has taken or shall take to prevent future similar unauthorized use or disclosure. The Party shall provide such other information, including a written report, as reasonably requested by the State.

The Party agrees to comply with all applicable laws that require notification in the event of unauthorized release of personally-identifiable information as they may be amended from time to time, including, but not limited to Chapter 62 of Title 9 of the Vermont Statutes, HIPAA and/or HITECH, or other event requiring notification. In the event of a breach of any of the Party's security obligations or other event requiring notification under applicable law ("Notification Event"), the Party agrees to fully cooperate with the State, assume responsibility for such notice if the State determines it to be appropriate under the circumstances of any particular Security Breach, and assume all costs associated with a Security Breach, including but not limited to, notice, outside investigation and services (including mailing, call center, forensics, counsel and/or crisis management), and/or credit monitoring, in the sole determination of the State. Without limiting the generality of the foregoing, the Party acknowledges and agrees that, by execution of this agreement, it acknowledges it is acting or conducting business in the State of Vermont.

In addition to any other indemnification obligations in this agreement, the Party shall fully indemnify and save harmless the State from any costs, loss or damage to the State resulting from a Security Breach or the unauthorized disclosure by the Party, its officers, agents, employees, and subcontractors of such State Data.

10. Audit Requirements: The Party shall cause an SSAE 16 Type II audit certification to be conducted annually. The audit results and the Party's plan for addressing or resolution of the audit results shall be shared with the State within sixty (60) days of the Party's receipt of the audit results. Further, on an annual basis, within 90 days of the end of the Party's fiscal year, the Party shall transmit its annual audited financial statements to the State.

11. Access to State Data: Within ten (10) business days of a request by State and within sixty (60) days after the effective date of termination of this contract, the Party will make available to State a complete and secure (i.e. encrypted and appropriately authenticated) download file of State Data in a format acceptable to State including all schema and transformation definitions and/or delimited text files with documented, detailed schema definitions along with attachments in their native format. *Provided, however,* in the event the Party ceases conducting business in the normal course, becomes insolvent, makes a general assignment for the benefit of creditors, suffers or permits the appointment of a receiver for its business or assets or avails itself of or becomes subject to any proceeding under the Federal Bankruptcy Act or any statute of any state relating to insolvency or the protection of rights of creditors, the Party shall immediately return all State Data to State control; including, but not limited to, making all necessary access to applicable remote systems available to the State for purposes of downloading all State Data.

12. [Independent Review: The Party acknowledges and agrees that the State is required pursuant to 3 V.S.A. § 2222 to obtain an independent expert review of this Agreement and the services to be rendered hereunder, which review shall be commenced as soon as practicable

after the effective date of this Agreement. Such review will include, as required by law: (A) an acquisition cost assessment; (B) a technology architecture review; (C) an implementation plan assessment; and (D) a cost analysis and a model for benefit analysis. Upon completion of the review, and upon the State's request, The Party shall meet with the State to discuss the results and The Party will cooperate with the State to address any aspects of the Agreement or services that are identified in the review as the State deems necessary. The Party acknowledges and agrees that if necessary and as required by the State, the Agreement and/or the applicable Agreement will be amended to address the issues identified in the review.

13. Continuity of Performance: In the event of a dispute between the Party and the State, each party will continue to perform its obligations under this Agreement during the resolution of such dispute unless and until this Agreement is terminated in accordance with its terms.

1.5.12.5 Attachment H – Federal Procurement Clauses

Equal Employment Opportunity

Executive Order 11246, entitled "Equal Employment Opportunity", as amended by Executive Order 11375, and as supplemented by the Department of Labor Regulations (41 CFR Part 60): The Executive Order prohibits federal contractors and federally-assisted construction contractors and subcontractors who do over \$10,000 in Government business in one year from discriminating in employment decisions on the basis of race, color, religion, sex, or national origin. The Executive Order also requires Government contractors to take affirmative action to ensure that equal opportunity is provided in all aspects of their employment.

Clean Water Act

The Clean Water Act, Section 309 stipulates:

- a. No Federal agency may enter into any contract with any person who has been convicted of any offense under Section 309(c) of this Act for the procurement of goods, materials, and services if such contract is to be performed at any facility at which the violation which gave rise to such conviction occurred, and if such facility is owned, leased, or supervised by such person. The prohibition in preceding sentence shall continue until the Administrator certifies that the condition giving rise to such conviction has been corrected.
- b. The Administrator shall establish procedures to provide all Federal agencies with the notification necessary for the purposes of subsection (a) of this section.
- c. In order to implement the purposes and policy of this Act to protect and enhance the quality of the Nation's water, the President shall, not more than 180 days after the enactment of this Act, cause to be issued an order:
 1. requiring each Federal agency authorized to enter into contracts and each Federal agency which is empowered to extend Federal assistance by way of grant, loan, or contract to effectuate the purpose and policy of this Act in such contracting or assistance activities, and
 2. setting forth procedures, sanctions, penalties, and such other provisions, as the President determines necessary to carry out such requirement.
- d. The President may exempt any contract, loan, or grant from all or part of the provisions of this section where he determines such exemption is necessary in the paramount interest of the United States and he shall notify the Congress of such exemption.

e. The President shall annually report to the Congress on measures taken in compliance with the purpose and intent of this section, including, but not limited to, the progress and problems associated with such compliance.

f. (1) No certification by a contractor, and no contract clause, may be required in the case of a contract for the acquisition of commercial items in order to implement a prohibition or requirement of this section or a prohibition or requirement issued in the implementation of this section.

(2) In paragraph (1), the term “commercial item” has the meaning given such term in section 4(12) of the Office of Federal Procurement Policy Act (41 U.S.C. 403(12)).

Anti-Lobbying Act

The Anti-Lobbying Act prohibits the recipients of Federal contracts, grants, and loans from using appropriated funds for lobbying the Executive or Legislative branches of the Federal government in connection with a specific contract, grant, or loan. As required by Section 1352, Title 31 of the U.S. Code and implemented at 34 CFR Part 82 for persons entering into a grant or cooperative agreement over \$100,000, as defined at 34 CFR Part 82, Section 82.105 and 82.110, the applicant certifies that:

a. No federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of any agency, a member of Congress, an officer or employee of Congress, or an employee of a member of Congress in connection with the making of any federal grant, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any federal grant or cooperative agreement;

b. If any funds other than federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a member of Congress, an officer or employee of Congress, or an employee of a member of Congress in connection with this federal grant or cooperative agreement, the undersigned shall complete and submit Standard Form – LLL, “Disclosure Form to Report Lobbying,” in accordance with its instructions;

c. The undersigned shall require that the language of this certification be include in the award documents for all sub-awards at all tiers (including sub-grants, contracts under grants and cooperative agreements, and subcontracts) and that all sub-recipients shall certify and disclose accordingly.

Americans with Disabilities Act

This Act (28 CFR Part 35, Title II, Subtitle A) prohibits discrimination on the basis of disability in all services, programs, and activities provided to the public and State and local governments, except public transportation services.

Drug-Free Workplace Statement

The Federal government implemented the Drug Free Workplace Act of 1988 in an attempt to address the problems of drug abuse on the job. It is a fact that employees who use drugs have less productivity, a lower quality of work, and a higher absenteeism, and are more likely to misappropriate funds or services. From this perspective, the drug abuser may endanger other employees, the public at large, or themselves. Damage to property, whether

owned by this entity or not, could result from drug abuse on the job. All these actions might undermine public confidence in the services this entity provides. Therefore, in order to remain a responsible source for government contracts, the following guidelines have been adopted:

- a. The unlawful manufacture, distribution, dispensation, possession or use of a controlled substance is prohibited in the work place.
- b. Violators may be terminated or requested to seek counseling from an approved rehabilitation service.
- c. Employees must notify their employer of any conviction of a criminal drug statute no later than five days after such conviction.
- d. Contractors of federal agencies are required to certify that they will provide drug-free workplaces for their employees.

Transactions subject to the suspension/debarment rules (covered transactions) include grants, subgrants, cooperative agreements, and prime contracts under such awards. Subcontracts are not included. Also, the dollar threshold for covered procurement contracts is \$25,000. Contracts for Federally required audit services are covered regardless of dollar amount.

Debarment and Suspension

As required by Executive Order 12549, Debarment and Suspension, and implemented at 34 CFR Part 85, for prospective participants in primary covered transactions, as defined at 34 CFR Part 85, Sections 85.105 and 85.110.

- a. The applicant certifies that it and its principals:
 1. Are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from covered transactions by any federal department or agency;
 2. Have not within a three-year period preceding this application been convicted of or had a civil judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (federal, state, or local) transaction or contract under a public transaction; violation of federal or state antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property;
 3. Are not presently indicted for or otherwise criminally or civilly charged by a governmental entity (federal, state, or local) with commission of any of the offenses enumerated in paragraph (1)(b) of this certification; and
 4. Have not within a three-year period preceding this application had one or more public transactions (federal, state, or local) terminated for cause or default.
- b. Where the applicant is unable to certify to any of the statements in this certification, he or she shall attach an explanation to this application.

Royalty-Free Rights to Use Software or Documentation Developed

The federal government reserves a royalty-free, non-exclusive, and irrevocable license to reproduce, publish, or otherwise use, and to authorize others to use, for federal government

purposes, the copyright in any work developed under a grant, sub-grant, or contract under a grant or sub-grant or any rights of copyright to which a contractor purchases ownership.

Electronic Code of Federal Regulations

7 CFR--PART 277,16 and §277.18. The vendor must comply, as applicable, with the Electronic Code of Federal Regulation which establishes conditions for initial and continuing authority to claim Federal financial participation (FFP) for the costs of the planning, development, acquisition, installation and implementation of Information System (IS) equipment and services used in the administration of the Supplemental Nutrition Assistance Program (SNAP) and as prescribed by appropriate Food and Nutrition Service (FNS) directives and guidance (i.e., FNS Handbook 901, OMB Circulars, etc.).

1.6 Legal and Regulatory Constraints

This Contract will be governed by the laws of the State of Vermont.

1.6.1 Conflicts of Interest

A conflict of interest is a set of facts or circumstances in which either a Vendor or anyone acting on its behalf in connection with this procurement has past, present, or currently planned personal, professional, or financial interests or obligations that, in AHS' determination, would actually or apparently conflict or interfere with the Vendor's contractual obligations to AHS. A conflict of interest would include circumstances in which a Vendor's personal, professional or financial interests or obligations may directly or indirectly:

- Make it difficult or impossible to fulfill its contractual obligations to AHS in a manner that is consistent with the best interests of the State of Vermont;
- Impair, diminish, or interfere with that Vendor's ability to render impartial or objective assistance or advice to AHS; or
- Provide the Vendor with an unfair competitive advantage in future AHS procurements.

Neither the Vendor nor any other person or entity acting on its behalf, including but not limited to Subcontractors, employees, agents and representatives, may have a conflict of interest with respect to this procurement. Before submitting a proposal, a Vendor must certify that they do not have personal or business interests that present a conflict of interest with respect to the RFP and resulting contract. Additionally, if applicable, the Vendor must disclose all potential conflicts of interest. The Vendor must describe the measures it will take to ensure that there will be no actual conflict of interest and that its fairness, independence and objectivity will be maintained. AHS will determine to what extent, if any, a potential conflict of interest can be mitigated and managed during the term of the contract. **Failure to identify potential conflicts of interest may result in disqualification of a proposal or termination of the contract.**

1.6.1.1 Non Collusion

The State of Vermont is conscious of and concerned about collusion. It should therefore be understood by all that in signing bid and contract documents they agree that the prices quoted have been arrived at without collusion and that no prior information concerning these prices has been received from or given to a competitive company. If there is sufficient evidence to warrant

investigation of the bid/contract process by the State, all bidders should understand that this paragraph might be used as a basis for litigation.

1.7 Amendments and Announcements Regarding this RFP

AHS will post all official communication regarding this RFP on its website (<http://bgs.vermont.gov/purchasing/bids>), including the notice of tentative award. AHS reserves the right to revise the RFP at any time. Any changes, amendments, or clarifications will be made in the form of written responses to Vendor questions, amendments, or addenda issued by AHS on its website. Vendors should check the website frequently for notice of matters affecting the RFP.

Any contract resulting from this RFP will be between AHS and the selected Vendor. Any requirements specified herein post award are specifically by and between AHS and the selected Vendor.

1.8 RFP Cancellation/Partial Award/Non-Award

AHS reserves the right to cancel this RFP, to make a partial award, or to make no award if it determines that such action is in the best interest of the State of Vermont.

1.9 Right to Reject Proposals or Portions of Proposals

AHS may, in its discretion, reject any and all proposals or portions thereof.

1.10 Costs Incurred

Issuance of this RFP in no way constitutes a commitment by AHS to award a contract or to pay any costs incurred by a Vendor in the preparation of a response to this RFP. AHS shall not be liable for any costs incurred by a Vendor prior to issuance of or entering into a formal agreement, contract, or purchase order. Costs of developing proposals, preparing for, or participating in oral presentations and site visits, or any other similar expenses incurred by a Vendor are entirely the responsibility of the Vendor, and will not be reimbursed in any manner by the State of Vermont.

1.11 Interpretive Conventions

Whenever the terms “must,” “shall,” “will” or “is required” are used in this RFP in conjunction with a specification or performance requirement, the specification or requirement is mandatory. A Vendor’s failure to address or meet any mandatory requirement in a proposal may be cause for AHS’ rejection of the proposal.

Whenever the terms “can,” “may,” or “should” are used in this RFP in conjunction with a specification or performance requirement, the specification or performance requirement is a desirable, but not mandatory, requirement. Accordingly, a Vendor’s failure to address or provide any items so referred to will not be the cause for rejection of the proposal, but will likely result in a less favorable evaluation.

2.0 Overview and Scope of Work

2.1 Overview

AHS currently utilizes an eligibility solution, known as ACCESS, to process eligibility for many of its health care and human services programs. In addition, ACCESS is used to process and manage benefit issuance for Medicaid and for a number of non-healthcare programs.

The planned IE Solution will replace this functionality with a modern, flexible system capable of managing integrated eligibility business processes through required functionality for Medicaid Programs and for all non-healthcare programs currently supported by the legacy ACCESS system. AHS's intent is to build a new IE solution that will be modular and based on service-oriented architecture principles and standards and will meet CMS' Seven Standards and Conditions. The new IE solution will have externalized rules as a key principle. The IE solution will consume eligibility screening, application and determination functionality and results from the Eligibility Automation Foundation (EAF) which will be shared functionality on the HSEP.

The IE Solution will be part of a suite of solutions that reside on the HSEP that provides for a multi-channel "no wrong door" approach to accessing health care and human services in Vermont. Another key solution which has been developed and deployed on the HSEP is the VHC, Vermont's Health Insurance Marketplace. These two solutions (and others in the future such as the envisioned new MMIS) shall utilize a number of HSEP shared services.

Other solutions with which the IE Solution will need to integrate and to which it will need to provide services are the following:

- Current MMIS
- Current Pharmacy Benefits Management (PBM) System
- Current Care Management System
- New MMIS (AHS plans to acquire in the next twelve months)
- New PBM System (AHS plans to acquire in the next twelve months)
- New Care Management System (AHS plans to acquire in the next twelve months)
- Existing ACCESS solution

The new IE Solution will both require and utilize a range of shared services that will be enabled by the overall HSEP to provide citizens, state workers, and external service providers with robust, secure access to information and functionality. (As mentioned previously) SoV took an initial step in creating the HSEP which contains these capabilities in the VHC project. Some of these capabilities (shared services) are ready for use in the IE project, some are not, and some are still being developed. SoV will make the final determination on which shared services will be utilized during detailed design discussions, Enterprise Architectural Reviews.

Table 4 contains the capabilities currently defined for the HSEP.

Table 4 - HSEP Service Capabilities

Service Capability	Product	Infrastructure in place
Rules Engine	Oracle Policy Automation (OPA) v10.4.2	Yes - Infrastructure in place. SW product is installed. Configured for VHC only at this time. Capacity sizing required for new projects.
Portal	Exeter One-Gate/Liferay Oracle WebCenter	Yes - Infrastructure in place only for VHC.
Workflow (Case Management)	Siebel Public Sector CRM v8.2.2.2	Yes - Infrastructure in place. SW product is installed. Configured for VHC only at this time. Capacity sizing required for new projects.
Identity & Access Management (IAM)	Oracle Identity Manager 11.1.2.1 Oracle Access Manager 11.1.2.1 Oracle Adaptive Access Manager 11.1.2.1 Oracle Virtual Directory 11.1.1.7 Oracle Universal Directory 11.1.2.1	Yes - Infrastructure in place. Some services are not yet completed (ex. Attestation, approval workflow)
Master Data Management (MDM)	Oracle MDM v11.1.1.6 Oracle Siebel UCM Oracle EDQ	Yes - Infrastructure in place. SW products are installed. Configured for AI only at this time. Capacity sizing required for new projects.
Federal Hub Interface	Interface	Yes - Infrastructure in place. SW product is installed. Configured for VHC only at this time. Capacity sizing required for new projects.
Notifications	Thunderhead Now	Yes
Web Server Analytics	Google Analytics – for VHC	Yes
Enterprise Service Bus (ESB)	Oracle Service Bus (OSB) - Oracle SOA/Middleware v11.1.1.6.0	No - OSB Installed only; Yes - SOA Suite installed and VHC services implemented

Service Capability	Product	Infrastructure in place
Business Intelligence (BI)	Google Analytics – for VHC Oracle Business Intelligence Enterprise Edition (OBIEE) 11.1.1.7 Oracle BI Publisher 11.1.1.7 Oracle Data Integrator (ODI) 11.1.1.7 Oracle Business Intelligence Analytics (OBIA 11.1.1.7)	Yes, with the exception of Oracle BI Publisher.
Enterprise Content Management (ECM)	Oracle WebCenter Capture V10.gR3 Oracle WebCenter Recognition Oracle WebCenter Content v11.1.1.7	Yes - Infrastructure in place. SW product is installed. Configured for VHC only at this time. Capacity sizing required for new projects.
Database Services (DW)	Oracle Database v11.2.0.3 (exadata) ETL	No - RAC services still not in place.

Also included in the Procurement Library is:

1. A copy of the **HSEP Project Charter** that articulates the objectives for the project and
2. A copy of the **HSEP Charter Status Matrix v5.xlsx**

The functionality that the IE Solution is expected to deliver is summarized in Section 2.2.2 and encapsulated in a comprehensive Business Process Analysis (BPA) provided in the Procurement Library. The BPA documents the requirements in the form of workflows, use cases, and a detailed set of requirements in a Requirements Traceability Matrix (RTM) provided in Template G - Functional Requirements.

In addition, a comprehensive set of non-functional requirements for the IE solution have been developed and are provided in Template I - Non-Functional Requirements. The selected Vendor will be expected to present their solution which incorporates these requirements. AHS expects to work with the selected as the vendor of choice to review, validate and further define the functional and non-functional requirements of the present solution.

It is AHS's intent to contract with a Vendor who will partner with the state to support the writing of the rules for programs within the IE Solution. The platform for this initiative is Oracle Policy Automation (OPA). The vendor would be responsible for the following non-inclusive list of tasks:

- Partner with the State's Rule Author(s) to design the policy model
- Transform all of the state's health-benefit program rules into a format that can be consumed by OPA
- Assist the state with creating a process that posts formal rules to the web for general review by the public
- Create the program rules and test them in an established environment
- Train and Mentor the State's Rule Author(s) in the best practices of:

- ☐ Converting rules from federal or legislative documents into properly structured rules that can be consumed by OPA
- ☐ Writing future rules in such a way that eases the transition
- ☐ Capturing meta-data about each of the rules sets and how they function - Provide guidance on how best to store or look up the meta-data
- ☐ Lifecycle of rule sets
- ☐ How to integrate or flow rules
- ☐ How to provide help or commentary on rules
- ☐ OPA general use.

2.1.1 Systems to be Replaced

2.1.1.1 ACCESS

Vermont currently operates a legacy mainframe eligibility and enrollment system called ACCESS that resides on an IBM mainframe in the State's data center. This system largely utilizes Software AG products: Adabas, EntireX, Natural, and Event Replicator.

ACCESS is an integrated system used to determine, track, and report eligibility for health care as well as a number of other state financial assistance programs (TANF, SNAP, Seasonal Fuel, Crisis fuel, Essential Persons, Social Security's Supplemental Security Income [SSI] / Aid to the Aged, Blind, and Disabled [AABD], General Assistance [GA] / Emergency Assistance [EA], Lifeline, and Child Support.

Currently in ACCESS, Health care eligibility is determined, enrollment completed and forwarded to the State's authorized Medicaid Management Information System supported by Hewlett Packard (HP), for claims processing and to the State's Pharmacy Benefits Manager (PBM), supported by Catamaran. Medicare and Low-Income Subsidy (LIS) information is verified through the CMS and the Social Security Administration (SSA).

A list of the main software elements and current versions is shown in Table 5 below.

Table 5 - ACCESS Software

Software AG Product	Release Level at DCF
Adabas	8.2.4
Adabas Online Services	8.2.4
Natural	8.2.2
EntireX	8.2.2
Event Replicator	3.3.2

Software AG Product	Release Level at DCF
Predict	8.2.2
NaturalOne	8.2.5
Natural Engineer	8.2.2

Currently in ACCESS, Health care eligibility is determined, enrollment completed and forwarded to the State's authorized Medicaid Management Information System supported by Hewlett Packard (HP), for claims processing and to the State's Pharmacy Benefits Manager (PBM), supported by Catamaran. Medicare and Low-Income Subsidy (LIS) information is verified through the CMS and the Social Security Administration (SSA).

Figure 4 depicts the main interfaces between ACCESS and other systems and the technologies used to connect those systems. A comprehensive list of interfaces is provided in the procurement library.

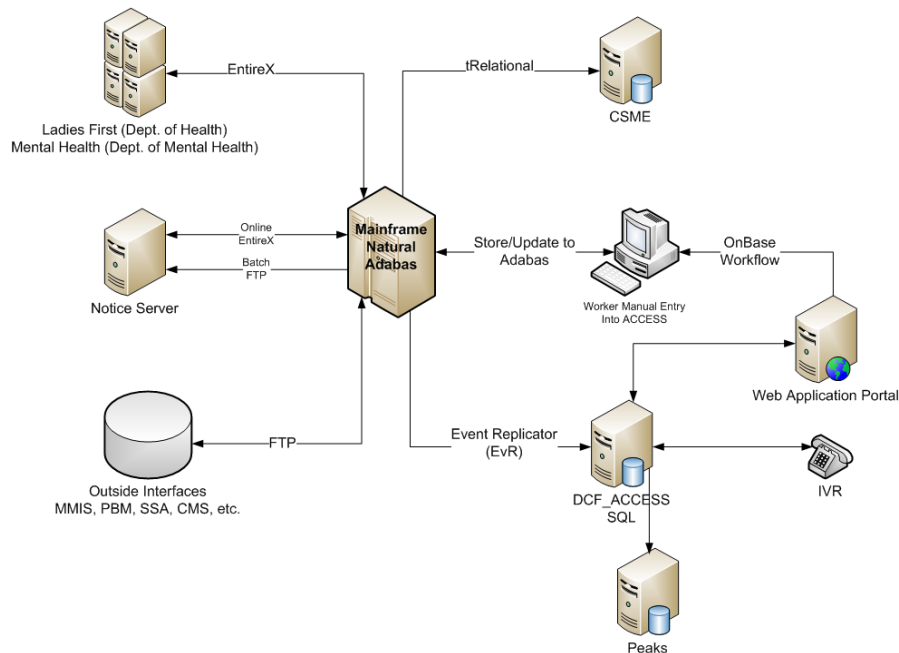


Figure 4 - ACCESS Key Interfaces and Associated Technologies

Table 6 presents a sample of the key statistics providing an indication of the scale of the ACCESS application.

Table 6 - ACCESS Key Statistics

Description	Approximate Number
Total modules in ACCESS	7500
Total batch processes	1200

Description	Approximate Number
Total health care batch processes	163
Estimate of Health Care modules in ACCESS	566
Health Care Recipients	160,000
Health Care and Other State Assistance Recipients	175,000
Interfaces	140+

2.1.1.2 Vermont Health Connect

Vermont Health Connect is driven largely by Exeter's Commercial Off-The-Shelf (COTS) OneGate Health Insurance Exchange (HIX), which is comprised of five components shown in Figure 5.

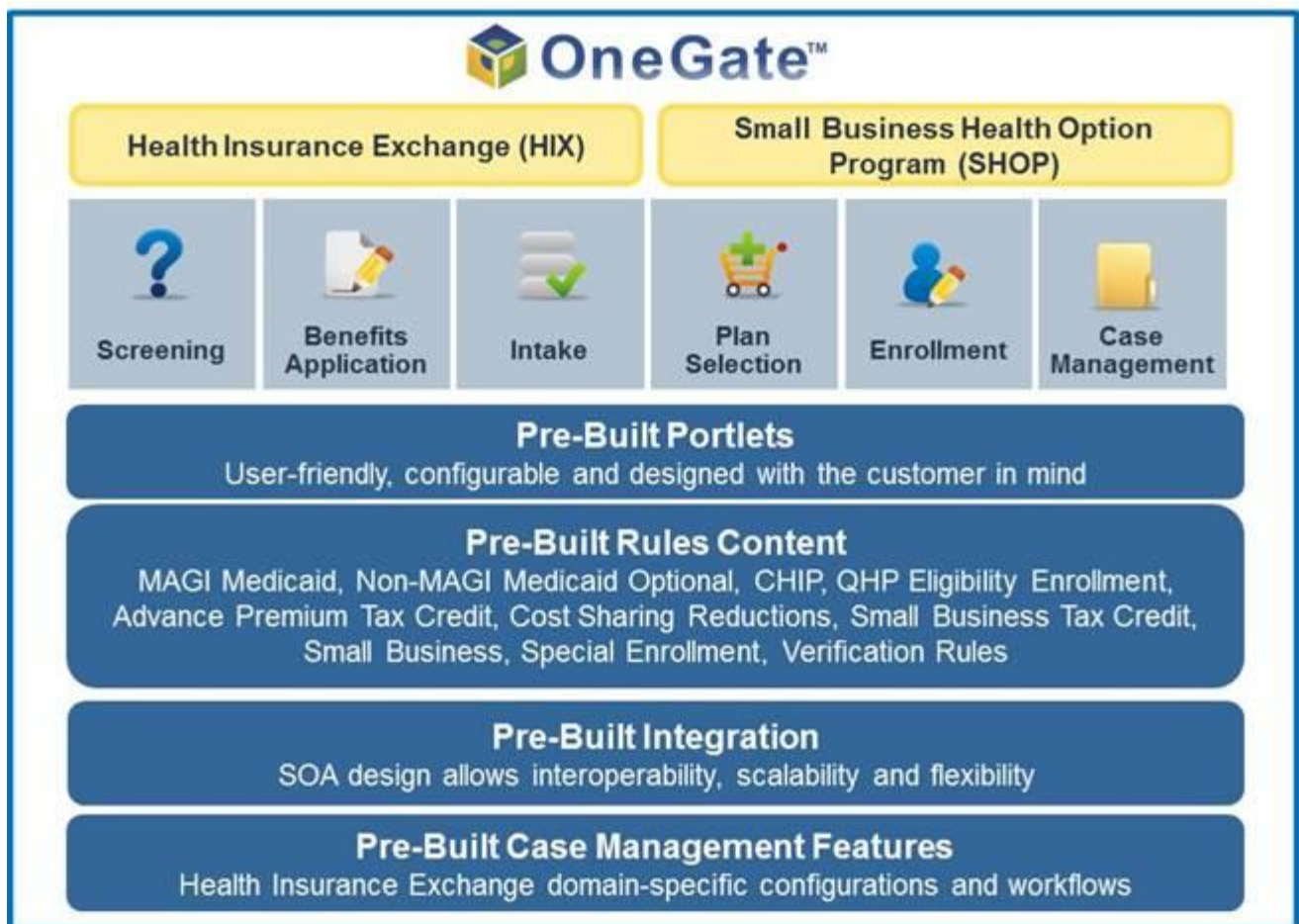


Figure 5 - OneGate High-Level Overview

OneGate is an acceleration layer built on a SOA foundation including the following products detailed in Table 7:

Table 7 - OneGate Foundation Products

Product	Description
Oracle Policy Automation (OPA)	OPA automates policy, legislation, and regulations in human readable natural language. Rules are written in Microsoft Word/Excel and compiled to machine-readable code. Systems can connect to policy determination services via SOAP web services.
Siebel Public Sector	Siebel Public Sector is an enterprise account management solution, which provides a base platform that can be configured and/or extended to meet an agency's business needs.
Service-Oriented Architecture (SOA) Suite	SOA Suite provides service-oriented middleware components, which allow agencies to rapidly design, assemble, deploy and manage services. SOA Suite includes an ESB and administrative consoles that help improve maintenance and increase transparency.
Portal (Liferay)	Liferay is an open source enterprise portal server that adheres to open standards for content, portlets, web services and front-end technologies.

OPA and Siebel are part of the State's Eligibility Automation Foundation shared business service. EAF provides screening, application, and eligibility determination services to any application that calls the service. EAF consists of several common, discrete SOA components that can be leveraged by any application. The State strongly encourages Vendors to propose use of OPA and Siebel as part of the IE Solution.

Liferay supports and delivers the User Interface portion of VHC. Liferay Portal is a web platform that includes a built-in web content management system that is leveraged by OneGate to apply themes, pages, portlets and navigation. The Liferay Portal provides a single, secure, and rich user-centered design for VHC stakeholder interactions via a Web browser with support for Web 2.0 technologies facilitating collaboration, feedback, interoperability, and information sharing.

Vermont intends to use the IE Solution to migrate all functionality of MAGI Medicaid, Dr. Dynasaur, and CHIP from the VHC Solution. The State will rely upon a collaborative effort from its current Hosting Provider and its new IE Solution Provider to migrate this functionality. The State intends to continue to use OneGate for the VHC solution.

The State is currently using OneGate as our accelerator for the VHC solution but should a vendor offer a different solution to meet our Enterprise strategy the vendors will need to explain their rationale.

VHC currently uses Oracle WebCenter for document management. The State strongly encourages Vendors to propose use of WebCenter, including integration or migration of MAGI Medicaid, Dr. Dynasaur, and CHIP documents currently stored in WebCenter, as part of the IE Solution.

2.2 Proposed System Requirements Overview

The State has identified functional and non-functional requirements (technical, performance and implementation) for the new IE.

These requirements address the new capabilities as well as existing capabilities from ACCESS and VHC required to achieve the objectives outlined in Section 1.5.1.

A comprehensive list of functions were reviewed and documented in the Business Process Analysis document (BPA) to ensure that the next generation IE Solution is aligned with the State's model of practice, meets all federal operational requirements, and the specialized needs of the State. The technical analysis required to develop the non-functional requirements defined in this RFP was driven by the BPA (functional requirements), an understanding of the existing environment and the overarching goals of the Health Services Enterprise program.

The Contractor will be required to review, validate and further define the functional and nonfunctional requirements with the State. In addition, the Contractor is required to conduct a crosswalk of these requirements against the legacy system ACCESS functionality to validate and identify any possible gaps in the requirements. The Contractor must also propose their approach for augmenting the existing requirements and crafting design level use cases and workflows to meet all functional requirements. All detailed requirements must follow the AHS requirement standard for completeness, testability, attribution, sequencing, and importance.

The IE Solution's functional and technical requirements are provided in the Template G - Functional Requirements and Template I - Non-Functional Requirements and the proposed General System Design (GSD) and BPA are provided in the Procurement Library. For a comprehensive understanding of the full scope of the HSEP and the IE solution functionality, components and capabilities, the mandatory RFP templates for vendor responses include all requirements. However, the Vendor must provide a response only to those requirements that pertain to the IE solution.

The State of Vermont as part of the numerous Healthcare initiatives has made a strategic decision to transition to a "Private Cloud" hosting model both in the short and long term for Healthcare projects specifically. This approach will mitigate risks facing the state regarding lack of IT staffing, improper IT staff skill sets and more importantly the aggressive project timelines as Agency of Human Services (AHS) starts to modernize both legacy systems and create new systems, such as the Healthcare Exchange, while leveraging federal dollars in a small window of opportunity. The complexity of these new AHS systems in conjunction with the technical resources required to operate and maintain them leaves the State of Vermont few options outside of Cloud Hosting Services. In effect we are positioning the State of Vermont to utilize Data Center Capacity for both primary and secondary (DR) and for those data centers to manage the environments, applications and processes required to deliver 24x7x365 services to citizens and State of Vermont staff.

The "Cloud Services Provider (CSP)" engagement shifts the responsibility of hardware procurement and replacement life cycle, operations and maintenance for all application support, security & compliance to meet FISMA, IRS, HIPAA and other regulations to our "CSP" partner. In effect the (CSP) is our technical arm for data center, infrastructure, application operations and maintenance. As part of this engagement, we will be able to utilize established configuration/change management processes that are considered IT best practices. The State of Vermont does not have the required technical staff or the ability to acquire the staff to implement or manage these complex systems proposed in the Healthcare initiatives such as the Healthcare Exchange, Integrated Eligibility or Health Services Enterprise.

The (CSP) services can be categorized in three primary areas and numerous service schedules holistically describe these required service efforts and responsibilities. The three categories are

1.General Services, 2.Infrastructure as a Service “IaaS” 3.Platform as a Service “PaaS.” A more detailed description of the services the State of Vermont has anticipated from the “Cloud Services Provider” follows.

1. General Services: These include services and contract documents that apply across the entire engagement. Most of these service deal with service expectations, capacity and costing, legal ramifications and other State of Vermont contractual issues.

Scope of General Services and Schedules:

- a. Term and Conditions
 - b. Service Level Agreement (RPO, RTO, Application Availability, etc.)
 - c. Service Level Remedies
 - d. Actual capacity of services being requested (Estimated Core service and Optional Services)
 - e. Cost based on capacity and services
 - f. Termination
 - g. Term of Services
 - h. Implementation sizing, timing estimates that have been given to “Cloud Services Provider” from the System Integration Teams who are targeted to implement the Exchange Solution, Integrated Eligibility, Healthcare Services Enterprise, etc..
 - i. Governance for configuration and change management, incident response, escalation
 - j. Definitions of Terms
2. Infrastructure as a Service (“IaaS”): Through “IaaS” services DII will establish the system design, scale and sizing constraints, environments required such as production, disaster recovery, user acceptance, development, etc. DII will work with “CSP” to ensure the physical and virtual servers, storage, networking are in place managed operationally by “CSP.” As part of the “IaaS” services there is a security compliance aspect of this engagement that requires FISMA, HIPAA, ePHI and other federal mandates be met by the systems designed and managed by the (CSP). The (CSP) is addressing these through their standard service schedules that include system design best practices, auditing and operational procedures compliant to the federal compliances.

Service Schedules applicable to above

- a. HIPAA Security Schedule
 - b. PHI Practices Schedule
 - c. Federal Security Oracle Schedule
 - d. Security Practices Oracle Schedule
 - e. Transition Schedule
 - f. Backup Recovery Schedule
 - g. Enhanced Recovery Services Max Availability Schedule
 - h. Infrastructure Schedule
 - i. Oracle Technology Service Schedule
3. Platform as a Service (“PaaS”): In addition to the “IaaS” services, the (CSP) will be performing all application management activities including monitoring, database

administration, middle-tier management among other things. These activities will also include code migration from one environment to another as part of a larger System Integrator statement of work. The State plays a large role in this area as governance owner required organize application changes into production following a strict (CSP) configuration/change management process.

Scope of Platform as a Service Services:

- a. Application patching of software applications installed in the Infrastructure as a Service
 - a. The application software covered at this time throughout the environments is consistent with the AHS/SOV Oracle ULA and proposed extended products.
 - b. All products are covered and are anticipated to be implemented including Siebel, Siebel Telephony, (many more modules), Oracle Databases with all the options, Identity Manager, Access Manager, Oracle Business intelligence Enterprise Suite, SOA Suite for ESB and other technology, Web Center to include document management functionality, Oracle Policy Automation, etc.
- b. Service Level Agreement for the above managed applications fall into 2 categories.
 - a. SLA for Production core applications is 99.9% availability. This group of applications makes up the majority of the components dealing with transaction processing. (Siebel, IDM/ASM, Database, OPA, etc.)
 - b. SLA for Production non-core applications is 99.5% availability. This group of applications makes up primarily data warehousing, training, etc. (OBIEE, UPK, etc.)
- c. Application performance tuning and monitoring
- d. Application configuration, code and data migrations between environments
- e. Refresh of environments such as Development from Production
- f. Work hand in hand with Software Integrators (SI) to manage code/change promotions from Development, Integration/Test, User Acceptance Test, Pre-Production and Production Environments.

The Healthcare systems being addressed by AHS represent some of the most critical, sensitive and far reaching systems the state has. As we continue to drive for more citizens centric applications we will have to rely more heavily on cloud hosting providers that can truly deliver operations and maintenance targeting 24x7x365 availability, with robust and mature configuration/change management processes.

2.2.1 Key Implementation Assumptions

A set of key implementation assumptions are presented in Table 8 for the IE solution Vendor to consider when proposing a viable approach to achieving the outcomes envisioned for the future IE Solution. Table 8 also includes the key assumptions for the HSEP and the VHC project.

Table 8 - Key Implementation Assumptions

Assumption type	Description
General Assumptions	<ul style="list-style-type: none"> ■ A key objective of the migration approach from ACCESS to the IE Solution is to present a central and easy to use Web presence for the Vermont applicants and beneficiaries, while minimizing the operational and technological implementation risks. ■ The selected IE Vendor will be responsible for the deployment of the full IE Solution for the VT healthcare programs supported by ACCESS. ■ The IE Solution must have a User Interface design that will provide a one-stop "Benefits Portal" and provide an online front-end / intake for the new Integrated Eligibility solution. ■ ACCESS is anticipated to coexist alongside the new IE and VHC solutions on the HSEP for some period of time. This will require the new IE solution Vendor to support integration with the HSEP and ACCESS legacy system to ensure a person-centric approach to accessing and applying for VT health and human services programs and to manage updates and changes to eligibility status.
HSEP	<ul style="list-style-type: none"> ■ CGI is responsible for developing and deploying the HSE Platform infrastructure components on an Oracle-based SOA infrastructure. Please refer to General System Design in the procurement library for a detailed listing of specific software components and SOA software infrastructure stack that must be used in the development and deployment of the new IE Solution.
VHC Solution	<ul style="list-style-type: none"> ■ Vermont has selected CGI Technologies (CGI) to implement the State of Vermont's VHC using the Oracle Siebel CRM Public Sector platform. ■ Once fully functional, the VHC will, at a minimum, provide individuals with tools to compare qualified health plans, obtain information about those plans, enroll in an insurance product, be evaluated for eligibility for all applicable State health subsidy programs and have net cost calculated after the subsidy is applied

Assumption type	Description
IE Solution	<ul style="list-style-type: none"> ■ Via this RFP, Vermont is selecting an IE Solution DDI Vendor to develop a solution to replace ACCESS. ■ This RFP includes DDI for enhancing the State's EAF functionality as a shared enterprise service, taking advantage of the discrete, discoverable components of the State's existing EAF, which currently exists in the HSEP. ■ Currently the legacy ACCESS system is the system of record for all non-Exchange enrollments. The new IE solution will assume this role upon completion. ■ The IE Vendor will enable State of Vermont to comply with the new ACA rules related to automated verification, redetermination, and multiple channel support by the required CMS deadlines. ■ Mainframe work for the required remediation of ACCESS, including retirement of business programs within ACCESS, is not included in this scope of work. The IE Vendor is required to collaborate with any party performing remediation work within ACCESS to ensure successful migration of programs from ACCESS. ■ The integration of ACCESS, HBE and the new IE Solution will be either through a Web Service interface or appropriate batch interfaces. The IE Solution Vendor will also support the integration and/or migration of the HBE solution on the HSE Platform. ■ The retirement of Child Support Enforcement (CSE) from ACCESS is not within the scope of this RFP ■ All development, maintenance, and technical support activities must be provided by individuals residing in the US.

2.2.2 Summary of Functional Requirements

The Vendor is to provide a narrative that describes the Vendor's approach for design, development and implementation of the required IE solution functionality for each of the phases in Template H - Functional Requirements Approach. At a minimum, the Vendor's Proposal is to provide a proposed strategy for meeting the requirements mandated in Template G - Functional Requirements. Additional insight may be obtained from the following Procurement Library documents:

- Vermont AHS Business Process Analysis
- General System Design
- Report List – ACCESS

The Vendor must provide specific details of the implementation strategy to meet all functional requirements and must provide solution specific information. Additionally, the Vendor is to define their methodology for developing design-level use cases and workflows to meet all functional requirements included in the Functional Requirements Response Matrix.

Table 9 identifies Functional Requirements and the organizations that will be responsible for the IE System, the Benefits Exchange (VHC) and the HSEP in the following key business and service delivery process areas.

Table 9 - Summary of HSE Functional Requirements

Key Business and Service Delivery Functionality	In Scope for this RFP
HSE SOA Platform	
<ul style="list-style-type: none"> ■ Extension of Collaboration Capabilities, including but not limited to: <ul style="list-style-type: none"> ❑ Client Consent ❑ Case Collaboration / Service Coordination (Secure Message, Shared Case Note) ❑ Client / Provider Look-Up and Query ❑ Referral Management (Create Referral and Manage Referral) ❑ Alerts and Notifications ■ Extension of Shared Analytics capabilities, including but not limited to: <ul style="list-style-type: none"> ❑ Static and Dynamic Reporting ❑ Graphical Reports ❑ User Defined Reports and Views ❑ Exporting Data ❑ Analysis Tools 	Yes
IE Solution	
<ul style="list-style-type: none"> ■ Leveraging of EAF shared functionality on the HSE Platform ■ Integrated Eligibility capabilities, including but not limited to: <ul style="list-style-type: none"> ❑ Intake and Admission ❑ Appeals ❑ Grievance ❑ Benefits Management (Issue and Track Benefits, Spend down, Benefit Recovery- includes the activities required to identify and investigate any discrepancies between level of benefit a Client is receiving and should receive) ❑ Assessments and Interviews ❑ Scheduling ■ Administration, including but not limited to <ul style="list-style-type: none"> ❑ Caseload Management ❑ Workflow Management ■ Ongoing Rules Configuration for HBE, Medicaid and CHIP MAGI Eligibility Rules ■ Rules authoring for other VT Public Assistance Programs. ■ Rules Management for Medicaid and CHIP MAGI Eligibility Rules and Other VT Public Assistance Programs ■ Leveraging of Benaissance SaaS premium processing solution for premium payment functionality ■ Data Sharing and Case Collaboration for Integrated Eligibility, 	Yes

Key Business and Service Delivery Functionality	In Scope for this RFP
<p>including but not limited to:</p> <ul style="list-style-type: none"> <input type="checkbox"/> Integrated Eligibility and HSE-wide Alerts and Notifications, <input type="checkbox"/> Master Client Index <input type="checkbox"/> Master Provider Index - Provider and Resource Directories <input type="checkbox"/> Case Collaboration/Management for IE program <input type="checkbox"/> Referral management ■ Shared Analytics for Integrated Eligibility, including but not limited to: <ul style="list-style-type: none"> <input type="checkbox"/> IE Reporting and Analytics <input type="checkbox"/> Program Integrity and Fraud, Waste and Abuse Detection <input type="checkbox"/> QC samples, Time studies for Cost Allocation 	
Health Benefits Exchange	
<ul style="list-style-type: none"> ■ Consumer engagement and assistance ■ Enrollment ■ Plan Management ■ Risk Adjustment and Re-insurance ■ SHOP ■ Financial Management ■ Initial and Ongoing Rules Configuration, Testing, Deployment for HBE ■ Initial Rules Configuration for Medicaid and CHIP MAGI Eligibility Rules in OPA 	No
Other Key Functionality	
<ul style="list-style-type: none"> ■ Eligibility Determination Functionality using EAF Business Service <ul style="list-style-type: none"> <input type="checkbox"/> Screening, Application and Determination for Medicaid Expansion/MAGI and CHIP in OPA 	Yes
<ul style="list-style-type: none"> ■ Additional Eligibility Determination Functionality / Configuration – Enhanced EAF Business Service <ul style="list-style-type: none"> <input type="checkbox"/> Screening, Application and Determination for all other remaining Medicaid Programs in OPA 	Yes
<ul style="list-style-type: none"> ■ Additional Eligibility Determination Functionality / Configuration – Enhanced Eligibility Automation Foundation Business Service <ul style="list-style-type: none"> <input type="checkbox"/> Screening, Application and Determination for Non-Healthcare Programs in OPA 	Yes

2.2.3 Summary of Non-Functional Requirements (NFRs)

Non-functional Requirements are defined as those requirements that speak not to the business requirements or the functionality that must be delivered in a Solution but rather the specific technical requirements that must exist in the Solution to deliver the business functionality. These requirements have been distilled from the following:

- DII Enterprise Requirements
- CMS Seven Standards and Conditions

The Integrated Eligibility RFP includes six categories of non-functional requirements.

These categories require direct responses as part of this RFP:

1. Architecture / Policy Requirements
2. Integrated Eligibility Solution Requirements
3. Implementation Requirements
4. Operations Requirements
5. Product Requirements
6. Shared Analytics

Each category has been divided into subcategories as detailed below. Each subcategory has its own tab in the Non-Functional Requirements Excel workbook that is the mandatory RFP submission of Template I - Non-Functional Requirements. As part of this addendum this template has been replaced by a revised version.

■ Architecture / Policy Requirements

- ☐ A1. Service Oriented Architecture – Use of *fully and thoroughly documented* Service Oriented Architecture design principles and approaches
- ☐ A2. Interoperability / Interfaces – Provision for compliance with interoperability standards and interfaces with internal and external systems
- ☐ A3. Scalability and Extensibility – Solution will need to be highly scalable and highly flexible and extensible for ease of maintenance and response to changing future needs and technologies
- ☐ A4. Performance – The solution has to perform to specific standards for different type of transactions and user requests
- ☐ A5. Regulatory / Policies – The solution will have to address a number of State and Federal regulations and policies as highlighted in this section
- ☐ A6. Audit / Compliance - Comprehensive audit trail and compliance alerts
- ☐ A7. Usability – Highly user friendly system that leverages the UX2014 standards as well as the results of the Web Portal user Experience design RFP and complies with Federal accessibility requirements

■ Integrated Eligibility Solution Requirements

- ☐ E1. Integrated Eligibility – All specific requirements related to the Integrated Eligibility solution except screening, application and determination

■ Implementation Requirements – All common design, development and implementation requirements related to all solution implementation activities

- ☐ I1. Project Management
- ☐ I2. Environment Installation and Configuration
- ☐ I3. Knowledge Transfer & Training
- ☐ I4. Design, Development & Customization
- ☐ I5. Deployment
- ☐ I6. Quality Management
- Operations Requirements - All common operations and support requirements related to all solutions being deployed
 - ☐ O1. Production Support & Transition
 - ☐ O2. Defect Resolution and Solution Acceptance
 - ☐ O3. Solution Administration
 - ☐ O4. Solution Management
- Product Requirements – Specific requirements around the following technology products have been defined in the HSEP Non-Functional Requirements Workbook in the Products category
 - ☐ P1. Enterprise Service Bus
 - ☐ P2. Data Integration / Extract, Transform, Load (ETL)
 - ☐ P3. Master Data Management (MDM)
 - ☐ P4. Security
 - ☐ P5. Consent Management
 - ☐ P6. Business Intelligence / Reporting
 - ☐ P7. Rules Engine
 - ☐ P8. Portal
 - ☐ P9. Application Server
 - ☐ P10. Database Management System
 - ☐ P11. SOA Governance Infrastructure
 - ☐ P12. Case Management / Business Process Management
 - ☐ P13. Transaction Monitoring / Logging
 - ☐ P14. Document Management
- Shared Analytics Infrastructure (SAI) – All non-functional requirements related to the Shared Analytics and Reporting solution
 - ☐ S1. Architecture and Design
 - ☐ S2. Metadata and Quality
 - ☐ S3. Availability, Connectivity, Scalability and Compliance
 - ☐ S4. Deployment, Application Support and Administration

2.2.4 Integration with the Vermont Health Connect Solution

The State of Vermont requires points of entry across multiple channels for a “no wrong door” approach for clients with needs qualifying for health and human service government benefits.

The VHC Solution has been deployed on the Health Services Enterprise Platform which will also include the deployment of the future IE and MMIS solutions.

Vermont envisions a number of specific points of integration between the Integrated Eligibility Solution and the VHC Solution that require “direct” involvement and/or “support” from the IE Vendor:

- A common client index (enterprise master person index) such that all clients have a single identity across both systems facilitating the ability of clients to move between systems and client data to be shared between the systems (direct role)
- Integration at the portal such that clients can start by applying to the VHC for subsidized health insurance or applying to the State for Medicaid or other healthcare benefits programs and will be efficiently routed to the systems and application processes most appropriate to their circumstances (support role)
- Specific client status for eligibility can be shared between the systems (direct role)
- A shared rules engine and repository such that both systems can use the same infrastructure for rules unique to each system and some specific rules are actually shared and used by both systems (support role)
- Both IE and the VHC, as well as any application requirement case or benefit management added to the HSEP in the future, will enjoy the use of a common CRM, Oracle Siebel PS CRM, which has already been installed and initially configured to support the VHC.

2.3 Proposed Solution Overview

The State is seeking the implementation of innovative, flexible and interoperable solutions that provide the key components required for meeting Vermont's objectives. Figure 6 provides a high-level conceptual model of the Vermont Health Services Enterprise solution architecture. The Solution Architecture Conceptual Model diagram presented below is separated into three major architecture tiers:

- Tier 1 - User Experience Management and Application Integration
- Tier 2 - Information Exchange and Integration
- Tier 3 - Core Transactional and Analytical Applications.

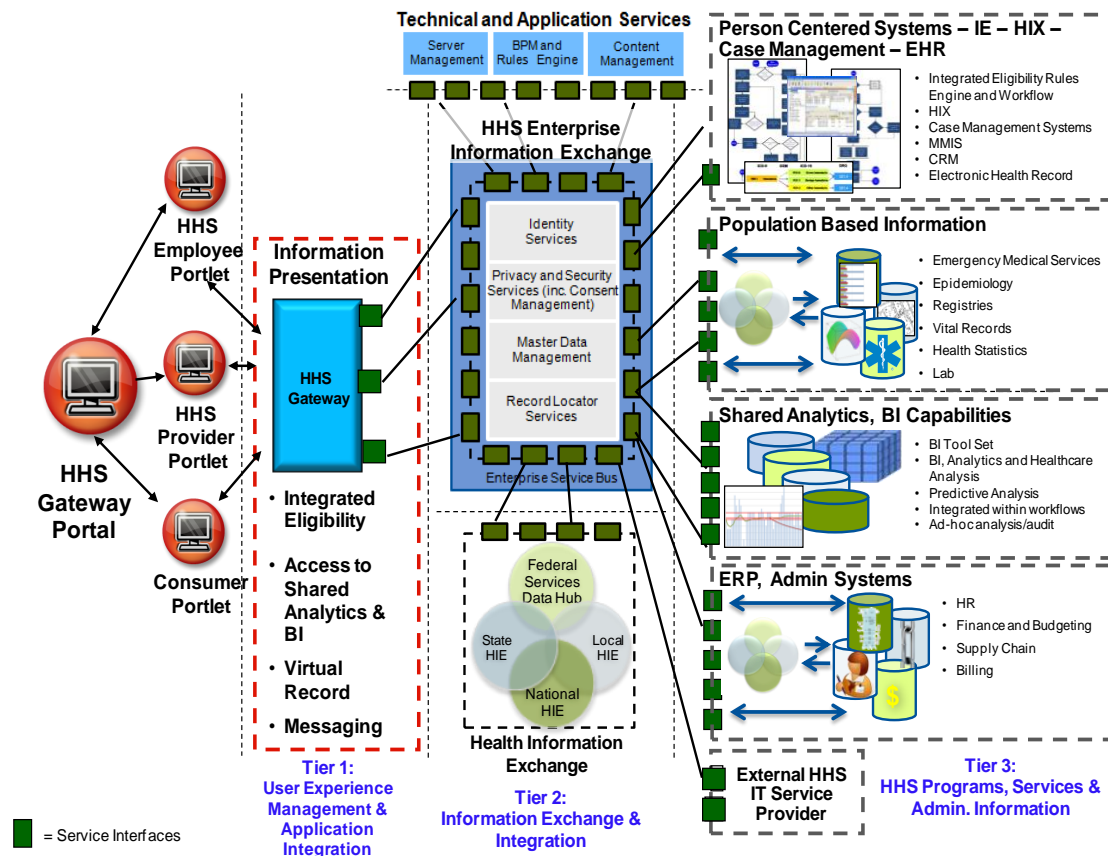
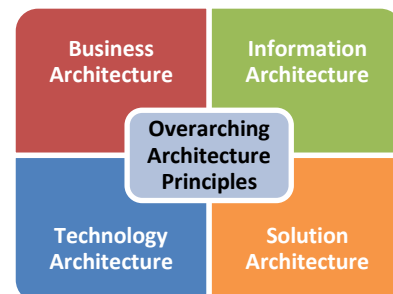


Figure 6 - Vermont HSEP Solution Architecture Conceptual Model

2.3.1 Solution Architecture Guiding Principles

A key objective of the VT HSEP Solution Architecture framework for the HSE Program is to organize the Enterprise Architecture (EA) content and define the desired future state capabilities. Vermont has defined a series of architectural principles that describe the desired future state Enterprise Architecture for the VT HSE.

The Vendor is expected to comply with these principles in their proposed solution approach.



The VT Health Services Enterprise Architecture consists of four key domains:

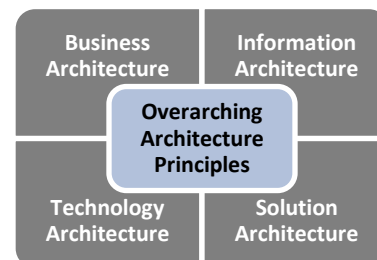
- **Enterprise Business Architecture** - drivers and strategy for the future program/policy framework for the VT's integrated and enterprise approach to health and human services and identifying the implications for enabling IT and developing a functional model of the enterprise from which information and technical architectures can be derived
- **Enterprise Information Architecture** – identifying the data and information that will be required to anticipate, support and validate key decisions through the life cycle of VT's health and human services programs/services and how that data/information must flow through the State's legacy
- **Enterprise Technology Architecture** – defining the required technology infrastructure and standards (ONC, National HIT Standards, Software/Hardware Standards, etc.) as well as the system management, operations and security mechanisms that are required to achieve the vision and provide for an sustainable, extensible, life cycle of VT's AHS Programs and Services
- **Solution (Application) Architecture** – defining the required solution pattern, that will be required – such as: common front-end one-stop portal; enterprise information exchange/enterprise service bus; consolidation / modernization / retirement of legacy applications; enterprise data warehouse/mart and business intelligence tools, etc.

Architectural Principles by Domain

Architectural principles provide guidance for decision making in support of the vision of the future state. The principles describe the consistent decision-making biases and are intended to provide logical consistency across multiple areas. The principles also articulate how to deal with change, drive behavior, and affect individual decision-making events. These principles are not policies, but often do drive the policy requirements. These principles articulate top-level decision-making biases at Vermont.

The following overarching **HSE Architecture** principles support the VT HSEP:

- **Sustainability:** The Health Services Enterprise Architecture must include essential actions and resources to ensure the endurance of the Vermont Health Services Enterprise. This requires committed leadership, effective governance and the continuity of funding and knowledgeable resources with the critical skills to sustain the architecture.



- **Open Process:** Establish an open and inclusive process for defining the Enterprise Architecture, identifying the needs of the community (providers, payers, government, etc.) and the Business, Information and Technology architecture
- **Accountability and Transparency:** There must be clearly defined ownership and governance for the architecture. Roles and responsibilities must be delineated unambiguously and shared openly. Defined responsibilities should include: providing input to the decision making process, analyzing alternatives, formulating proposals, making determinations and review and approval
- **Simplicity and Consistency:** Enterprise Architecture governance processes must serve to avoid unnecessary complexity and redundancy in the management of risks and

controls across the Enterprise by developing a single, unified approach

- **Broad Participation:** The Agency has identified a need for broad stakeholder representation and involvement in Enterprise Architecture Governance
- **Aligned and Comprehensive:** The value of Enterprise Architecture will depend in large measure on how well it supports program requirements in all respects

The following **Enterprise Business Architecture** principles support the VT HSEP Platform:

- **Support the Enterprise Mission and Objectives:**

All business processes should be optimized to support overall AHS strategic objectives

- **Focus on User Needs:** Residents, State Staff and Trading Partners will be able to use systems that provide content rich and user friendly interfaces via multiple channels and task-appropriate devices aligned with the State's model of practices

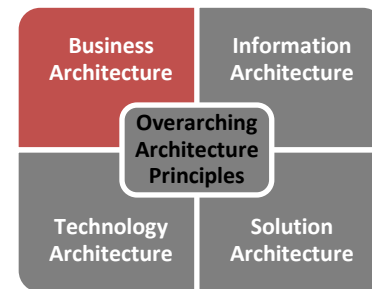
- **Enable Data Sharing:** The Vermont HSEP will enable enterprise wide data sharing and also provide flexible data access for Residents and Trading Partners

- **Ensure Privacy and Confidentiality:** The Vermont HSEP will ensure the privacy and confidentiality of health data including compliance with all laws and regulations.

- **Enhance Decision-support:** The Vermont HSEP will provide timely, accurate, and complete decision support information to users through applications and shared services that minimize the labor intensity to enter, access and manipulate data and also anticipate, support and validate key public health and client service activities and decisions

- **Utilize Advanced Data Analytics:** The Vermont HSEP will collect and marshal a wide variety of health data that will be able to be analyzed to create knowledge that informs evidence-based strategies to create actionable results for meeting the needs of Vermont residents

- **Create a Real-Time Integrated Enterprise:** The Vermont HSEP will allow all users to have current and up to the second information regarding all client's interactions with Vermont's HHS Programs



The following **Enterprise Information Architecture** principles support of the Vermont HSEP:

- **Manage Information as an Enterprise Asset:** Coordinate the collection, consolidation, and consumption of enterprise information to support strategic initiatives requiring the consistency and dependability of data across multiple business processes and throughout the entire lifecycle of the information

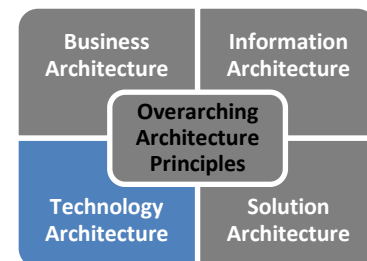
- **Enable Data Sharing via Standards-Based Approach:** Vermont's HHS Agencies will provide and benefit from consistent and accessible data sharing, internally and externally, using appropriate Health IT standards for naming, messaging, and data exchange

- **Data Governance will be Transparent and Consistent:** The Vermont HSEP will ensure that data governance processes decisions are consistently implemented across the organization to ensure that data integration is as effective as possible

- **Establish a Single Data Source approach to Client and Provider Information:** The Vermont HSEP will use enterprise wide tools to provide reliable and cost-effective data sources for the records managed by each Agency and their partners
- **Continuously Improve Data Quality:** Data will be continuously reviewed and there will be a relentless focus on ensuring the highest quality of data content with specified data owners accountable for quality and establishing standards for data stewardship - Addressing data definition, transformation, integrity and quality issues
- **Enforce Data Confidentiality and Legal Requirements:** AHS will ensure that all rules and regulations that govern data collection, storage and use are rigorously applied

The following **Enterprise Technology Architecture** principles support the Vermont HSEP:

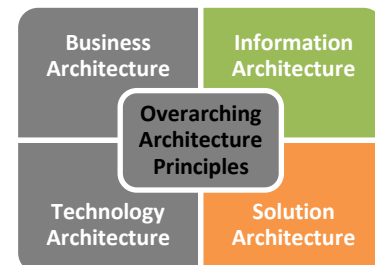
- **Integrated and Accessible Architecture:**
Information captured across the program silos need to be integrated and accessible
 - ☐ Leverage data across systems and processes, taking into account security, privacy and confidentiality considerations
 - ☐ Maintain consistent definitions and a single authoritative source of record for data



- **Robust Infrastructure Capabilities:** Enhance infrastructure capabilities for standardized approach to health information
 - ☐ Need to deploy IT infrastructure for user driven access to and analysis of information
- **Privacy and Security Compliance:** Ensure privacy and security of participant information in accordance with legislative mandates (e.g., HIPAA) and community preferences
 - ☐ Improve and enforce the Security standards around Identity and Access Management (IAM).
- **Technology Solutions Aligned to Agency Requirements:** Design technology solutions to accommodate appropriate agency requirements consistent with enterprise architecture and standards while minimizing the number of departmental applications (eliminating duplication and overlap wherever possible)

The following **Enterprise Solution Architecture** principles support the Vermont HSEP:

- **Service-Oriented:** The target architecture should consist of a number of services that are compliant with industry standards for service-oriented architecture to facilitate reuse, adaptability and interoperability
- **Interoperability Standards:** Build upon Federal standards and implementation efforts including CDC, NHIST, the ONC HIT Standards Committee and those for the NHIN and comply with emerging national interoperability standards for content exchange, vocabulary/notation and privacy/security
- **Investment Protection:** Provide the ability to integrate with existing public health system platforms and health information exchanges



- **Independence:** Keep architecture skills separate from product and implementation vendors' dependencies to maintain vendor and technology neutrality in the development of architecture
- **Scalable and Extensible:** Provide incremental expansion of functionality over time on a base that is scalable to accommodate additional users and extensible in expanding capabilities to meet future business needs and Federal and State mandates
- **Legacy System Access Through Modernized Interfaces:** Provide the platform, design patterns and disciplines required to facilitate access to the existing application portfolio and data sets leveraging modern interface architecture approaches

2.3.2 Proposed System Approach

The State of Vermont intends to award a single contract to a Vendor or a team of Vendors for the new IE Solution Scope of Work. The State is interested in proposals that demonstrate an integrated team approach with a single prime Vendor and additional Vendors subcontracted to the prime. Through its response to this RFP, the Vendor is expected to demonstrate an approach and solution that will provide a flexible and interoperable solution for the design, development, and implementation of an Integrated Eligibility System that will fit within the vision for the State's enterprise approach to technology for Vermont's health and human services programs. The State is also encouraging effective and creative approaches and solution sets that can expedite the future integration of the VHC.

The IE Solution must be a Service Oriented Architecture Web-based solution running on the State's HSEP. The IE Solution, whenever possible, shall leverage and/or reuse HSEP infrastructure components that already exist in the environments hosted by the State's hosting provider. When necessary, the IE Vendor will enhance HSEP infrastructure components for use with the IE Solution. A list of HSEP components and their current implementation status is documented in the HSEP Charter Status Map in the Procurement Library.

The State requires a solution on an Oracle SOA stack. A list of Oracle software that the State has already purchased is documented in the AHS Oracle ULA Products document in the Procurement Library.

The State requires that the proposed solution(s) adhere to the published State architecture and technology standards. Any deviation from standards must be accompanied with a detailed justification and the anticipated benefits to the State from investment in the proposed alternative.

The IE Solution project must follow a software development approach, principles and practices, that include early and continuous delivery of error free, fully tested software, regular collaboration between business subject matter experts and developers, and iterative functionality reviews to assure the State's business needs are met.

The development process must also conform to federal requirements under the Enterprise Life Cycle (ELC) Phase, and support the State through the CMS Gate Review process (See link to this process - <http://cciio.cms.gov/resources/files/hie-establishment-review-process.pdf>).

The IE Solution must be designed to maximize opportunities for automation and minimize the need for human input or intervention. The solution must be easily configurable. The IE Vendor will design and configure the solution so that changes can

be implemented quickly and with the least possible involvement of IT or technical support.

The IE Vendor is expected to propose a solution that reuses components and capabilities from existing Vermont projects as well as other states and the federal government, and to build a solution that is itself reusable. The Vendor's proposal must include specific opportunities to reuse functional components, operational capacities, or business rules from other sources and must recommend strategies to reduce build and operational costs by sharing components and capabilities with other states as much as possible.

The IE Vendor is expected to work collaboratively with other vendors that will be responsible for the other key components of the State's Health Services Enterprise as identified throughout this RFP (e.g. the VHC and MMIS vendors).

2.3.2.1 Detailed Migration Plan

The IE Solution Vendor must develop a Migration Plan to transition the State's programs supported by ACCESS to the new IE Solution using the HSEP Platform's SOA enterprise infrastructure. The Migration Plan is a deliverable that must detail the requirements for integration between the new IE Solution, ACCESS, the HSEP Platform, the EAF (shared functionality for screening, application and determination), VHC, and other essential State systems. The Migration Plan must also detail requirements for re-locating MAGI Medicaid, Dr. Dynasaur, and CHIP functionality from the VHC to the IE Solution.

In the drafting of the plan it is important to note that the IE Solution provider will not be required to perform any work on the existing ACCESS mainframe. Work required on the ACCESS mainframe will be performed by SoV and or its designate. The IE Solution provider will be responsible for engaging SoV and or its designate to gather all of the necessary facts essential for the development of the Migration Plan.

The migration plan must include all touch points, along with appropriate roles and responsibilities to ensure that the systems are aligned and synchronized during the coexistence period of ACCESS, HSEP, VHC and the new IE System. The plan needs to include robust consideration of the citizen (applicant, recipient and beneficiary) and worker user experience to ensure that during the coexistence period the external users have a seamless and streamlined user interface, and that there is minimal impact on State workers' productivity and workflow efficiency. The plan must include a strategy for each of the relevant IE solution implementation phases and associated implementation plans.

The migration plan must provide, at a minimum, a strategy for:

- All integration, interface and data synchronization transactions
- Data conversion plan for each phase
- Scheduling each of the migration activities
- Maintaining data integrity between the existing and new IE Solution
- A smooth transition of MAGI Medicaid, Dr. Dynasaur, and CHIP functionality to the IE Solution from VHC, where it currently resides
- Final retirement of all ACCESS eligibility functionality in alignment with the phased implementation approach

The IE Vendor is expected to propose to conduct an appropriate number of working sessions with the Vermont Project team to define the required integration between the systems and ensure a robust and seamless user experience.

2.3.2.2 *Proposed Approach to System Architecture*

The new IE System must be designed with leverage and reuse in mind. One of the key goals of this initiative is to take advantage of common infrastructure to shorten development and deployment time wherever possible, while preserving Vermont's ability to meet the required unique business, functional, as well as extensibility and scalability requirements.

Future Systems in Vermont need to leverage contemporary IT industry best practices and technology innovations such as Service Oriented and Event Driven Architectures (SOA and EDA), Component Based Development, Web Services Standards and the Internet to achieve its objectives in creating highly modular, reusable, configurable and agile Systems with relatively lower maintenance and enhancement costs. New systems will also need to leverage innovative ways to engage the existing and future participants through the adoption of self-service technologies.

The new IE Solution must leverage Composite Application Architecture principles and techniques. A Composite Application Architecture approach will allow Vermont to leverage both internal investments in automation as well as solutions being developed by the Vendor community to enable and drive its strategies. Vermont expects to create the infrastructure and the development approach and discipline needed to have a true plug and play application assembly environment. The new environment needs to be able to take advantage of the development work completed by Vendors in other states. The State wants new systems designed to provide feature rich applications that can be updated over the WAN and the Internet, and should deliver a consistent and appealing user experience to Vermont employees and contractors, participants, and partners. Thus, the IE Solution must be based on a distributed (physical multitier) SOA. The user interface components — shall implement either or both a Rich Internet Application (RIA) style and Web 2.0 "user experience" — invoking, in real time, one or more modules, which execute transactions and provide a reply. The interface between the Service Consumer and Service Provider modules must be bi-directional.

The State, though the HSEP is designing the User Interface to be supported by a Horizontal Web Portal technology. Portals are "personalized points of access to relevant information, business processes and people¹." "The personalized delivery of and interaction with relevant applications, content and business processes is expected to yield many benefits to Vermont stakeholders through reduction in process cycle times and improvements in the overall user experience. The vendor engaged for the design of the User Experience for the "Benefits Portal" will define the rules and constraints for the citizen self-service user interface using this approach and horizontal Web Portal technology.

Vermont's strategic Web Services preferences include XML, SOAP, WSDL, and XSD, over HTTP. The Web Service Specifications (collectively referred to as "WS-*") and REST, industry-supported standards that provide the heterogeneity and interoperability for applications, are both required for this initiative.

¹ Magic Quadrant for Horizontal Portals, Gartner, 24 October 2011

The HSEP and the IE solution, must deliver highly capable Business Intelligence (BI) and Reporting capabilities. The requirement for Business Intelligence Services is to build applications to provide capabilities in three categories:

- Analysis, such as online analytical processing (OLAP)
- Information delivery, such as reports and dashboards
- Integration, such as BI metadata

These capabilities need to be delivered through a formal and highly tuned Data Warehouse and Data Mart Architecture, leveraging the architecture and technologies deployed by the HSEP project.

2.3.2.3 Compliance with State and Federal Standards

The software must be compatible with state and federal standards. Standards affecting this IE solution include, but are not limited to, those found at

Policy Central | Department of Information and Innovation
http://dii.vermont.gov/Policy_Central

Vermont States Archives: Vermont Standards & Best Practices,
<http://vermont-archives.org/records/standards/vermont.htm>

Examples of applicable state and federal standards include FISMA, NIST, HIPAA, IRS, SSA, and ePHI as described in Attachments C, F and G, Records Management, Electronic Mail (E-Mail), Indexing/Metadata/Classification, File Formats, Imaging/Microfilm, Information Privacy and Security Compliance, Information Systems and the World Wide Web.

More information about security standards can be found in Section 2.3.2.4.6.

2.3.2.4 Proposed Approach to Security

AHS intends to incorporate the following terms into any contract arising from this RFP:

2.3.2.4.1 General Security Implementation

Contractor shall agree to maximize the security of the software development throughout the term of this Contract according to general industry standards including but not be limited to the following terms and conditions (adapted from <http://www.sans.org/appseccontract/>).

Contractor shall agree in writing that the terms of this Contract shall apply to Vendor's employees, as well as to third party contractors and subcontractors that will be employed by Vendor for the Contract.

Contractor shall take all actions necessary to protect information regarding security issues and associated documentation, to help limit the likelihood that vulnerabilities in operational State's software are exposed. Contractor shall comply with responsibilities as in the SSP workbook (Responsibility for Control Implementation) (Exhibit AX).

Consistent with the provisions of this Contract, Contractor shall use the highest applicable industry standards for sound secure software development practices to resolve critical security issues as quickly as possible. The "highest applicable industry standards" shall be defined as the degree of care, skill, efficiency, and diligence that a prudent person possessing technical

expertise in the subject area and acting in a like capacity would exercise in similar circumstances.

Personnel

Contractor shall identify in writing the person who will be responsible for overall security of the application development, management, and update process throughout the Contract period. The person identified shall be a single senior technical security specialist, to be known as the project Security Lead. The Security Lead shall certify in writing the security of each deliverable.

Security Training

Contractor shall be responsible for verifying that all members of the developer team have been successfully trained in secure programming techniques.

Vulnerabilities, Risks and Threats

Contractor shall agree in writing that they will strive to identify vulnerabilities, risks and threats as early as possible at any time during the software lifecycle. The software lifecycle shall mean from development, management, and updates through retirement of such application.

Contractor shall identify the key risks to the important assets and functions provided by the application. Contractor shall conduct an analysis of the Top 25 software errors as in Exhibit AY (adapted from <http://cwe.mitre.org/top25>), or most common programming errors, and document in writing that they have been mitigated. Contractor shall conduct risk assessment(s) to determine and prioritize risks, enumerate vulnerabilities and understand the impact that particular attacks might have on an application to ensure it meets applicable contractual obligations, regulatory mandates and security best practices and standards.

Contractor shall share with State in writing all security-relevant information regarding the vulnerabilities, risks and threats to the application immediately and completely upon identification. Such security documentation shall describe security design, risk analysis, or issues.

Application Development

Contractor shall provide State written documentation detailing their application development, patch management and update process. The documentation shall clearly identify the measures that will be taken at each level of the process to develop, maintain and manage the software securely.

Contractor shall provide secure configuration guidelines in writing to the State that fully describe all security relevant configuration options and their implications for the overall security of the software. The guideline shall include a full description of dependencies on the supporting platform, including operating system, web server, and application server, and how they should be configured for security. The default configuration of the software shall be secure.

Contractor shall specify in writing to the State what industry security standards and level of care with which they achieve compliance.

Contractor shall provide written documentation to the State that clearly explains the design for achieving each of the security requirements. Contractor shall provide and follow a set of documented secure coding guidelines. These guidelines will indicate how

code should be formatted, structured, and commented. All security-relevant code shall be thoroughly commented. Specific guidance on avoiding common security vulnerabilities shall be included. Also, all code shall be reviewed by at least one other Developer against the security requirements and coding guideline before it is considered ready for test.

2.3.2.4.2 Development Environment

(a) Secure Coding

Contractor shall disclose what tools are used in the software development environment to encourage secure coding.

(b) Configuration Management

Contractor shall use a source code control system that authenticates and logs the team member associated with all changes to the software baseline and all related configuration and build files.

(c) Distribution

Contractor shall use a build process that reliably builds a complete distribution from source. This process shall include a method for verifying the integrity of the software delivered to Client.

(d) Disclosure

Contractor shall document in writing to the State all third party software used in the software, including all libraries, frameworks, components, and other products, whether commercial, free, open-source, or closed-source.

(e) Evaluation

Contractor shall make reasonable efforts to ensure that third party software meets all the terms of this agreement and is as secure as custom developed code developed under this agreement.

2.3.2.4.3 Testing

(a) General

Contractor shall provide and follow a security test plan that defines an approach for testing or otherwise establishing that each of the security requirements has been met. The level of rigor of this test process shall be detailed in the plan. Contractor shall implement the security test plan and provide the test results to Client in writing.

(b) Source Code

Contractor shall agree in writing to the State that during the application development lifecycle process the source code shall be evaluated to ensure the requirements of this Contract including the security standards, policies and best practices are followed. Contractor shall have a well-documented procedure and framework for conducting code reviews.

(c) Vulnerability and a Penetration Test

Contractor shall agree in writing that prior to production the application shall undergo vulnerability and a penetration test. As a result, Contractor shall provide State IT security staff quarterly, independent third party penetration test results along with a mitigation plan for findings.

Patches and Updates

Contractor shall provide notification of patches and updates affecting security as identified in the patch management process throughout the software lifecycle.

Contractor shall apply, test, and validate the appropriate patches and updates and/or workarounds on a test version of the application before distribution.

Contractor shall verify and provide written documentation that all updates have been tested and, prior to production, installed.

Contractor shall verify application functionality, based upon change management procedures, at the conclusion of patch updates, and provide documentation of the results.

Contractor shall interact with SOV's Change Control Board for all Patches and Notifications and shall comply with their decisions.

Tracking Security Issues

Contractor shall track all security issues uncovered during the entire software lifecycle, whether a requirements, design, implementation, testing, deployment, or operational issue. The risk associated with each security issue shall be evaluated, documented, and reported to the SOV (to the SOV appointed person) as soon as possible after discovery.

2.3.2.4.4 Delivery of the Secure Application

Contractor shall provide a "certification package" consisting of the security documentation created throughout the development process. The package shall establish that the security requirements, design, implementation, and test results were properly completed and all security issues were resolved appropriately. This will include a comprehensive system security plan, an information security technical risk assessment, an overall security controls review, and a specific web application controls verification assessment based on the OWASP Application Security Verification Standard, level 3 testing baseline as in Exhibit AZ (adapted from https://www.owasp.org/images/4/4e/OWASP_ASVS_2009_Web_App_Std_Release.pdf).

Contractor shall resolve all security issues that are identified before delivery. Security issues discovered after delivery shall be handled in the same manner as other bugs and issues as specified in this Agreement.

Self-Certification

The Security Lead shall certify to the State in writing that the software meets the security requirements, all security activities have been performed, and all identified security issues have been documented and resolved. Any exceptions to the certification status shall be fully documented with the delivery.

No Malicious Code

Developer warrants that the software shall not contain any code that does not support a software requirement and weakens the security of the application, including computer viruses, worms, time bombs, back doors, Trojan horses, Easter eggs, and all other forms of malicious code.

2.3.2.4.5 Security Acceptance and Maintenance

Acceptance

The software shall not be considered accepted until Contractor certification package is complete and all security issues have been resolved.

Investigating Security Issues

After acceptance, if security issues are discovered or reasonably suspected, Vendor shall assist State in performing an investigation to determine the nature of the issue.

2.3.2.4.6 Security Policies and Related Planning Documents

Table 10 contains a list of Vermont security policies and related planning documents that are applicable to security for the IE Solution.

Table 10 - State of Vermont Security Policies and Related Planning Documents

Item	Link
Statewide IT Strategic Plan 2013-2018	http://dii.vermont.gov/sites/dii/files/pdfs/DII-Strategic-Plan-FY2013-2018.pdf
Information Security Policy	http://dii.vermont.gov/sites/dii/files/pdfs/Information-Security-Policy.pdf
Application Development Security Policy	http://dii.vermont.gov/sites/dii/files/pdfs/n-Security-Standards-Application-Development.pdf
Physical Security Policy	http://dii.vermont.gov/sites/dii/files/pdfs/Physical-Security-for-Computer-Protection.pdf
General	http://humanservices.vermont.gov/policy-legislation
IT Specific	http://humanservices.vermont.gov/policy-legislation/policies/05-information-technology-and-electronic-communications-policies/
AHS IT and Electronic Communications Policies	5.01 Email use 5.02 Information Technology Governance 5.03 Access Control 5.04 Payment Card Industry Data Security Standards Compliance Policy 5.05 Incident Response 5.06 Change Control 5.07 Audit and Accountability 5.08 Security Assessment 5.09 Data Encryption for Laptop and Tablet Computers 5.10 Personal Equipment, Software, and Data 5.11 Federal Tax Information Data Compliance Policy

2.3.2.5 Proposed Approach to Data Privacy

The IE Vendor will agree to comply with state and federal confidentiality and information disclosure laws, rules and regulations applicable to work associated with this RFP including but not limited to:

- United States Code 42 USC 1320d through 1320d-8 (HIPAA);
- Code of Federal Regulations, 42 CFR 431.300, 431.302, 431.305, 431.306, 435.945, 45 CFR 164.502 (e) and 164.504 (e)

2.3.2.5.1 Compliance with Federal HIPAA and State Confidentiality Law

Based on the determination that the functions to be performed in accordance with this RFP constitute Business Associate functions as defined in HIPAA, the IE Vendor shall execute a Business Associate Agreement as required by HIPAA regulations at 45 CFR §164.501.

The IE Vendor acknowledges its duty to become familiar with and comply, to the extent applicable, with all requirements of the Federal Health Insurance Portability and Accountability Act (HIPAA), 42 U.S.C. § 1320d et seq. and implementing regulations including 45 CFR Parts 160 and 164. The Vendor also agrees to comply with the Vermont Privacy regulations.

Protected Health Information as defined in the HIPAA regulations at 45 CFR 160.103 and 164.501 means information transmitted that is individually identifiable; that is created or received by a healthcare provider, health plan, public health authority, employer, life insurer, school or university, or healthcare clearinghouse; and that is related to the past, present, or future physical or mental health or condition of an individual, to the provision of healthcare to an individual, or to the past, present, or future payment for the provision of healthcare to an individual. The definition excludes certain education records as well as employment records held by a covered entity in its role as employer.

2.3.2.5.2 Privacy Requirements for Vermont Integrated Eligibility System

Because the privacy of individuals' personally identifiable information (PII) is a key element to maintaining the public's trust in the system, the system shall be designed and shall function according to the following fair information practices principles. To the extent that personally identifiable information in the system is "protected health information" under the HIPAA Privacy Rule, these principles shall be implemented in alignment with the HIPAA Privacy Rule. To the extent that there is PII in the system that is not "protected health information" under HIPAA, these principles shall still be implemented and, when applicable, aligned to other law or regulation.

Each principle is a general requirement aligned with State and Federal requirements. Each of the following includes but is not limited to the illustrative requirements listed with the principle.

- **COLLECTION, USE, AND DISCLOSURE LIMITATION PRINCIPLE:** Personally identifiable information shall be collected, used, and/or disclosed only to the extent necessary to accomplish a specified purpose(s).
 - ❑ **Minimum Necessary Standard.** The system shall limit the collection, use or disclosure of PII to the minimum necessary to accomplish the intended purpose.
 - ❑ **Defining and Limiting Uses and Disclosures.** The system shall accommodate State-defined limits on uses and disclosures.
 - ❑ **Information flow mapping.** PII flows shall be mapped including collection points, data sources, data stewards, processing, storage, and entities to which information is disclosed.

- **OPENNESS AND TRANSPARENCY PRINCIPLE:** There shall be openness and transparency about policies, procedures, and technologies that directly affect individuals and/or their personally identifiable information.
 - ❑ Notice of Privacy Practices (NPP). The system shall be capable of providing notice of privacy practices to individuals and obtaining an individual's acknowledgment of receiving the notice. An NPP, among other things, describes how an individual's PII may be used and disclosed, the individuals' rights with respect to that information, as well as the entity's obligations to protect the information. The NPP shall provide individuals knowledge of how their eligibility and enrollment information will be used, including sharing across programs to facilitate additional enrollments
 - ❑ Accounting of Access and Disclosures. The system shall provide reasonable opportunities for individuals to review who has accessed their personally identifiable information or to which entities it has been disclosed, in a readable form and format.
- **INDIVIDUAL ACCESS PRINCIPLE:** Individuals shall be provided with a simple and timely means to access and obtain their personally identifiable information.
 - ❑ Access to their own information. Individuals shall have a reasonable means of access to their personally identifiable information. Individuals shall be able to obtain this information easily, consistent with security needs for authentication of the individual; and such information shall be provided promptly so as to be useful for managing their health, finances, etc. Additionally, the system shall provide such information in a readable form and format, including an electronic format, when appropriate. In limited instances, medical or other circumstances may result in the appropriate denial of individual access to their information.
- **INDIVIDUAL CHOICE PRINCIPLE:** Individuals shall be provided a reasonable opportunity and capability to make informed decisions about the collection, use, and disclosure of their personally identifiable information.
 - ❑ Consent. The system shall be capable of presenting and implementing to individuals choices pertaining to collection, use and disclosure of their PII.
 - ❑ An Individual's Right to Request Restrictions on Uses and Disclosures. The system shall be capable of tracking, communicating and enforcing an individual's request to restrict disclosures of PII, while allowing the appropriate State entity to honor or deny the request to the degree permitted by law.
 - ❑ Third-Party Access. The system shall accommodate an individual's ability to designate third-party access, and that it be as specific as feasible regarding authorization to data (e.g., read-only, write-only, read/write, or read/write/edit), access to data types, access to functions, role permissions, and ability to further designate third parties. If third party access is allowed, access shall be:
 - Subject to the granting of separate authentication and/or login processes for third parties;
 - Tracked in logs designating each specific third party access and major activities; and
 - Time-limited and easily revocable
- **CORRECTION PRINCIPLE:** Individuals shall be provided with a timely means to dispute the accuracy or integrity of their personally identifiable information, and to have

erroneous information corrected or to have a dispute documented if their requests are denied.

- ☐ Processing requests and notifications pertaining to correction. The system shall facilitate the following exchanges for correction and dispute, that, for example, are contemplated by the HIPAA Privacy Rule: the individual's request for an amendment to PII, the entity's notice to the individual that the amendment has been accepted or, if denied, the reasons for denial, the individual's statement of disagreement, the entity's rebuttal statement, if any, and the notification generally of others known to hold or use the data that is the subject of the correction.
- **DATA QUALITY AND INTEGRITY PRINCIPLE:** The system shall take reasonable steps to ensure that personally identifiable information is complete, accurate, and up-to-date to the extent necessary for the person's or entity's intended purposes.
 - ☐ Data matching: Data matching processes shall be formalized and documented so that incorrect matching may be quickly identified and corrected. The system shall have the capability to ensure that corrections remain persistent.
 - ☐ Data retention: The system shall have the capability to manage, archive and delete information according to the published retention plan.
- **SAFEGUARDS PRINCIPLE:** Personally identifiable information shall be protected with reasonable administrative, technical, and physical safeguards to ensure its confidentiality, integrity, and availability and to prevent unauthorized or inappropriate access, use, or disclosure.
 - ☐ Security controls. See the section on security technical requirements.
- **ACCOUNTABILITY PRINCIPLE:** The State's privacy requirements, including those found in the HIPAA Privacy Rule, shall be implemented, and adherence assured, through appropriate monitoring, technical controls and other means. Methods shall be in place to report and mitigate non-adherence and breaches.
 - ☐ Data stewardship. All data shall be associated with a data steward.
 - ☐ Monitoring. The system shall provide the capability to monitor access, disclosure, modification and deletion of PII.
 - ☐ Complaint processing. The system shall process complaints about privacy compliance.
 - ☐ Breach notification. The system shall support notifying affected individuals in the event of a breach.

2.3.2.5.3 Privacy and Security Standards

Protected Health Information: The Contractor shall maintain the privacy and security of all individually identifiable health information acquired by or provided to it as a part of the performance of this contract. The Contractor shall follow federal and state law relating to privacy and security of individually identifiable health information as applicable, including the Health Insurance Portability and Accountability Act (HIPAA) and its federal regulations.

Substance Abuse Treatment Information: The confidentiality of any alcohol and drug abuse treatment information acquired by or provided to the Contractor or subcontractor shall be maintained in compliance with any applicable state or federal laws or regulations and specifically set out in 42 CFR Part 2.

Other Confidential Consumer Information: The Contractor agrees to comply with the requirements of AHS Rule No. 08-048 concerning access to information. The Contractor agrees to comply with any applicable Vermont State Statute, including but not limited to 12 VSA §1612 and any applicable Board of Health confidentiality regulations. The Contractor shall ensure that all of its employees and subcontractors performing services under this agreement understand the sensitive nature of the information that they may have access to and sign an affirmation of understanding regarding the information's confidential and non-public nature.

Social Security numbers: The Contractor agrees to comply with all applicable Vermont State Statutes to assure protection and security of personal information, including protection from identity theft as outlined in Title 9, Vermont Statutes Annotated, Ch. 62.

2.3.2.6 Proposed Approach to Capacity Planning

The IE Solution design and implementation approach must be responsive to three core dimensions of capacity planning; 1) business capacity planning, 2) service capacity planning, and 3) IT component capacity planning.

- **Business Capacity Planning:** ensures that the future business capacity requirements (e.g., desired outcomes, anticipated number and type of Participants, etc.) are considered and understood; and that sufficient IT capacity to support the new System is planned and implemented within an appropriate timeframe.
- **Service Capacity Planning:** helps estimate the end-to-end performance, usage, workloads and resources of the System; and ensures that the performance of the System as detailed in the capacity section of the non-functional requirements document, is monitored and measured and that the collected data is recorded, analyzed, and reported.
- **IT Component Capacity Planning:** helps predict the performance, utilization, and capability of individual IT technology components. It also ensures that all components within the required IT infrastructure with finite resources are monitored and measured and that the collected data can be recorded, analyzed, and reported.

The new Systems and their databases need to support the AHS Agency's caseloads (active and inactive Participants and historical participant data) and future caseload increases. Participant growth is estimated at 3-5% year over year.

Integrated Eligibility

The new System must accommodate the anticipated number of users and workstations at each location. There are approximately 200-500 internal users (150 concurrent users) and 200,000 external users (50,000 concurrent users) at this time, and all of the internal users / employees are expected to have a workstation that will access the System.

The new shared infrastructure and functional capabilities need be designed to be operational 24 hours per day, 7 days per week, and 52 weeks per year. The centralized servers and resources and public facing website will be designed to be operational 7 days per week and 24 hours per day. No single disruption is anticipated to last longer than 10 minutes. The System as a whole will be available for use ninety-nine point ninety-nine percent (99.99%) of the time, which translates to no more than 53 minutes of unscheduled downtime per year.

The new System must have the ability to support transparent failover capabilities using high-availability processor architectural options. The System needs to be able to continue to operate at all State locations despite failure or availability of any single technology components such as a server platform or network connection.

The Systems' response time during peak usage shall be 3 seconds or less for ninety-five percent (95%) of the transactions submitted. Maximum response time will not exceed 8 seconds for any transactions including ad hoc query and reports. Measurements will be taken from the end-users desktop. Response time is defined as the time elapsed after depressing an ENTER key (or clicking on a button that submits or commits a screen for processing) until a result is received back on the screen.

During DDI, the Vendor must make every effort to ensure that the DDI environment is stable, secure, and backed-up.

2.3.3 High-Level System Operational Requirements

2.3.3.1 Hosting Requirements

The Vendor will focus on the Design, Development, and Delivery (DDI) of the Solution and will work with SoV and its Hosting Provider to implement the Solution into the hosted environments.

SoV's Hosting Provider will provide the environments outlined in Table 11.

Table 11 - Hosted Environments

Environment	Description	Status as of 1/30/2014
Dev	Development environment. For code changes and initial unit testing of code changes. Developers only.	Being used for OneGate 3.3.2.7 development activities
Test	Testing environment. Functional and system integration testing.	In Use. Also being used for OneGate 3.3.3.2 development until such time that 3.3.2.7 is deployed across all the environments.
Train	Training environment. The State uses this environment for training employees.	In Use
STG	Staging environment. Mirrors the production environment. Code changes move here before going to the production environment. Release management. User acceptance testing.	In Use
PRD	Production environment. The environment that is Live.	In Use

Environment	Description	Status as of 1/30/2014
DR	Disaster recovery environment. Failover “warm” continuity of operations site for Live production environment	In Process of development

The IE Solution provider is expected to work with SoV’s Hosting Provider at the SoV’s direction to implement the Solution into these environments.

The Hosting Provider will also be responsible for the Maintenance and Operations (M&O) of the IE Solution Environments and will rely upon the IE Solution provider and SoV for both knowledge transfer and training.

Although it is planned that the Hosting Provider will perform all M&O work it is anticipated that it may be determined that there exists M&O work that is specific enough to the IE Application Solution that the State would be better served by having the IE Solution provider perform it. The State will use its discretion to determine this at the appropriate time during the planning of the Implementation phase.

2.3.3.2 Equipment

As stated previously the Vendor will be responsible for DDI and will work with the State to use the environments provided by the State once a final hosting determination has been made. Therefore it is anticipated that the Solution Vendor will need to develop on in its own segregated environment until then.

2.3.3.2.1 Network

The Vendor is expected to provide highly redundant connectivity to the State Data Center facilities for all communications between the systems at Vendor’s facility and those at the State’s. All State workers will be using the existing network infrastructure and functionality of the State Wide Area Network. The Vendor is expected to leverage the State’s WAN and the Internet to provide connectivity to all State workers.

2.3.3.2.2 Hardware

The Vendor is expected to provide specifications of the proposed hardware for the IE solution in Template J - Technical Requirements Approach.

2.3.3.2.3 New Software

The Vendor is expected to provide specifications of the proposed software for the IE solution in Template J - Technical Requirements Approach.

2.3.3.3 Data Conversion and Synchronization Approach

The Vendor’s approach to data conversion should incorporate a sound methodology, careful project planning, a proven project management methodology, and the use of automated tools. The approach should provide a strong emphasis on data quality and close collaboration with

Vermont. The Vendor proposed strategy shall result in high quality data in the new system, reduce risk, and ensure a predictable on-time, in-budget outcome.

The objective of the data conversion activity is to:

- Retain relevant data from the existing system,
- Prevent manual reentry of data to the new system,
- Allow users to function without interruption or loss of data

The data conversion plan shall include a rollout schedule and the Vendor performs at a minimum the following tasks:

- Ensure a database backup is in place
- Run the Data Conversion packages
- Validate the Converted Data to check success
- Revert to backup if Conversion failed
- Notify Vermont of results
- Deliver Conversion reports
- Work with Vermont to resolve nulls and non-converted data
- Provide post Conversion support

2.3.3.4 Mobile and Remote Access

As part of the proposed Solution, Mobile and Remote Access will be necessary and will require an end-user device, a transport network, and hardware and software within the enterprise to allow the establishment and use of applications and data by remote users. Mobile and Remote Access services will be used most often to support “nomadic” users – those who travel from location to location, and to support “telecommuters” – users who access enterprise resources from their home. . Mobile and Remote Access must be compliant with HIPAA, HiTECH Act, IRS Pub 1075, FIPS 140-2, NIST 800-53, and CMS MARS-E.

2.3.3.5 Software Configuration Management

As part of the proposed Solution, Software configuration management includes the identification and maintenance of System software components and the relationships and dependencies among them.

The IE Vendor is required to propose specific tools and infrastructure for software configuration management. The State has a preference for leveraging the existing tools and infrastructure used for the HSEP being handled other vendor(s) using the Oracle SOA suite of components. The IE Vendor must include proper justification and rationale for recommending tool sets other than the ones being used for the HSEP, including tool sets used for EAF and VHC.

Code Migration includes promoting new and modified code, configuration, and scripts, in support of new and existing applications through development, test, and production. These activities include:

- Migrate code from development to test on an agreed upon basis
- Track migration status and notification

- Identify and resolve issues with the services delivery team and development teams
- Develop and document recommended operations and administration procedures related to code migration
- Develop and document test-to-production turnover requirements and instructions for each project or release.

2.3.3.6 *Change and Release Management*

As part of the proposed Solution, Change and Release Management activities include services required to appropriately manage and document (e.g., impact analysis, version control, library management, turnover management, build management, parallel development) changes to the application and any of the constituent components being developed. Change and Release Management also includes services required to appropriately manage and document changes to the underlying application development environment components. These include the following:

- Library Management—the classification, control, and storage of the physical components of the application
- Version Control—the maintenance, tracking, and auditing of modifications to an application's components over time, facilitating the restoration of an application to prior development stages
- Turnover Management—the automated promotion of software changes across different phases of the life cycle (e.g., development, unit test, systems test, and production), including management of the approval process, production turnover, and software migration control

The Vendor shall propose a centralized solution to automate and control the software change and release management process.

- This software change and release management process will control migration patterns (i.e., how a given set of code moves from one environment to another).
- This software configuration management process will control versioning, access controls, data quality, etc., for each environment.

The Vendor shall also align the Change and Release Management process created for the IE Solution with the State's Governance.

2.3.3.7 *Data Retention and Archiving*

The proposed solution shall be designed to support multiple layers of data backup protection using a combination of both disk based and tape based technologies to meet the proposed System backup and recovery (BUR) requirements.

The solution shall leverage SAN replication and mirroring technologies to provide online, disk based system data protection. The solution shall utilize SAN based, block level data replication to protect both critical Database and Application components. Mission critical system components will also be mirrored synchronously to provide fast access to critical functions in the event of failure. In the event of catastrophic system failure at the primary site, clients can be redirected to the secondary site via DNS to utilize redundant systems present at the secondary

site. Clients will then be able to retrieve application from replicated sources that will be up to date based on the last completed replication cycle.

Additionally, Database replication will also be utilized to synchronize data between both Primary and Secondary Databases. Finally, another layer of protection shall be designed to provide traditional, versioned system data backup to tape storage. The implementation team shall create new backup job policies specific to the New System.

All new System Database and Application backup policies will utilize recommended schedules, and all policies will include at least one weekly full backup plus daily incremental backups to ensure data integrity and prevent data loss. Data on all tapes will also be encrypted to insure security in the event tapes are taken to an offsite storage facility. The backup solution shall utilize on-line backup methodologies where possible that would enable quick backup and restore. Tape and off-site backups should be used to comply with long-term retention and meet policy requirements.

Documentation of all BUR related processes and procedures will be generated during the course of the project, will be validated during system test, and will be presented to the customer at project close. Additionally, processes and procedures that mandate routine testing and restoration of system backup data will also be developed. In this manner, the effectiveness and health of the proposed System BUR solution will be continually validated.

2.3.3.8 System Performance Monitoring and Reporting

Some of the key performance measures for the future IE System include the following:

- The solution response time during peak agency level operations shall be 3 seconds or less for ninety-five percent (95%) of the search and lookup queries (does not include ad hoc queries and analytics). Maximum response time shall not exceed 15 seconds except for agreed to exclusions. Response time is defined as the time elapsed after depressing an ENTER key (or clicking on a button that submits the screen for processing) until a response is received back on the same screen.
- The solution shall return a Dashboard report within 5 seconds or less from all State locations with a high-speed network connection (greater than 768KB), ninety-five percent (95%) of the time.
- The solution shall return a Static Standard report within 5 seconds or less from all State locations with a high-speed network connection (greater than 768KB), ninety-five percent (95%) of the time.
- The Solution shall return a parameter-based report within 20 seconds or less,
- Monitoring solution shall include real time status dashboards and period reporting (daily, weekly, monthly, and trending).

A more detailed list of requirements can be found in the Non-Functional Requirements document under 'A4.Performance'.

Performance Monitoring – Operational performance monitoring begins with the tracking of each and every service request via a ticket tracking tool capable of capturing and providing detailed information regarding the Vendor's efforts associated with resolving each specific request. The Vendor ensures that all data collected is accessible by appropriate stakeholders to ensure an "open book" approach to problem management and performance monitoring.

Performance Reporting – The Vendor's Service Delivery Manager is responsible for presenting the monthly performance status against the SLA expectations. The report will include monthly progress for each support area as well as a rolling trend chart. Any deviations from expected performance will be reviewed and discussed with agreements toward corrective action plans defined jointly with the appropriate Vermont management. Continued failure to meet or exceed committed targets should result in escalation of issues to the Executive Steering Committee.

Monitoring Tools – The Vendor should propose one or more monitoring tool(s) to proactively monitor the performance of key infrastructure components of the proposed System. These tools should provide a flexible, well-rounded solution for monitoring server and network health. These should also monitor basic services and database connectivity, and perform advanced monitoring of Web-based applications through customizable monitoring scripts. These tools should have extensively customizable dashboards to provide availability and response time on devices, URLs, WAN links and Services; besides providing health and performance statics of the servers, network devices, services and applications. These tools should utilize a combination of ICMP, SNMP, and WMI protocols that enables them to monitor almost any networked device. Automatic alerting and reporting in multiple formats including email, SMS text messages, and application pop-up windows should also be available.

2.3.4 Other Systems with which the Proposed System will Interact

The Procurement library contains a comprehensive list of the systems that currently interact with ACCESS [Interface List - Access]. The list contains the following information:

- Interfaces and notices, (including batch process description, details, inbound/outbound, source, destination, frequency, when conditions, transmission, healthcare, data elements) for
 - ☐ Federal interfaces
 - ☐ Vermont interfaces
 - ☐ Interfaces with other entities
 - ☐ ACCESS Real-time interfaces via EntireX

The Vendor will be responsible to work with the State to identify those systems that will interface with the new IE system and their implementation phasing.

2.4 Proposed Project Organizational Approach

The Integrated Eligibility Solution Project will be managed as an AHS project and will involve various AHS stakeholders including support in the planning, decision-making, issue resolution, implementation, tracking, and reporting processes related to project activities. The following organization chart in Figure 7 and supporting descriptions details the structure, roles and responsibilities identified for the project and how these stakeholders, including the IE Vendor will be organized to facilitate participation and effective tracking and reporting of the Integrated Eligibility Solution Project activities.

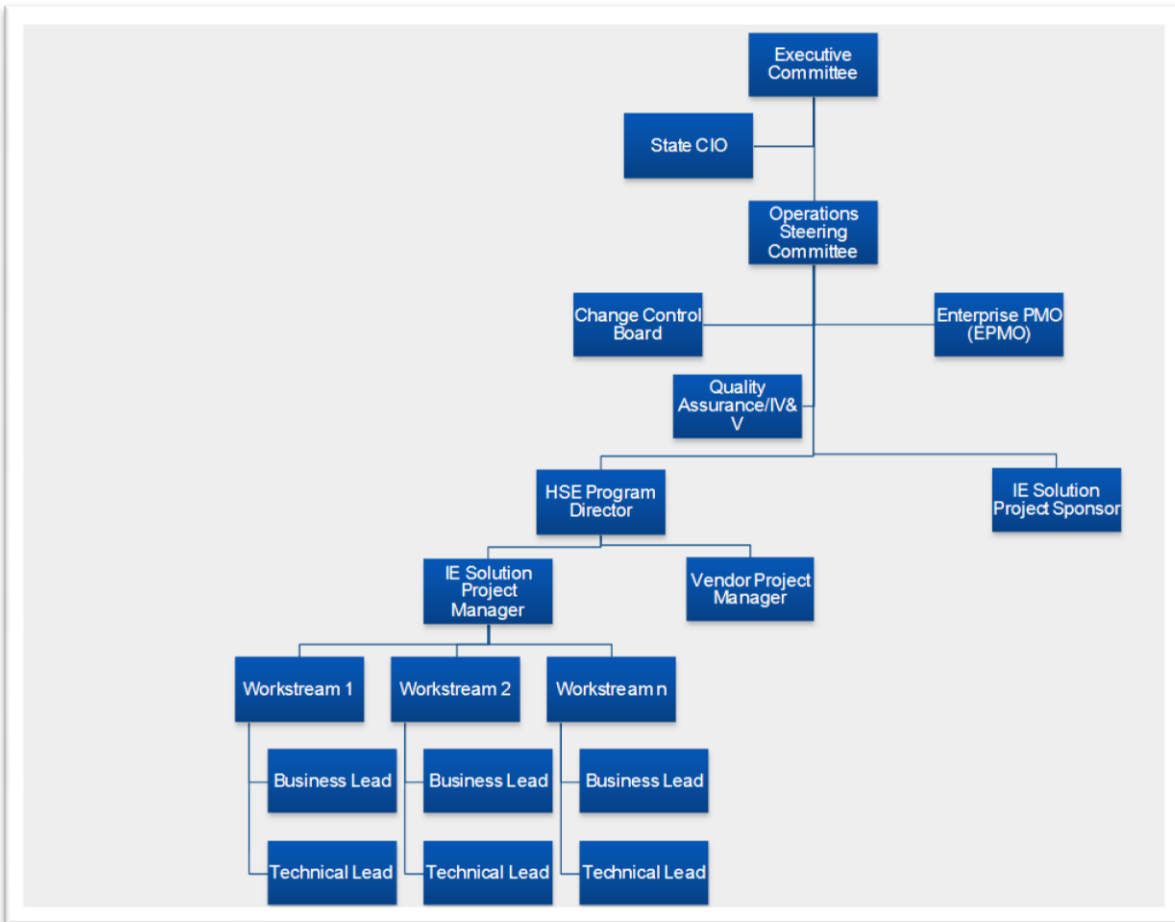


Figure 7 - Project Organization

2.4.1 State of Vermont IE Project Organization

Table 12 provides anticipated roles in the Integrated Eligibility Solution Project organization.

Table 12 - AHS and Department of Information and Innovation Project Roles and Responsibilities

Role	Function
Project Sponsor	<p>The Project Sponsor assumes project ownership and performs the following functions:</p> <p>Assumes project ownership, and is the highest possible level of project review and provides policy leadership and oversight as needed. Reviews and resolves policy, fiscal, and resource allocation issues that cannot be resolved at lower levels.</p> <p>Ultimately accountable for securing spending authority and resources. Acts as a vocal and visible champion, legitimizing goals and objectives.</p>
Executive Committee	<p>The Executive Committee will be comprised of senior management personnel from Integrated Eligibility and representation from Integrated Eligibility Solution Project facilitated by an appointed chair person who will be part of the committee, and the committee will convene regularly to provide direction or support required to the project and to support the Project Director.</p>
Integrated Eligibility Solution Project Director	<p>The Integrated Eligibility Solution Project Director is responsible for the overall success of the project through planning, directing, and overseeing the activities of the Integrated Eligibility Solution Project resources.</p>
Change Control Board (CCB)	<p>The CCB will review and decide on requested changes that are significant in terms of scope, time, resources, or cost.</p> <p>The CCB will be a team of senior level Business and IT SMEs that resolve minor issues that might arise between business units and between different IT units. This team will convene as needed. The CCB reports to the Executive Committee and approves changes to requirements, scope, and risk and monitors actual project progress against the planned activity schedules.</p>
Contract Manager	<p>The Contract Manager will be responsible for all contract related issues and will report to the Executive Committee. The Contract Manager will be responsible for developing and updating a contract management plan, identifying and resolving all contract related issues and approving all contract changes and amendments with inputs from the Executive Committee and the HSE Project Director.</p>
Integrated Eligibility Solution Project Management Team	<p>The Integrated Eligibility Solution Project Management Team will be comprised of the Project Director, Project Manager, Contract Manager, Integration Managers, Communications Manager, QA Lead, Business Team Leads and Technical Team Leads. This team will plan, direct, and oversee the day-to-day activities of the project.</p>

Role	Function
Integrated Eligibility Solution Project Team	The Integrated Eligibility Solution Project Team will be comprised of the various SMEs from both the business and technical spheres and end users from the State, and Local Agencies, as well as QA team members. This team will assist in various day-to-day activities and/or key milestones of the project.
Integration Manager	The Integration Manager will be responsible for coordinating all work between the Business Lead, Technical Lead, Integrated Eligibility Team Lead and the QA Lead. This role will be filled by a person with in-depth knowledge about the Eligibility business and will report to the Integrated Eligibility Solution Project Director.
Project Manager	<p>The Project Manager will be responsible for gathering and distributing information on project status, risks, issues and quality assurance reporting. This role will be filled by a person with in-depth knowledge of State and Industry PM methodologies and will report to the Integrated Eligibility Solution Project Director.</p> <p>The Project Manager will have the responsibility of formally accepting vendor project deliverables, unless this responsibility is delegated to another party.</p> <p>The Project Manager will be responsible from a State perspective for ensuring scope, schedule, budget, and minimal required documentation deliverables are completed.</p>
Communications Manager	The Communications Manager will be responsible for all project communications to the various stakeholders. This role will be filled by a person with in-depth knowledge of the Eligibility business and will report to the Integrated Eligibility Solution Project Director.
Business Leads	The Business Leads will work with their respective SMEs of the business units to understand their System and process requirements and articulate the requirements to the Vendor, Integrated Eligibility Integration Managers, QA Lead and the Technical Leads. The person in this role ensures that the proposed solution aligns with the business requirements of the organization. He or she will have the ability to manage the expectations of the business units with a clear understanding of the Project Sponsor's project objectives. This role will be filled by an FTE with in-depth knowledge about the business side of Eligibility and will report to the respective Integration Manager.
Technical Leads	The Technical Leads are responsible for the successful implementation and execution of the proposed solution. Responsibility includes managing the technical resources assigned to support the project. He or she will be responsible for all technical aspects of the project and working with enterprise architects. This role will be filled by an FTE with in-depth knowledge about the IT side of Eligibility and AHS and will report to the Integration Manager.

Role	Function
State CIO (Department of Information and Innovation)	The Department of Information and Innovation was created in 2003 to provide direction and oversight for all activities directly related to information technology within state government, including telecommunications services, information technology equipment, software, accessibility, and networks in state government. The CIO and Commissioner of DII have broad authority to meet the goals of the department as established by statute and policy.
Enterprise Project Management Office	The EPMO provides statutory oversight of IT projects within the State, develops and maintains project management artifacts, implements standards for IT project selection, ensures benefit realization of IT projects and manages the State IT project portfolio. It will provide oversight and guidance for the IE Solution Project Manager and project management team.
QA Leads	Quality Assurance (QA) Lead is responsible for ensuring that all System components are error-free and meet Integrated Eligibility Solution Project's expected level of Quality. Responsibility includes defining and managing the QA process throughout the SDLC (System, Integration, UAT, Formal Acceptance Testing (FAT) and Pilot Testing) and managing various QA resources at each phase of Testing.
Business SMEs	Business SMEs from all involved business units will be asked to participate in the requirements definition process, data cleansing, QA and testing and training efforts. Business SMEs will be utilized on an as-needed basis and at key milestones of the project.
Technical SMEs	Technical SMEs from all involved IT units will be asked to participate in the non-functional requirements, design, and data conversion, QA and testing and training efforts. Technical SMEs will be utilized on an as needed basis and at key milestones of the project.
Business – User Advisory Group	This group of SMEs will be from the end user community and will provide input and feedback to the Business Lead on all end user related topics including usability and workflow of the new System.
Business – Requirements Analysis and Process Design Support Team	Provides business area expertise in the validation of functional requirements and design of the new solution from both a process and System perspective.
Business – Training and Deployment Support Team	Works with the Integrated Eligibility System Integrator to plan and deliver technical training to AHS IT support staff and end user training for Integrated Eligibility System users and prepares for the deployment of the Integrated Eligibility solution to the full organization.

Role	Function
Business – User Acceptance Testing Support Team	Provides SMEs and System users to complete User Acceptance Testing (UAT)
Infrastructure and Architecture Support Team	Addresses technical architecture planning and infrastructure deployment for the Integrated Eligibility solution.
Database and Data Conversion Support Team	Identifies existing data in manual and automated Systems that will need to be entered or converted to the new System and works directly with the solution Vendor to ensure that all relevant and required data are effectively converted to the new database.
Configuration, Reporting and Help Desk Support Team	Works with the System Integrator to design, develop, and implement the Integrated Eligibility solution (configuration, reporting and other System functionality), and support the System after implementation.
System and Data Testing and QA Support Team	Ensures that the completed Integrated Eligibility System meets the functional and non-functional requirements defined within the contract.
Security Support Team	Ensures that the development of Integrated Eligibility is completed in compliance with all appropriate security standards.
Vendor Management Team	Monitors the Vendor Project Manager and vendor team performance, ensures adherence to contracted deliverables, and provides a dedicated escalation path and Team for the State to mitigate issues at a Senior Management level.

2.4.2 Health Services Enterprise Program Management Office Structure and Responsibilities

Figure 8 describes the current structure of the Program Management Office within AHS. The roles and responsibilities of each of the identified entities are described in Section 2.4.3 of this document.

Due to the interlocking functionality of the projects, each project team will be highly informed of the activities happening within the other projects within the PMO. The Vendor will be expected to support Program-level and inter-project communications between project teams to ensure proper transfer of knowledge between them.

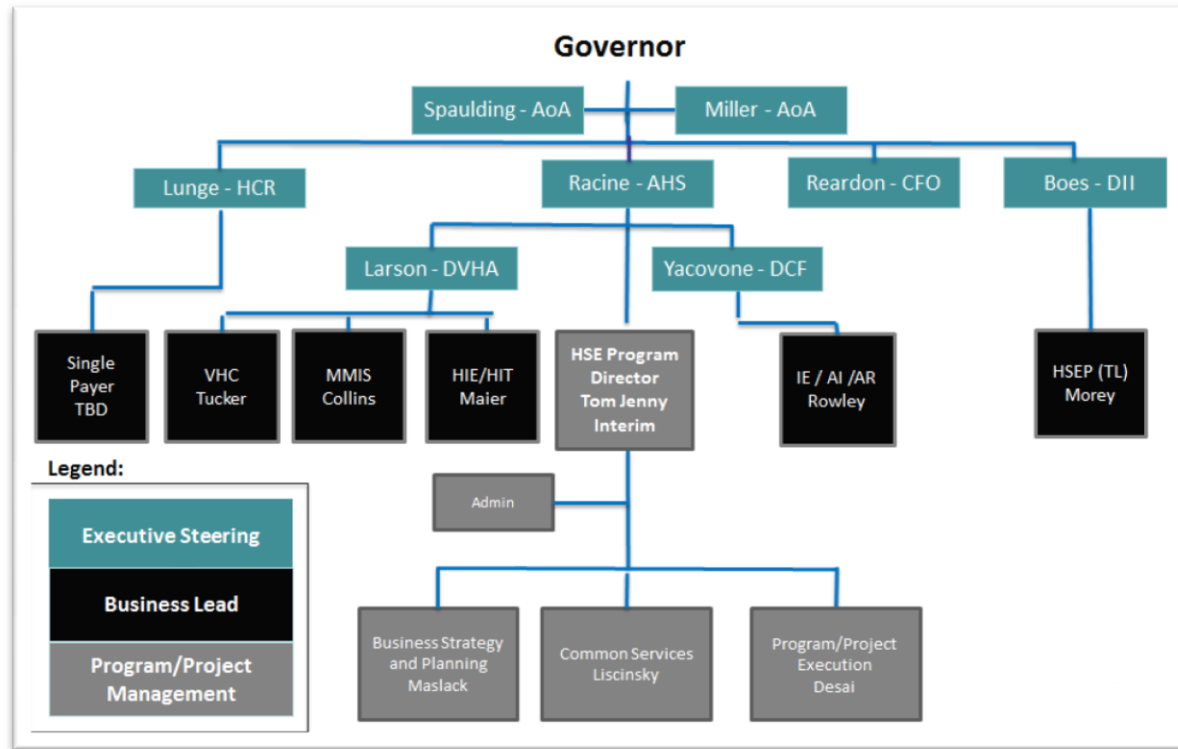


Figure 8 - Project Management Office

2.4.3 State of Vermont Program Management Office Roles and Responsibilities

Table 13 provides the anticipated roles in the Integrated Eligibility Solution Project organization:

Table 13 - State of Vermont Project Roles and Responsibilities

Entity	Core Focus
Executive Committee	<ul style="list-style-type: none"> ■ Set Program Mission and Goals ■ Establish Priorities and Non-Negotiable (Mandates) ■ Review, Comment and Approve Operations Steering Committee Plans and Key Work Products
Operations Steering Committee	<ul style="list-style-type: none"> ■ Ensure clarity of business imperatives and alignment of project plans with Executive Committee mandates and statutory authority ■ Provide oversight of Core Projects' resource and vendor allocation plans ■ Review and respond to project risk and risk mitigation strategies that may be escalated to the Committee

Entity	Core Focus
Program Director	<ul style="list-style-type: none"> ■ Responsible for comprehensive project/program planning and coordination of project delivery with projects' Project Managers ■ Establish Project Charters, Integrated Program Plans and Roadmap ■ Ensure coordination effectiveness of the Core Projects with associated business process changes ■ Accountable and responsible for fulfilling mandates and achieving key PMO milestones and objectives ■ Identify and Mitigates PMO Risks ■ Support resource management by assigning and aligning project managers and team members to the Core Projects ■ Provide and fosters open and active communications with all stakeholders
Program Manager	<ul style="list-style-type: none"> ■ Accountable and responsible for individual Core Project planning, implementation and risk identification/mitigation ■ Support development of Project Charters, Integrated Program Plans and Roadmap in coordination with Program Director ■ Responsible for cross project coordination with other Core Projects and associated business process changes ■ Accountable for accomplishing the stated project objectives and management of vendors assigned to the individual projects
Project Manager	<ul style="list-style-type: none"> ■ Accountable and responsible for individual Core Project planning, implementation and risk identification/mitigation ■ Responsible for cross project coordination with other Core Projects and with related BPR Projects ■ Accountable for accomplishing the stated project objectives and management of vendors assigned to the individual projects
Business Lead	<ul style="list-style-type: none"> ■ Ensure active involvement of Business SMEs in Core Project ■ Lead coordination efforts between Core Project and related BPR efforts
Technical Lead	<ul style="list-style-type: none"> ■ Ensure active involvement of Technical SMEs in Core Project ■ Ensure technical standards and Vermont policy is followed through projects ■ Coordinate technical efforts with Program and State technical leadership
Subject Matter Experts (SMEs)	<ul style="list-style-type: none"> ■ Responsible for input within their areas of expertise ■ Contribute to deliverables

Table 14 describes the project governance activities by group.

(R) Responsible – Those assigned to performed the work required to complete the task. Those who do the work to achieve the task. There is typically one role with a participation type of responsible, although others can be delegated to assist in the work required (see also RACI below for separately identifying those who participate in a supporting role).

(A) Accountable – The person or group ultimately responsible for completion of the task

(C) Consulted – The person or group(s) that are asked to provide input in the process and in making decisions. This often includes the project Subject Matter Experts (SMEs)

(I) Informed – The person or group(s) that are communicated to about the status of a tasks or event. This may be one-way communications.

Table 14 - Project Governance

Governance Element	Governance Objective	Executive Committee	Operations Steering Committee	Program Director	Project Manager	Business / Technical Leads
Program Mission, Goals and Priorities	Establish Core Mandates to Ensure Achievement of Business Imperatives and Alignment with Statutory Requirements	R	A	C	I	I
PMO Core Project Structure and Plans	Establish Project Charters, Integrated Program Plans and Roadmap Ensuring Integration and Coordination of Core Projects	C	C	R, A	I	I
Program Controls and Reporting	Ensure Adherence and Compliance to Enterprise Standards and Requirements for the Health Services Enterprise	I	C	R, A	I	I

Governance Element	Governance Objective	Executive Committee	Operations Steering Committee	Program Director	Project Manager	Business / Technical Leads
Oversight of Core Projects' Performance	Ensure Core Projects are Achieving Project Goals and Objectives, Effectively Coordinating Across Projects and with Program/Policy BPR Projects and are Effectively Utilizing Assigned Vendors	I	C	R, A	I	I
Project Management Performance and Reporting	Establish and Implement Core Project Plans to Ensure Achievement of Project Goals and Objectives Aligned to Program Mandates	I	C	C	R, A	C
Project Coordination and Integration	Ensure Coordination of Core Projects Across PMO for Solutions/Technology and with Program /Policy BPR Projects	I	C	C	R, A	C
Program Issues and Risks	Identify, Mitigate, Elevate and Resolve Project Issues and Risks	I	C, I	C	R,A	C

2.4.4 Vendor Responsibilities

A high level list of responsibilities for the IE Vendor includes the following:

- Creating a detailed project timeline
- Reporting project progress
- Architecting the new System
- Developing and verifying detailed functional and technical requirements
- Designing the new System
- Developing the new System
- Developing SDLC test plan and document life cycle testing results following standards established by AHS
- Converting data from the existing systems for use in the new System (e.g., ACCESS)
- Writing technical and user documentation
- Installing hardware and software to support the System
- Developing any necessary interfaces to other Systems (see List of Current Interfaces document in the procurement library)
- Developing User Acceptance Test (UAT) Plan
- Preparing AHS UAT Team and conducting UAT
- Developing Deployment and Training Plan
- Technical and End User Training
- Implementing deployment rollout of the new System
- Developing test plans and scenarios for users of System enhancements — Post Deployment
- Transferring knowledge to AHS staff and Hosting provider throughout the life of the project

Design, Development and Implementation activities cannot impact current daily operations run through ACCESS or other State systems. Any unavoidable impacts from these activities will be communicated to user community as part of the Change Management work stream.

2.4.4.1 Vendor Staff Roles

Vendor Project Manager — An experienced Vendor Project Manager is critical to the success of the Integrated Eligibility Solution Project. It is the Vendors' Project Manager who is responsible for ensuring that Vendor tasks and deliverables are completed on time, within budget, and meet functional and non-functional Requirements. The Vendor Project Manager shall work on-site for the duration of the project.

Vendor Staff Roles — Offshore staff will not be allowed on this project. Vendor staff must be available to participate in project-related meetings as scheduled by AHS. On-site work must be performed during normal business hours, 8:00 AM until 5:00 PM Eastern Time. Key personnel must be available for seventy-five percent (75%) of the

person's allocated time to this project at an AHS location and no key personnel can be added or removed without AHS permission.

Table 15 provides a guideline for the various Vendor staff roles. The Vendor may propose additional staff roles as needed to achieve the project goals.

Table 15 - Vendor Staff Roles

Vendor Staff Role
Architect
Business Analyst/Functional Lead
Change Management Lead
Communication/Network Specialist
Database Administrator
Database Designer
Help Desk Specialist
Hardware Specialist
Operations Lead/Manager
Project Director
Project Manager
Programmer
Quality Assurance Manager
Security System Engineer
Systems Administrator
Technical Writer
Test Lead/Manager
Tester
Training Lead/Manager
Training Specialist

2.4.4.2 “Shoulder-to-Shoulder” Organizational Structure and Knowledge Transfer

The Vendor must propose a suitable engagement and partnership model with AHS team to ensure proper knowledge transfer throughout the life of the project. This will include “shoulder-to-shoulder” work with identified AHS resources so that AHS’ Staff becomes fully familiar with the design, development and implementation of the new System. This structure must provide a shoulder-to-shoulder partnership with key Vendor and AHS staff for example: Architect; Business Analyst and Functional Lead; Database Administrator; Help Desk Specialist; etc. The Vendor key personnel associated with this project must be in the Burlington, Vermont area. The Vendor should propose a structure that will best meet this requirement, the final configuration of this organizational structure requirement will be defined during Project Initiation and Planning.

2.4.4.3 Facilities and Equipment

The Vendor must provide a Project facility with sufficient office and meeting space for the Vendor’s personnel and sixty (60) Integrated Eligibility Solution Project staff assigned to the Project at any given time. This Project facility must be accessible within ten (10) miles from Williston, Vermont, must provide ample free parking for Integrated Eligibility

Solution Project staff, and must be approved by the State. If the Vendor proposes a location outside of ten (10) miles, please provide justification for this decision. The Vendor will be responsible for installing and configuring all workstations and desktop software necessary at this facility for this Project to be used by Integrated Eligibility Solution Project staff.

2.4.5 Quality Assurance (QA) / Independent Verification and Validation (IV&V) Vendor Support

Quality Assurance (QA) is a review process performed by an organization that is technically, managerially, and financially independent of the Vendor organization. AHS understands the importance and strongly endorses the use of QA to ensure a successful System. AHS will contract for QA services to support the success of the Integrated Eligibility Solution Project. QA and project oversight activities related to the Integrated Eligibility Solution will be performed by the Quality Assurance provider that will be selected by AHS.

QA Verification uses iterative processes throughout the SDLC to determine whether the plans, methods and products delivered fulfill the requirements placed on them by previous iterations, phases and steps and are internally complete, consistent, and sufficiently correct to adequately support the next iteration, phase and step.

QA Validation is the process of examining and exercising the complete application (software, hardware, procedures, and documentation) to determine whether all stakeholders' requirements have been met. QA Validation begins at the beginning of the SDLC phase and deliverable to ensure that the plan and approach will move in a direction to eventually satisfy stakeholder needs. QA Validation also occurs at the end of the SDLC phase and deliverable to ensure the deliverable truly meets the latest requirements of the stakeholders (regardless of how many times these requirements may have changed during the project).

The QA/IV&V Vendor will work in partnership with the State and the Integrated Eligibility Solution Project Director and perform the following functions:

- Review project planning deliverables to ensure they are sufficient and meet applicable project standards
- Review ongoing project processes, methods and activities
- Provide technical review and verification of key project milestones and deliverables
- Provide independent review of project deliverables against requirements
- Anticipate and identify project risks and monitor the project risk management process
- Offer suggestions for problem and issue resolution
- Develop Independent Project Oversight Reports and delivers them to the Executive Steering Committee (ESC) and Integrated Eligibility Solution Project Management team
- Provide monthly review and recommendations to the ESC regarding project status and risk anticipation, prevention and mitigation

- Provide periodic review and recommendations to the Project Director regarding project status and risk anticipation, prevention and mitigation

2.5 Proposed Project Schedule

AHS anticipates an iterative, phase approach to the project in order to ensure timely delivery of benefits to AHS.

With this phase implementation approach, the Vendor is responsible for continued data conversion and synchronization between the IE Solution, ACCESS, and OneGate until full implementation is achieved.

The State proposes three types of project phases: a project initiation phase, a platform implementation phase, and program implementation phases. The project initiation phase and platform implementation phases occur once. Program implementation phases occur for each included program.

The State has learned from both internal and external projects that momentum pushes project work to continue, regardless of whether prior tasks were worked to completion. The platform implementation phase and each program implementation phase consist of multiple gates. To ensure that the work in each gate is finished, the State proposes that each gate must be satisfactorily completed before work on the next gate can begin.

Vendors may propose a different workflow or timeline if the Vendor can provide clear justification and confidence in an alternative approach.

2.5.1 Project Initiation Phase

The project initiation phase includes the following tasks and subtasks from section 2.6.1:

- Task 1: Project Monitoring and Status Reporting
- Task 2: Project Initiation and Planning
- Task 3: Requirements Development (subtasks below only)
 - Requirements Methodology
 - Requirements Management
- Task 4: System Design (subtasks below only)
 - System Design Methodology

The project initiation phase includes the following deliverables from section 2.6.1:

- Deliverable 1: Project Status Report (Recurring)
- Deliverable 2: Conduct Project Kickoff
- Deliverable 3: Roles and Responsibilities Plan (HR Plan)
- Deliverable 4: Scope Management Plan
- Deliverable 5: Cost Management Plan
- Deliverable 6: Schedule Management Plan
- Deliverable 7: Communication Management Plan
- Deliverable 8: Quality Management Plan

- Deliverable 9: Risk/Issue Management Plan
- Deliverable 10: Change Management Plan
- Deliverable 11: Work Breakdown Structure (WBS)
- Deliverable 12: Final Work Plan and Schedule
- Deliverable 13: Performance Management Plan
- Deliverable 14: Requirements Analysis, Validation and Development Plan
- Deliverable 15: Design Plan
- Deliverable 16: System Development Plan
- Deliverable 17: Testing Plan
- Deliverable 18: Implementation and Deployment Plan
- Deliverable 19: Requirements Methodology and Template

The State proposes payment for this phase at the satisfactory completion of all tasks, subtasks, and deliverables in this phase, with the following exceptions:

- The State will consider Task 1 complete when all processes, forms, and schedules for project monitoring and status reporting are successfully created, provided that the IE Vendor continues to follow all processes, use all forms, follow all schedules, and timely provide each recurrence of Deliverable 1 as scheduled.
- The State will consider Deliverable 12 complete at the initial approval of the final work plan and schedule, provided that the IE Vendor continues to modify and/or update the work plan and schedule as the project progresses.

2.5.2 Platform Implementation Phase

The platform implementation phase incorporates the implementation of all components required for the IE Solution. The proposed system approach is outlined in Section 2.3.2.

The platform implementation phase may not begin before the satisfactory completion of all tasks, subtasks, and deliverables in the project initiation phase.

The platform implementation phase includes four gates: planning, design, build/test, and deployment.

2.5.2.1 Planning Gate

The planning gate includes the following subtask from section 2.6.1:

- Task 3: Requirements Development (subtask below only)
 - Requirements Gathering

The planning gate includes the following deliverable from section 2.6.1:

- Deliverable 20: Crosswalk of RFP Functional Requirements against ACCESS Functionality
- Deliverable 21: Detailed Requirements Traceability Matrix

The State proposes payment for this gate at the satisfactory completion of the subtask and deliverable in this gate.

2.5.2.2 Design Gate

The design gate includes the following subtasks from section 2.6.1:

- Task 4: System Design (subtasks below only)
 - System Design Development
 - Documentation and Prototyping

The design gate includes the following deliverables from section 2.6.1:

- Deliverable 25: System Architecture
- Deliverable 26: SOA Models
- Deliverable 27: SOA Transition Plan
- Deliverable 28: Functional Design Document
- Deliverable 29: Technical Design Document
- Deliverable 30: Solution Implementation Design
- Deliverable 31: Security Plan
- Deliverable 32: Disaster Recovery and Business Continuity Plan
- Deliverable 33: Capacity Plan

The State proposes payment for this gate at the satisfactory completion of all subtasks and deliverables in this gate.

2.5.2.3 Build/Test Gate

The build/test gate includes the following tasks and subtasks from section 2.6.1:

- Task 5: System Development
- Task 6: Testing
- Task 7: Deployment (subtask below only)
 - Data Conversion and Synchronization

The build/test gate includes the following deliverables from section 2.6.1:

- Deliverable 35: System Testing - Test Results
- Deliverable 36: System Readiness Certification for UAT
- Deliverable 37: Site Readiness Reports
- Deliverable 38: UAT Report
- Deliverable 39: FAT Report
- Deliverable 40: Pilot Plan
- Deliverable 41: System Pilot Evaluation Report
- Deliverable 42: System Operations Documentation

- Deliverable 43: Data Conversion and Synchronization Plan

The State proposes payment for this gate at the satisfactory completion of all tasks, subtasks, and deliverables in this gate.

2.5.2.4 Deployment Gate

The deployment gate includes the following tasks and subtasks from section 2.6.1:

- Task 7: Deployment (subtasks below only)
 - User Training
 - Technical Training
 - Deployment (Rollout)
 - Incident Remediation and Software Warranty Period
 - System Documentation Updates — Deployment
- Task 8: Phase Completion

The deployment gate includes the following deliverables from section 2.6.1:

- Deliverable 44: Training Plan
- Deliverable 45: Training Materials
- Deliverable 46: Infrastructure Services Deployment Report
- Deliverable 47: System Maintenance, Support and System Transition Plan
- Deliverable 48: System Incident Reports — Warranty
- Deliverable 49: Corrective Maintenance Reports
- Deliverable 50: Configuration Management Plan and Infrastructure, System Source Code and Documentation
- Deliverable 51: Updated System Source Code and Documentation — Phase Completion and Project Closeout

The State proposes payment for this gate at the satisfactory completion of all tasks, subtasks, and deliverables in this gate.

2.5.3 Program Implementation Phases

The State intends to implement all programs included in Table 2. The State proposes that these programs be implemented in one or more individual phases. This allows the State to transition programs incrementally from ACCESS or OneGate. This also allows the State to realize more quickly the benefits of the IE Solution.

“The State is currently using OneGate as our accelerator for the VHC solution but should a vendor offer a different solution to meet our Enterprise strategy the vendors will need to explain their rationale.”

Vendors may propose combining one or more programs into one or more program implementation phases. Vendors are required to explain why each program within a group has been grouped. Vendors are required to complete Template O for each

program, regardless of whether a program has its own implementation phase or is part of a group.

Vendors may propose that one or more program implementation phases occur concurrently.

Programs in Table 2 are prioritized both by group and individually. Vendors are strongly encouraged, though not required, to maintain these priorities when proposing program implementation phases. Vendors that do not maintain these priorities must explain for each re-prioritized program why priorities were not maintained.

Vendors must bid on the inclusion of all programs. The State retains the option to exclude or remove from scope the implementation of any program for any reason.

Program implementation phases may not begin before the satisfactory completion of all gates of the platform implementation phase.

Each program implementation phase includes four gates: planning, design, build/test, and deployment.

When appropriate, deliverables listed below will update existing documentation rather than create a new copy of similar documentation.

2.5.3.1 Planning Gate

The planning gate includes the following subtask from section 2.6.1:

- Task 3: Requirements Development (subtask below only)
 - Requirements Gathering

The planning gate includes the following deliverable from section 2.6.1:

- Deliverable 21: Detailed Requirements Traceability Matrix

The State proposes payment for this gate at the satisfactory completion of the subtask and deliverable in this gate.

2.5.3.2 Design Gate

The design gate includes the following subtasks from section 2.6.1:

- Task 4: System Design (subtasks below only)
 - System Design Development
 - Documentation and Prototyping

The design gate includes the following deliverables from section 2.6.1:

- Deliverable 28: Functional Design Document
- Deliverable 29: Technical Design Document
- Deliverable 30: Solution Implementation Design
- Deliverable 31: Security Plan
- Deliverable 32: Disaster Recovery and Business Continuity Plan

- Deliverable 33: Capacity Plan

The State proposes payment for this gate at the satisfactory completion of all subtasks and deliverables in this gate.

2.5.3.3 Build/Test Gate

The build/test gate includes the following tasks and subtasks from section 2.6.1:

- Task 5: System Development
- Task 6: Testing
- Task 7: Deployment (subtask below only)
 - Data Conversion and Synchronization

The build/test gate includes the following deliverables from section 2.6.1:

- Deliverable 35: System Testing - Test Results
- Deliverable 36: System Readiness Certification for UAT
- Deliverable 37: Site Readiness Reports
- Deliverable 38: UAT Report
- Deliverable 39: FAT Report
- Deliverable 40: Pilot Plan
- Deliverable 41: System Pilot Evaluation Report
- Deliverable 42: System Operations Documentation
- Deliverable 43: Data Conversion and Synchronization Plan

The State proposes payment for this gate at the satisfactory completion of all tasks, subtasks, and deliverables in this gate.

2.5.3.4 Deployment Gate

The deployment gate includes the following tasks and subtasks from section 2.6.1:

- Task 7: Deployment (subtasks below only)
 - User Training
 - Technical Training
 - Deployment (Rollout)
 - Incident Remediation and Software Warranty Period
 - System Documentation Updates — Deployment
- Task 8: Phase Completion

The deployment gate includes the following deliverables from section 2.6.1:

- Deliverable 44: Training Plan
- Deliverable 45: Training Materials
- Deliverable 46: Infrastructure Services Deployment Report
- Deliverable 47: System Maintenance, Support and System Transition Plan

- Deliverable 48: System Incident Reports — Warranty
- Deliverable 49: Corrective Maintenance Reports
- Deliverable 50: Configuration Management Plan and Infrastructure, System Source Code and Documentation

Deliverable 51: Updated System Source Code and Documentation — Phase Completion and Project Closeout

The State proposes payment for this gate at the satisfactory completion of all tasks, subtasks, and deliverables in this gate.

2.5.4 Required Deadlines

As stated in Section 1.5.2, the State expects the IE Vendor to propose completion of the Platform Implementation Phase and the implementation of programs in Groups 1 through 5 by December 31, 2015.

If the IE Vendor cannot propose reasonably the completion of the Platform Implementation Phase and the implementation of programs in Groups 1 through 5 by December 31, 2015, then the State expects the IE Vendor to propose the completion of as much as possible by December 31, 2015.

The State prefers implementation of programs as programs are ready. The State strongly discourages the proposal of the grouping of many programs into a Program Implementation Phase to be delivered on or near December 31, 2015.

2.6 Scope of Work

The following sections define the application Design, Development and Implementation (DDI) services and the application warranty services that are required for the proposed new system for the State.

The services are applicable to the scope information provided earlier in this document regarding the Functional and Technical Requirements and the proposed solution architecture. The Vendor must provide appropriate Labor Rates, Hours and Costs for their portion of the services, as specified in the Cost Proposal.

Some tasks, subtasks, and deliverables will be repeated in multiple phases of the project. See Section 2.5 for proposed project schedule details.

2.6.1 Detailed Scope of Work

The following sections define the application Design, Development and Implementation (DDI) services and the application warranty services that are required for the proposed new Integrated Eligibility solution for the State of Vermont.

2.6.1.1 Task 1 – Project Monitoring and Status Reporting

Project status will be tracked and reported on an ongoing basis. Regularly scheduled status meetings between the IE Solution Project Management Team and the Vendor Project Manager will be held to discuss project progress, issues, resolutions and next steps. The following standard reporting mechanisms will be used:

- Status reports

- Issues lists
- Risk management updates

In addition, a Project Information Library (PIL) must be developed and maintained, by the Vendor and overseen by the Integrated Eligibility Solution Project Manager in a single repository used to store, organize, track, control and disseminate all information and items produced by, and delivered to, the project. The PIL must include a file structure with defined access and permissions. It must also include an interface, such as a Web page or portal, where individuals can obtain project information, the latest documentation, and input issues or comments to the Project Team.

AHS shall be the owner of all the documents available in the PIL.

2.6.1.1.1 Project Monitoring and Status Reporting Deliverables

At a minimum, the following deliverables must be completed by the Vendor for both the new IE Solution as well as the required remediation to the ACCESS system to allow for Web Service integration to both the VHC and the new IE Solution. The Vendor may propose additional deliverables as needed to achieve project goals.

2.6.1.1.1.1 Deliverable 1 — Status Reporting

This deliverable must be a recurring deliverable for the entire length of the project. The deliverable must at a minimum include periodic reporting of the following activities:

- Status of work completed against the Project Work Plan
- Objectives for the next reporting period
- Client responsibilities for the next reporting period
- Recovery plan for all work activities not tracking to the approved schedule
- Projected completion dates compared to approved baseline key dates
- Escalated risks, issues (including schedule and budget), and Action items
- Disposition of logged issues and risks
- Important decisions
- Actual/projected Project Work Plan dates versus baseline Project Work Plan milestone dates
- One-page graphical summary of the Project Work Plan status of all major tasks and subtasks for each Phase in a Desktop Project Plan

2.6.1.2 Task 2 — Project Initiation and Planning

This task requires development of various materials, such as a roles and responsibilities chart, task-oriented project plan, communication management plan, risk management plan, as well as providing regular status reports that detail the status of the project and Vendor efforts. When producing deliverables, the Vendor must use the State's Department of Information and Innovation (DII) Enterprise Program Management Office (EPMO) templates, where they exist, and must comply with any applicable EPMO standards (<http://dii.vermont.gov/pm>).

2.6.1.2.1 Project Initiation and Planning — Subtasks

At a minimum, the following subtasks must be completed by the Vendor. The Vendor may propose additional tasks as needed to achieve the task goals.

2.6.1.2.1.1 Project Initiation and Kickoff

A project initiation meeting will be conducted by the Vendor at a Williston location selected by AHS and will be attended by the key AHS, Vendor and QA Provider team members. The purpose of the meeting will be to review the project plan (including scope management, schedule management, risk management, change management, quality management, communication management and resource management) and the various deliverables associated with the complete SDLC of the Integrated Eligibility Solution Project.

The Vendor will lead the discussion of the following project initiation activities for all the stakeholders to gain an understanding of the process, roles and responsibilities:

- Understanding of the roles of various project stakeholders including the sponsor, ESC, Integrated Eligibility Solution Project Management Team, Vendor Project Team, QA Provider Project Team, Business staff, IT staff, and any other key project team members
- Identification of key stakeholders to be contacted to review and validate information relative to all steps of the project throughout the SDLC
- Understanding the process to provide input to the strategic and tactical reports on a regular basis
- Understanding of project performance measurements and critical success factors

Any decisions or agreements from the kickoff meeting will be documented by the Vendor and submitted to the overall project team for review and acceptance.

2.6.1.2.1.2 Project Management Planning

The Vendor will follow project management methodologies consistent with the State of Vermont standards and guidelines (reference: <http://dii.vermont.gov/pm/pmstandards>) and the Project Management Institute (PMI) Project Management Methodologies stated in the Project Management Body of Knowledge (PMBOK). At a minimum the following deliverables must be created for this subtask. The Vendor may propose additional deliverables as needed.

- Roles and Responsibilities Plan
- Scope Management Plan
- Cost Management Plan
- Schedule Management Plan
- Communication Management Plan (Issue Logs to be updated weekly)
- Quality Management Plan
- Risk Management Plan (Risk Logs to be updated weekly)
- Change Management Plan
- Work Breakdown Structure (WBS)

- Final Work Plan and Schedule (Updated on weekly basis)
- Performance Management Plan

2.6.1.2.1.3 SDLC Methodology Planning

In this task the Vendor must detail the SDLC approach and methodology for design, development and testing of the new System. This task must detail the methods for maintaining requirements traceability throughout the development process; methodology and processes adopted during the development phase; types and conduct of test activities, and the change control and configuration management processes. The Vendor is required to utilize industry standard tools to accomplish the various tasks of the SDLC, both during planning and development.

2.6.1.2.2 Project Initiation and Planning Deliverables

At a minimum, the following deliverables must be completed by the Vendor. The Vendor may propose additional deliverables as needed to achieve the task goals.

2.6.1.2.2.1 Deliverable 2 — Project Kickoff Presentation

This deliverable is a presentation to familiarize project team members with the project. The presentation includes the following topics:

- Project Overview
- Project Schedule (high level)
- Objectives and Definitions
- Process
- Artifacts
- Roles and Responsibilities
- Keys to Success
- Next Steps
- Questions and Answers (Q&A)
- Resources

2.6.1.2.2.2 Deliverable 3 — Roles and Responsibilities Plan (HR Plan)

The Roles and Responsibilities Plan for this initiative will be tied to the proposed project timeline and implementation phases. The Vendor is responsible for proposing the potential roles and responsibilities for staffing the different activities, articulating what the Vendor will need to provide and what AHS should provide.

2.6.1.2.2.3 Deliverable 4 — Scope Management Plan

This plan documents the project vision and goals, items that are in-scope and out-of-scope and their prioritization, dependencies between the scope items, and risks associated with the inclusion and removal of items from scope. The plan also defines the process used to modify project scope.

2.6.1.2.2.4 Deliverable 5 — Cost Management Plan

The Vendor is responsible for developing a Cost Management Plan that indicates how project costs will be incurred, controlled, and reported. The plan must include the finalized cost and budget for the project. Cost-related progress report formatting will be developed and included by the Vendor, consistent with AHS requirements and format, with inputs from AHS and the QA provider team members, and must include a tracking of costs to the project budget baseline.

2.6.1.2.2.5 Deliverable 6 — Schedule Management Plan

The Schedule Management Plan developed by the Vendor must include the following:

- How the project schedule will be monitored for variances
- What types of corrective actions will be taken to address schedule variances during the life of the project
- The process, roles, and responsibilities involved in making changes to the project schedule.

2.6.1.2.2.6 Deliverable 7 — Communication Management Plan

The Communication Management Plan must detail the varying levels and needs of the project's stakeholders for information regarding the project, status, accomplishments, impact on stakeholders, etc. The Communication Management Plan must define:

- The communication vehicles
- Target stakeholders
- Scope and frequency of the project's communications vehicles

As part of Communication Management, Issues must be logged and reported weekly and the plan must detail the escalation mechanisms for Issue resolution.

2.6.1.2.2.7 Deliverable 8 — Quality Management Plan

The Vendor must abide by the Quality Assurance Plan developed by AHS and the QA provider. The Vendor's Quality Management Plan must have the following elements:

- Defined quality assurance responsibilities
- Detailed definition of all deliverables by phase and associated acceptance criteria
- Defined deliverable review process
- Disciplined deliverable review process
- Regularly scheduled reviews of key project phases and milestones

2.6.1.2.2.8 Deliverable 9 — Risk Management Plan

Development of a Risk Management Plan is required. The Vendor, with the support of the QA Provider and AHS team members, must submit a baseline Risk Assessment to the ESC within one month of the project initiation. This plan will be used on an ongoing basis to:

- Update the Risk Assessment Log

- Anticipate and identify risks
- Identify the severity and quantify the potential impact of each identified risk
- Quantify the probability of each identified risk
- Support the development of risk mitigation plans for each identified risk
- Provide guidance for assessing the efficacy of risk mitigation actions
- Describe work products and processes for assessing and controlling risks
- Detail the escalation mechanisms for risks

2.6.1.2.2.9 Deliverable 10 — Change Management Plan

The Vendor must adhere to the Change Management Plan, which will be jointly developed by the Integrated Eligibility Solution Project Director with the project management team and the ESC. The plan describes how the Change Control Board (CCB) will manage the process for review, acceptance and rejection of change requests. The plan will be approved by the ESC. For any decisions that cannot be made by the CCB or project management team, the decision will be escalated to the ESC.

In the Change Management Plan, change requests will be:

- Drafted by the Project Team
- Reviewed and edited by the Project Director
- Approved or Rejected by the CCB with direction from the Project Management Team and the ESC, as necessary
- Implemented by the Project Team, as necessary

The Vendor must perform updates to the project schedule and cost estimates when change requests are approved

2.6.1.2.2.10 Deliverable 11 — Work Breakdown Structure

The Vendor must prepare and submit a Work Breakdown Structure (WBS) as a preliminary step in the preparation of a project work plan and schedule that encompasses all activities from Project Initiation to Project Closure. The WBS must define the project's overall objectives by describing the project tasks and deliverables. The WBS must include:

- A consolidated view of the activities, activity descriptions, and activity durations assigned to AHS, the Vendor, and the QA Provider
- Resources assigned to each activity
- A list of deliverables tied to project milestones
- A way to track the project schedule against the planned schedule
- Deliverable approval periods

2.6.1.2.2.11 Deliverable 12 — Final Work Plan and Schedule

The Vendor must deliver a master work plan including Gantt charts and a project calendar in Microsoft Project. The master work plan must reflect any changes from the

plan submitted with the Vendor's original proposal that were discussed and agreed to during the project initiation meeting.

The work plan must be maintained throughout the life of the project and will be updated as necessary (weekly at a minimum) to reflect the accurate status of the project

2.6.1.2.2.12 Deliverable 13 — Performance Management Plan

The Vendor must help identify target performance areas and proposed methods of measurement; establish the baseline metrics for the agreed upon goal areas; and assist AHS in determining the level of achievement of the performance goals.

2.6.1.2.2.13 Deliverable 14 — Requirements Analysis, Validation and Development Plan

This document must detail the Vendor's approach to the method of capturing and maintaining requirements traceability throughout the development process. This plan must detail the methods, tools, and technologies used to capture, catalog, and manage System requirements and building upon and maintaining the BPA, Use Cases and functional and non-functional requirements.

2.6.1.2.2.14 Deliverable 15 — System Design Plan

This document must detail the Vendor's approach to System design. This plan must ensure that the System conforms to defined standards for System design and Systems architecture. This plan must also ensure that Enterprise Architecture (EA) requirements within the State are taken into consideration during the System design. This plan must ensure the completeness and level of detail in design specifications.

2.6.1.2.2.15 Deliverable 16 — System Development Plan

This document must detail the Vendor's approach to System development. The Plan must ensure that necessary tools and technologies are in place for development. It must also ensure that the technical interpretation of requirements is being appropriately managed such that System functionality does not deviate from expectations. Subjects that must be covered include:

- Development methodology selected
- The system development process
- Software development standards
- The methods for maintaining requirements traceability of system requirements from the original baseline functional and Non-functional requirements document throughout the development process
- The development change control and configuration management processes

The Vendor is required to utilize industry standard automated configuration management and version control tools. The Vendor is required to propose these tools as part of their response.

The Vendor must specify system development milestones that are aligned with the Cost Workbook for Implementation included in Template O - Cost Workbook.

2.6.1.2.2.16 Deliverable 17 — Testing Plan

This deliverable includes a set of documents for each type of testing. The documents must include the following components and be approved by AHS:

- Integration of current IE processes and standards
- Software testing strategy, methodology processes, standards and guidelines for all software testing, including conversion testing activities
- Specification of entrance and exit criteria for each of the test events
- Templates and standards for all testing artifacts and deliverables
- Definition of testing metrics and how the metrics are recorded and reported (e.g., number of open test defects)
- Description of the approach for regression testing based on an analysis of which parts of the System may be affected by proposed and designed changes to the System and other supporting technologies
- Standards for establishing traceability from requirements to test cases

These document sets must be compiled for each of the following types of testing:

- Subsystem Integration
- System Qualification
- Regression
- Readiness Certification
- User Acceptance
- Formal Acceptance
- Pilot

2.6.1.2.2.17 Deliverable 18 — Implementation and Deployment Plans

The Implementation and Deployment Plans must include the following components:

- A detailed explanation of the Vendor's implementation methodology
- An explanation of how operations will transfer from the legacy system to the new System
- An up-to-date detailed implementation schedule

2.6.1.3 Task 3 — Requirements Development

In this task, the Vendor must lead and facilitate the process for developing the detailed System functional and Non-functional requirements documentation. Throughout this task the Vendor must validate and use the high-level baseline requirements developed during the Integrated Eligibility Solution Project planning phase and outlined in the following documents:

- Integrated Eligibility Business Process Analysis (BPA) (including workflows and use cases) — located in the Procurement Library
- Functional Requirements (derived from the BPA and use cases) —Template G - Functional Requirements

■ Non-Functional Requirements–Template - I Non-Functional Requirements

The Vendor is required to conduct a crosswalk of the high-level baseline requirements against the legacy system ACCESS functionality to validate and identify any possible gaps in the requirements. The Vendor must also propose their approach for augmenting the existing requirements and crafting design level use cases and workflows to meet all functional requirements.

2.6.1.3.1 Requirements Development — Subtasks

At a minimum, the following subtasks must be completed by the Vendor. The Vendor may propose additional tasks as needed to achieve the task goals.

2.6.1.3.1.1 Requirements Methodology

The Vendor must provide details on the methodology and approach that will be used to analyze the current BPA and high-level baseline requirements, conducting a crosswalk of the requirements against the functionality currently residing in the legacy system ACCESS and how to move forward with defining and managing the development of the detailed functional and Non-functional requirements based Integrated Eligibility needs, best practices and industry standards. The Vendor must define the software requirements methodology that must be followed for finalizing System functional and non-functional requirements and must be based on Service-Oriented Architecture (SOA) principles, and as such SOA should be reflected in the methodology.

In addition to the requirements validation process, the Vendor must:

- Define the requirements gathering processes
- Define the requirements management processes
- Provide requirements templates
- Enhance and maintain the functional and Non-functional requirements developed during the new System's project planning phase

The software requirements methodology must be approved by AHS prior to the requirements gathering process.

2.6.1.3.1.2 Requirements Management

In this subtask the Vendor must develop and implement mechanisms to manage the new requirements, including:

- Define how requirements are derived and validated
- Describe how requirements changes are analyzed and managed
- Describe how the functional and Non-functional requirements traceability matrices are maintained and validated
- Define how the Integrated Eligibility Solution Project Team works with the Vendor to ensure traceability of requirements to the business objectives and System documentation

The Vendor must define the software requirements management process that will be used to aid in managing functional and Non-functional requirements. The development

of the software requirements management process must consist of the following subtasks:

- Provide an approach to review all functional and Non-functional requirements, and to understand and capture the level of detail necessary to develop detailed requirements for SOA development
- Define how the BPA, workflows, use cases and requirements traceability matrices will be enhanced, updated and maintained throughout the life cycle of the project
- Review the software requirements management process with the appropriate stakeholders, allowing time for those stakeholders to return comments or clarifications
- Prepare final software requirements management process based on updates from appropriate stakeholders
- Develop final software requirements template

2.6.1.3.1.3 Requirements Gathering

The following subtasks must be included in the development of detailed requirements:

- Review in detail all existing BPA, workflows, use case documentation, and requirements developed by the AHS project team during the planning phase of the project
- Conduct crosswalk of the BPA, and functional requirements against the functionality in ACCESS and identify any existing gaps in the requirements
- Perform on-site interviews with key stakeholders to understand how the baseline requirements will be translated into the technical details required for software requirements
- Develop a draft software requirements methodology that addresses the approach and tools to ensure alignment with the existing baseline requirements and capture the level of detail necessary
- Review draft software requirements methodology with the appropriate stakeholders, allowing time for those stakeholders to return comments or clarifications
- Prepare final software requirements methodology based on updates from appropriate stakeholders
- If approved by AHS, update the BPA, workflows, use cases developed during the planning phase of the project to support user review and acceptance process throughout the SDLC process
- Deliver the detailed functional and Non-functional requirements traceability matrices.

2.6.1.3.2 **Requirements Development — Deliverables**

At a minimum, the following deliverables must be completed by the Vendor. The Vendor may propose additional deliverables as needed to achieve the task goals.

2.6.1.3.2.1 Deliverable 19 — Requirements Methodology and Template

The Vendor must provide a clear and concise layout of how detailed requirements will be gathered (including sections for functional, technical, security, performance, operational, etc.). The requirements template must be robust enough to store and track functional, technical and other operational and performance requirements.

2.6.1.3.2.2 Deliverable 20 — Crosswalk of RFP Functional Requirements against ACCESS Functionality

The Vendor must conduct a crosswalk of the RFP functional requirements for the IE Solution against the functionality that currently resides in the legacy system to validate and identify and possible gaps in the requirements. The Vendor must document the findings from the crosswalk.

2.6.1.3.2.3 Deliverable 211 — Detailed Functional and Non-Functional Requirements Traceability Matrices

The Vendor is required to utilize the Integrated Eligibility BPA and functional and Non-functional requirements as the baseline to generate more detailed functional and Non-functional requirements traceability matrices by conducting joint meetings with Integrated Eligibility project team and SMEs. This subtask must provide a gap analysis of the requirements that are required to define the services for the target SOA architecture including any gaps documented in Deliverable 20, and provide recommendations to close the gaps.

Any recommendations to close specific gaps that require changes to the BPA or requirements matrices will be reviewed by the State and if approved by the State these components will be updated. Integrated Eligibility Solution Project Director, Business Lead, IT Lead, supported by the appropriate Project Team, IT Project Team Members and SMEs will be responsible for reviewing proposed requirements changes. Approval for changes to the baseline requirements will only be provided if there is a clear business case for changes, and all possible implications of the change in regards to functionality and technology have been fully understood.

For more information on the approach to functional requirements, see Template H - Functional Requirements Approach, and on the approach to Non-functional requirements, see Template J - Technical Requirements Approach.

2.6.1.4 Task 4 — System Design

System design includes application design, interface design, and conversion design. Detailed and logical application design documents produced by the Vendor must direct the application development efforts. The design function is driven by the outputs of the requirements validation phase. These documents provide the framework essential to ensure that the application is constructed consistently with appropriate software development methodologies and the functionality defined through the requirements.

2.6.1.4.1 System Design — Subtasks

At a minimum, the following subtasks must be completed by the Vendor. The Vendor may propose additional tasks as needed to achieve the task goals.

2.6.1.4.1.1 System Design Methodology

The Vendor must define a software design approach and methodology to be followed when designing the new System that is based on SOA principles. The methodology must reflect and incorporate appropriate government and industry best practices, and must enable and support the Capability Maturity Model Integration (CMMI) guidelines. The software design methodology must also take into account the current Integrated Eligibility processes and resources and must identify the approach to conduct knowledge transfer and provide shoulder-to-shoulder experiences for appropriate AHS and other State personnel during the course of SDLC. The development of the software design methodology must consist of the following tasks:

- Develop a draft software design methodology that incorporates a process to aid in managing the design based on functional and technical specifications. The software methodology should clearly define the inputs and outputs for the design process, define the expected deliverables for the development team, and define the roles and responsibilities of the design team
- Review draft software design methodology with the appropriate stakeholders, allowing time for those stakeholders to return comments or clarifications
- Prepare final software design methodology based on updates from appropriate stakeholders

2.6.1.4.1.2 System Design Development

The Vendor must conduct a review of the proposed System's functional and Non-functional requirements to identify required modifications and enhancements to any pre-existing solution component or functionality that the Vendor plans to leverage for the new System. Design sessions will be held by the Vendor along with appropriate staff from the AHS and the QA Provider. The Vendor will conduct Joint Application Development (JAD) sessions to fully explore and understand existing Integrated Eligibility System component functionality that the Vendor will be leveraging for the new System, and to understand the gaps to be addressed in order to fulfill the remaining required functionality for the new System. Based upon these gap analysis JADs, the Vendor will document in detail the design and development actions necessary to fully meet Integrated Eligibility requirements. The development of the new System Architecture must include the following:

- Review the reference Enterprise Architecture included in the RFP to fully understand the preferred solution design approach and compliance requirements
- Define a conceptual architecture that will produce a design to fulfill Integrated Eligibility stakeholder's functional expectations and can be technically realized
- Define a logical architecture that defines the SOA layers, Vendors, Service Consumers, and Service Broker(s), and identifies object dependencies. To complete the logical design model, the Vendor must define the interfaces for each service, and include data field definitions and their validation rules. The logical architecture must produce a design to fulfill the stakeholder's functional expectations and can be technically realized by the Vendor
- Define a physical architecture that defines the various services of the application and how they should be implemented. It must also include details around the integration layers, potentially using Web Services, and various other integration

technologies. The physical architecture must produce a design to fulfill the stakeholder's functional expectations and can be technically achieved by the Vendor

For more information on the approach to System design see the "VT General System Design" document in the Procurement Library.

2.6.1.4.1.3 Documentation and Prototyping

Once the Vendor conducts the design session for a given component, the documentation of that component will be prepared and prototyping of the component must begin immediately. The component documentation and prototype are to be presented for review and modification as necessary in interactive sessions with the Integrated Eligibility Solution Project Team. While the Vendor is documenting and prototyping one unit, another unit may be the subject of ongoing design sessions.

The Vendor must also transfer all agreed to and finalized documentation to AHS. The format and the medium of transfer will be at the discretion of the State.

2.6.1.4.2 **System Design — Deliverables**

At a minimum, the following deliverables must be completed by the Vendor. The Vendor may propose additional deliverables as needed to achieve the task goals.

There are no deliverables numbered 22, 23, or 24. Deliverable numbering continues with Deliverable 25 below.

2.6.1.4.2.1 Deliverable 225 — System Architecture

The Vendor must detail the SOA model-driven architecture framework being used across all the domains (e.g., services, trust and security, infrastructure, etc.) that enable the development of service-oriented models to facilitate the interaction and communication of technologies. This document must provide details around the set of technologies that support Integrated Eligibility operations, incorporating the industry best practices and standards. This document must detail the disciplines of design patterns, information architecture and technology infrastructure and describe the conceptual, logical and physical architectures for the targeted baseline System. The architecture document must include the SOA principles around SOA layers definition, the service providers/consumer definition and the service broker definition.

2.6.1.4.2.2 Deliverable 236 — SOA Models

The Vendor must create a services portfolio by identifying services, defining a service hierarchy, and classifying the services based on this hierarchy. This will involve defining the "coarse-granularity" and "fine-granularity" of services. This document must identify and prioritize the key services and the mechanisms to create the service layers using industry best practices. The Vendor must provide support, guidance and knowledge transfer to AHS with respect to integration technologies. In so doing, the Vendor will provide insight on how different integration technologies can be used together. SOA modeling must include:

- Identifying the Services Portfolio Management requirements, which must include the requirements for how often services should be reviewed, how often they should be updated, and how they should be published

- Identifying the Quality of Service requirements for each service, which will involve defining scalability, availability, and response time (latency) of services in order to ensure that they are within the promised range
- Identifying interface requirements, which will involve both internal and external Partners and ensuring that the new System is sufficiently scalable and flexible to support the number of interfaces that will be required. Interface requirements must also include defining what communications should be asynchronous, and what communications should be synchronous
- Identifying security requirements, which may include encryption, authentication, data protection, and constraints on performing certain operations
- Identifying performance requirements, which may include the expected response time for application tasks, failover support for applications, and hours of availability
- Identifying operational requirements, which may include server needs, scalability requirements, hosting requirements, monitoring, load balancing, failover, fault recovery, accounting and metering

2.6.1.4.2.3 Deliverable 247 — SOA Transition Plan

The SOA Transition Plan must articulate the detailed steps involved in leveraging any existing components in a SOA framework. The SOA Transition Plan must include both the tactical and strategic recommendations for migration to a SOA. This document must identify the current state and best practices within the organization being evaluated, identify the major gaps or concerns and provide recommendations and a detailed SOA road map that considers the unique goals and challenges of the IE Solution Project. The document must include:

- Defining sequential steps and dependencies when transitioning to an SOA compliant design. This must include sequential steps and dependencies when transitioning and enhancing any existing components to the target design
- Defining systems, data stores and interfaces that will be impacted by the redesigned architecture
- Defining resource requirements for the implementation, including Vendor and State personnel, hardware and software and other resources
- Defining all steps required for integration (organized temporally) and dependencies between steps
- Addressing major risks in the transition and suggesting mitigation strategies that minimize time, efforts, and costs to accomplish the integration

2.6.1.4.2.4 Deliverable 258 — Functional Design Document

The Vendor will deliver a Functional Design Document (FDD), or its equivalent, describing how the proposed System will enable the functional and non-functional requirements of the System. The Functional Design Document artifact must include the following components:

- Details on which components will be leveraged from existing systems and which components will be newly developed

- Business rules
- Reporting capabilities and prebuilt reports
- User profiles and security role permissions
- System functionality traceable back to the functional requirements traceability matrix
- System overview diagrams
- Domain model
- Process flows

The Vendor may propose alternatives to any of these components, but they must be clearly justified and have the prior approval of the Integrated Eligibility Solution Project team.

All components of the design must be maintained throughout the course of the project and updated when any System design changes occur.

The Technical Design Document must align with and leverage the contents of the Functional Design Document.

The Vendor must conduct a walkthrough of the FDD with the Integrated Eligibility Solution Project team and the QA Provider to validate the contents of the FDD, the incorporation of all information from the design sessions, and the incorporation of all functional requirements. Approval of the FDD is required before development can begin.

2.6.1.4.2.5 Deliverable 269 — Technical Design Document

The Vendor must deliver to the State a Technical Design Document (TDD), or its equivalent, reflecting the final requirements for System configuration and operation. This document must be developed based on outputs from the technical design sessions conducted with the Vendor, QA Provider and Integrated Eligibility Solution Project personnel.

The Technical Design Document must include the following components:

- Detailed description of System architecture
- Entity Relationship Diagrams
- Data Flow Diagrams
- Data Dictionary
- Processing controls
- Processes to manage System installation and configuration
- Data backup procedures
- Security controls
- Availability and resilience controls such as load balancing, failover capabilities, and fault tolerance

The Vendor may propose alternatives to any of these components, but they must be clearly justified and have the prior approval of the Integrated Eligibility Solution Project team.

The Technical Design Document must include, at a minimum, the interface definitions and design (including XML/SOAP specifications for file formats), the new System design based on reviewing existing class diagrams, sequence diagrams, updated object models that represent the internal workings and designs of the containing subsystems that will expose the services, and the component specification (details of the component that will implement the service) and service assignment to each layer defined in the System architecture.

The Vendor must conduct a walkthrough of the final TDD with the Integrated Eligibility Solution Project team and the QA Provider to validate the contents of the TDD, the incorporation of all information from the design sessions, and the incorporation of all Non-functional requirements. Approval of the TDD is required before development can begin. The final TDD, once formally approved by the Integrated Eligibility Solution Project team, will, together with the approved FDD, constitute the complete System definition for the new Integrated Eligibility System. The FDD and the TDD together will constitute the agreement between AHS and the Vendor regarding the functionality and operation of the new System. The two documents will be the documentation used by the Vendor during System development and use cases, and will be the basis for the development of the User Acceptance Test (UAT).

For more information on the approach to System design see the “VT General System Design” document in the Procurement Library.

2.6.1.4.2.6 Deliverable 30 — Solution Implementation Design

The Vendor must deliver to the State a Solution Implementation Plan, or its equivalent, reflecting the final requirements for System implementations. This document must be developed based on outputs from the planning and design sessions conducted with the Vendor, QA Provider and Integrated Eligibility Solution Project personnel. The plan at a minimum should cover the following components:

- Description of implementation
- Points-of-contact
- Major tasks
- Implementation schedule
- Security and privacy
- Implementation support
- Hardware, software, facilities and materials
- Documentation
- Personnel and staffing requirements
- Training of implementation staff
- Outstanding issues
- Implementation impact
- Performance monitoring
- Configuration management interface
- Risks and contingencies

- Implementation verification and validation
- Acceptance criteria

2.6.1.4.2.7 Deliverable 271 — Security Plan

The Vendor must deliver to the State a Security Plan including details of how security will be controlled during the implementation of the new System. The Security Plan, at a minimum, must describe the following items related to the System:

- Security policies
- Logical security controls (privacy, user access and authentication, user permissions, etc.)
- Technical security controls and security architecture (communications, hardware, data, physical access, software, operating system, encryption, etc.)
- Security processes (security assessments, risk assessments, incident response, etc.)
- The technical approach to satisfy the following:
 - ☐ Network segmentation
 - ☐ Perimeter security
 - ☐ Application security and data sensitivity classification
 - ☐ PHI and PII data elements
 - ☐ FTI data elements
 - ☐ SSA data elements
 - ☐ Intrusion management
 - ☐ Monitoring and reporting
 - ☐ Host hardening
 - ☐ Remote access
 - ☐ Encryption
 - ☐ State-wide active directory services for authentication
 - ☐ Interface security
 - ☐ Security test procedures
 - ☐ Managing network security devices
 - ☐ Security patch management
 - ☐ Detailed diagrams depicting all security-related devices and subsystems and their relationships with other systems for which they provide controls
 - ☐ Secure communications over the Internet

2.6.1.4.2.8 Deliverable 282 — Disaster Recovery / Business Continuity Plan

The Disaster Recovery/Business Continuity Plan must describe how the State can provide information to their customers in the event of a disaster. At a minimum, the plan must include the following:

- Backup and recovery procedures as well as disconnected operational capability to ensure that the Integrated Eligibility System can continue to operate in the event of an unexpected destruction of hardware, software, or communications through System failure, disruption of connectivity or natural disasters
- Arrangements for backup hardware or processing sites; off-site data storage; schedule for creation of backup media; and detailed recovery procedures for all anticipated types of disasters
- A description of each anticipated type of disaster
- Escalation plans that specify the necessary points of contact and decision-making authority at the State offices and local provider levels.

The Disaster Recovery/Business Continuity Plan must be developed and validated to comply with the Integrated Eligibility business needs, the State's standards and industry best practices. As part of the Disaster Recovery/Business Continuity Plan:

- Roll-back plans must be developed and validated for use in case of System failure during turn over to production
- Plans must be put in place for the stand-by of key support resources during turn-over to production activities
- Potential go-live System failures and action points need to be identified and mitigation plans and actions have to be developed and validated
- Key project resources have to be trained in recovery procedures

2.6.1.4.2.9 Deliverable 293 — Capacity Plan

The Vendor must deliver to the State a Capacity Plan that, at a minimum, must address the following items related to the System:

- Business Capacity Management
- Service Capacity Management
- IT Component Capacity Management
- Capacity Management Processes
- Capacity Management Tools Infrastructure
- Estimates regarding the future Integrated Eligibility System workload

2.6.1.5 Task 5 — System Development

System development efforts will be guided by the outputs of the Requirements and Design tasks. This ensures that the application is constructed consistently. The Vendor may not initiate the system development activity until the State has formally accepted the System Functional and Technical Design Documents.

During this phase, developers must fully document each software module. This documentation must support the transfer of knowledge to AHS developers. The Vendor

must also transfer all agreed to and finalized documentation to the Integrated Eligibility Solution Project team. The format and the medium of transfer will be at the discretion of the AHS.

2.6.1.5.1 System Development — Subtasks

At a minimum, the following subtasks must be completed by the Vendor. The Vendor may propose additional tasks as needed to achieve the task goals.

2.6.1.5.1.1 System Development Methodology

The following subtasks have been identified as necessary to this task effort:

- Standardization regarding format and content must be developed, documented and approved for all development documentation
- Developing a formal process to review and provide feedback on development documentation submitted by the Vendor
- Utilizing all the prescribed methodology standards as defined in the previous tasks; and follow strict process guidelines in the development, test and delivery of the new System
- Utilizing all the prescribed standards and processes to manage the early identification and remediation of defects in project deliverables
- Adhering to the prescribed change methodology process; and utilize all the prescribed change control standards, criteria and process in the development, test and delivery of the new System and all work products
- Utilizing all the established secure coding tools and methods
- Utilizing all the required application development and testing tools that have been identified during the earlier steps; and follow industry best practices in terms of development support, testing standards

2.6.1.5.1.2 Periodic Reviews

During the System Development tasks, the Vendor must schedule periodic reviews for the Integrated Eligibility Solution Project team to measure overall progress, status and work products. These reviews will be conducted at Integrated Eligibility Solution Project's option and may be conducted by the QA Provider and/or the Integrated Eligibility Solution Project team at a location of the State's choice.

2.6.1.5.1.3 System Documentation Updates — Development

Once the System has been developed, the Vendor must make updates to any of the System documentation (development, training, security, design, requirements, etc.) to reflect any changes that have occurred during the development process. The Vendor must also transfer all agreed to and finalized documentation to the Integrated Eligibility Solution Project team. The format and the medium of transfer will be at the discretion of AHS.

2.6.1.6 Task 6 — Testing

The new System must undergo a series of Component (Unit), System, User Acceptance Tests (UAT), FATs, and Pilot Tests prior to deployment per Phase. This includes

emphasis on testing new functionality, as well as regression testing of already accepted functionality to ensure that changes to software have not adversely affected existing code. Each phase of testing requires the development of a thorough Test Plan, including test cases, scripts, data sheets, and expected results. The tests that are developed must be repeatable and must be directly traceable to the requirements.

System testing, UAT, and FAT must be driven by Requirements and Design, and must adhere to detailed test plans and test scripts. Integrated Eligibility Solution Project team, Vendor, and QA Provider all have significant roles in the testing process. The Vendor must thoroughly test the software itself before the State UAT and FAT teams begin their work. For each release, this includes component/unit testing, System/integration testing, volume and stress testing, performance testing, and load balancing testing prior to User Acceptance Testing and FAT. When the Vendor test results are validated by the Integrated Eligibility Solution Project team and the QA Provider, UAT can commence. Upon the completion of the UAT and FAT, each release's overall readiness will be assessed and a decision made (GO/NO GO) regarding deployment.

System Testing Periodic Reviews — During testing tasks, the Vendor must schedule periodic reviews for the Integrated Eligibility Solution Project team to measure overall progress, status and work products. These reviews will be conducted at AHS' option and may be conducted by the QA Provider and/or AHS at a location of AHS' choice.

2.6.1.6.1 Testing — Subtasks

At a minimum, the following subtasks must be completed by the Vendor. The Vendor may propose additional tasks as needed to achieve the task goals.

2.6.1.6.1.1 System Testing

During this phase the Vendor will perform various Unit, Subsystem and Integrated System qualification tests of all System functionality. The Vendor will be responsible for generating the test data and test cases to be used for its own System qualification test. The Vendor must develop the new System using a structured System life cycle development methodology that includes the following types of test activities:

2.6.1.6.1.1.1 Unit or Module Test

This type of test is used to validate that an individual program module or script functions correctly. Each System module that has been developed will be tested to ensure that all module functionality is working properly. If a module interacts with other modules, the interfaces between the modules are 'stubbed' out or removed so that only the module itself is tested in isolation. These tests are generally informal tests conducted and documented by a developer. This testing phase is the only testing phase that does not require the creation of the documentation described in the Test Planning Documentation deliverable.

2.6.1.6.1.1.2 Subsystem Integration Test

This type of test ensures that small groupings of modules are working properly. While full System functionality is not yet tested in this phase, groups of modules that work together must be isolated and tested to ensure that key activities work properly from end to end. This type of testing is generally performed by developers in the development environment. This is expected by the Integrated Eligibility Solution Project team to be the

first phase of testing where all test planning and documentation activities listed in the Test Planning Documentation must occur.

2.6.1.6.1.1.3 System Qualification Test

This phase of testing involves testing the new System's functionality end-to-end, including testing all interfaces to internal and external systems that interact with the new System. Not only must this test cover System performance, volume, stress, and load balance testing but also it must focus on verifying that the System's functionality conforms to the functional and Non-functional requirements that were defined for the new System. System documentation must be reviewed to ensure that it encompasses a sufficient scope and that it was developed with sufficient quality. It is AHS' expectation that this test is conducted in an environment synchronized with the target production environment and is conducted by the Vendor testing team that is independent of the development team. This test must also ensure that the conversion and use of legacy system data does not generate any errors. The Vendor will perform System qualification testing until all major errors, as defined by AHS and Integrated Eligibility has been remediated within the System (e.g., key missing key functionality, computational errors etc.).

2.6.1.6.1.1.4 Regression Testing

The Vendor will be responsible for regression testing for the new System. Regression Testing encompasses the re-running of previously completed test cases after new functionality or bug fixes have been added to the System. The Vendor is expected, through Regression Testing, to ensure that any changes made to the new System have not broken previously working System functionality.

2.6.1.6.1.2 Readiness Certification

The Vendor must define the process and mechanism for providing the Integrated Eligibility Solution Project team with a readiness certification for the new System.

This readiness certification will be the Vendor's statement that the System has passed all internal testing and is now ready for User Acceptance Testing (UAT). Once the Readiness Certification has been delivered, the Vendor will set up a System walkthrough with representative Integrated Eligibility project team members. The walkthrough will demonstrate that all areas of the System are working properly and match documented functional and Non-functional requirements.

If any errors related to functional or Non-functional requirements (other than cosmetic errors) are found during the demonstration, the UAT may not proceed. The Integrated Eligibility Solution Project team will also establish a defect threshold. When the defect threshold is reached during the UAT, the Integrated Eligibility Solution Project may initiate the process to claim appropriate liquidated damages against the Vendor.

2.6.1.6.1.3 Site Readiness Assessments

The Vendor must work with Integrated Eligibility Solution Project team to establish minimum site readiness requirements for each physical location. The Vendor will be responsible for developing site readiness assessment tools approved by Integrated Eligibility Solution Project.

Based on the results of the site assessments performed by the Integrated Eligibility Solution Project, the Vendor shall prepare a series of site assessment reports addressing all sites affected for Integrated Eligibility Solution Project team review and acceptance.

2.6.1.6.1.4 User Acceptance Testing (UAT)

Once the Integrated Eligibility Solution Project has received the Readiness Certification from the Vendor and a successful walkthrough of System functionality has been completed, UAT will begin.

The Vendor will be responsible for providing on-site support to the Integrated Eligibility Solution Project during the planning and execution of UAT. Vendor support must involve assistance with following activities:

- Plan and set up Test environment
- Provide an efficient approach to testing that maximizes parallel and overlapping test activities
- Explain how development has interpreted requirements
- Communicate information about problems encountered during earlier test phases
- Respond to and fix reported defects
- Determine workarounds to be used during test scenario execution
- Provide information concerning the content of code builds during test execution
- Track details and provide summary reporting on testing plans, progress, issues, and interim results during test execution

The following subtasks have been identified as necessary to this task effort:

2.6.1.6.1.4.1 UAT Testing Environment Setup

The Vendor will be responsible for preparing, installing, and configuring the System in the Integrated Eligibility Solution Project UAT environment. The Vendor will be responsible for coordinating all environment setup activities with Integrated Eligibility Solution Project staff and external Vendors. The Vendor will be responsible for ensuring the new System is properly integrated into the Integrated Eligibility Solution Project environment and that it is properly interfaced with all required existing external systems. The Vendor is also responsible for the setup, installation, and integration of the new System in all locations that are in scope for UAT activities.

The Vendor must notify the State of all required UAT hardware with sufficient notice so that the hardware can be purchased and procured in time for the setup of the UAT environment.

The Vendor must maintain responsibility for System operations throughout UAT.

2.6.1.6.1.4.2 UAT Testing Support

Once the key function walkthrough has been completed with no errors, the System must be made available to Integrated Eligibility Solution Project staff, who will conduct a formal UAT of the new System. The Vendor will have the following responsibilities:

- Develop Core Functional UAT Test Scripts and UAT Tester Training Materials with approval of the Integrated Eligibility Solution Project and QA Provider. Test scripts must thoroughly test conversion each functional requirement
- Develop, maintain and refresh the UAT Test Environment (including database and loaded test cards). This must be a separate environment from the production environment
- Provide system training for the UAT Testers
- Provide on-site support of UAT Testers
- UAT in Cooperation with Integrated Eligibility Solution Project
- Provide an application for the capture, reporting, and tracking of errors identified during UAT
- Document UAT Results
- Fix any errors identified as a result of UAT

The Vendor may be asked during the UAT to incorporate additional test scenarios, documenting their inclusion and test results. During the course of testing, the Vendor will be responsible for maintaining the UAT environment and maintaining the UAT Tools including test cards and base data-set.

AHS is expecting that testing will occur in two rounds. The first round will be used to identify errors and the second round will be used to validate that all errors have been fixed.

The UAT will not be considered complete until the System is capable of meeting the exit criteria approved by the Integrated Eligibility Solution Project team and outlined in the Test Planning Documentation. After successful completion of the UAT, the Vendor will provide the Integrated Eligibility Solution Project team notice that the System is ready for FAT and Pilot Testing.

2.6.1.6.1.5 Formal Acceptance Testing (FAT)

Once the UAT is completed, the System will undergo FAT. The System will be ready for FAT only after the Integrated Eligibility Solution Project has performed a thorough UAT of all System functionality, and that test has successfully passed the exit criteria found in the Test Planning Documentation for the UAT. The FAT will include Federal participation and guidance.

In this task the Vendor facilitates and supports the conduct of FAT and remedies all errors identified during testing. The task includes a requirement for the Vendor to provide on-site support for the duration of FAT. The Vendor is to propose and justify its approach to testing and suggest sequential, concurrent, overlapping, or some combination of approaches to meet the purpose and needs of FAT.

The following subtasks have been identified as necessary to this task effort:

2.6.1.6.1.5.1 *FAT Test Environment Setup*

The Vendor will be responsible for preparing, installing, and configuring the System in Integrated Eligibility Solution Project FAT environment. The Vendor will be responsible for coordinating all environment setup activities with Integrated Eligibility Solution Project staff and Integrated Eligibility staff. The Vendor will be responsible for ensuring the new

System is properly integrated into the Integrated Eligibility Solution Project environment and that it is properly interfaced with all required existing external systems.

The Vendor must maintain responsibility for System operations throughout FAT.

2.6.1.6.1.5.2 *FAT Testing Support*

The Vendor is expected to fully participate and support the CMS Gate Review process (See link to this process - <http://cciio.cms.gov/resources/files/hie-establishment-review-process.pdf>). Also, once the key function walkthrough has been completed with no errors, the System must be made available to the Integrated Eligibility Solution Project staff and the Integrated Eligibility staff, who will participate in the FAT of the new System, if required by CMS. The Vendor will have the following responsibilities:

- Develop Core Functional FAT Test Scripts and FAT Tester Training Materials with approval of AHS and QA Provider. Test Scripts must thoroughly test conversion and each functional requirement
- Develop, maintain and refresh the FAT Test Environment (including database and loaded test cards). This must be a separate environment from the production environment
- Provide system training for the FAT Testers
- Provide on-site support of FAT Testers
- FAT in Cooperation with Integrated Eligibility Solution Project and Integrated Eligibility as required
- Provide an application for the capture, reporting, and tracking of errors identified during FAT
- Document FAT Results
- Fix any errors identified as a result of FAT

The Vendor may be asked during the FAT to incorporate additional test scenarios, documenting their inclusion and test results. During the course of testing, the Vendor will be responsible for maintaining the FAT environment.

NOTE: For Group 6 (3Squares), and Group 8 (WIC) the new FNS testing rule will apply: <http://www.ecfr.gov/cgi-bin/text-idx?SID=c199779e1447ea5ee6fbe11240720c8d&node=20140102y1.13> See g(2)(i). The UAT Results (2.6.1.6.2.4) and Pilots Results (2.6.1.6.2.7) are relative.

2.6.1.6.1.6 *Pilot Testing*

In this task the Vendor will support and facilitate the new System pilot test in a number of pre-determined designated pilot locations and the State office. This pilot testing will allow the users (both public facing and internal staff) to provide feedback on ease of use, and functionality, before final design is tested and implemented. The Vendor should propose for the VT Integrated Eligibility Solution Project a pilot approach prior to deployment of each phase.

Once the new System has passed UAT and FAT and has been formally accepted, a System Pilot will be conducted at the pilot sites. The Vendor is to propose and justify its

approach to testing and suggest ways to efficiently conduct Pilot testing in a manner that will save time through overlapping, parallel activities, where possible.

The purpose of the Pilot is to verify that the System works correctly in conditions of actual use outside and within the State office. In order to reduce the load on remote locales and to reduce the functional issues that can occur when running two Systems simultaneously, it has been decided that the old and new Systems will not be run in parallel in the same pilot area(s). Therefore, the following subtasks have been identified as necessary to this task effort:

2.6.1.6.1.6.1 System Pilot Kickoff

The Vendor must run a System Pilot Meeting with designated personnel from Integrated Eligibility Solution Project team and the QA Provider in attendance. The purpose of the System Pilot Kickoff meeting will be to discuss and receive approval for the proposed scope of the System Pilot, the System Pilot's schedule, and to discuss the action plan for the setup and operation of the Pilot.

2.6.1.6.1.6.2 Help Desk Training

Before Pilot Testing can begin, the Vendor will be responsible for providing training to all Help Desk staff that will be tasked with handling Pilot-related issues. During the Pilot Test, any issues that cannot be handled by the Help Desk will be escalated to the Vendor for assistance. The Vendor must have staff available to assist with issues that are escalated to them from the Help Desk during Pilot Testing.

2.6.1.6.1.6.3 Pilot Training

Before the Pilot begins, Vendor will be responsible for providing on-site training for the staff that will be involved in the testing at pilot sites. The necessary steps for the pilot training must include:

- Develop the Training Plan
- Develop the Curriculum and Training Materials
- Develop and Deliver Train-The-Trainers sessions
- Develop and Maintain the Training Database
- Manage the Training Schedule and Logistics
- Produce Materials including Computer Based Training
- Provide Training

2.6.1.6.1.6.4 Data Conversion and Synchronization for the Pilot

Where appropriate to the design of the new system the Vendor will be required to convert all databases in the legacy System to the correct format and load the required data for the testing of the new System. This conversion of the database must occur immediately prior to implementation of the Pilot to ensure that current data is in use by the System during the Pilot.

If a phased implementation approach is used, the Vendor is responsible for continued data conversion and synchronization between old and new System until full implementation is achieved.

2.6.1.6.1.6.5 System Pilot Test

The Vendor will be required to oversee the Pilot Test of the new Integrated Eligibility system in the chosen pilot sites. The locations for the pilot will be negotiated during the development of the Final Work Plan and Schedule.

The Vendor will have primary responsibility for day-to-day operation of the new System during the pilot site operations and throughout the full deployment.

2.6.1.6.1.6.6 Load and Stress Test (High Availability Testing and Disaster Recovery Testing)

The Vendor will be responsible for load and stress testing for the new System as well as validation of fault tolerance and planned disaster recovery capabilities of the system. Load and Stress Testing validates the system's ability to continue operations under maximum loads and stressed conditions. The Vendor is expected to load the system to a minimum of 125% of number of planned users and volume of transactions using automated loading tools. It is especially important to validate the performance of the Rules Engine and the MDM technology under stressed conditions. The Vendor is also responsible to conduct a complete run through of the system's fault tolerance and disaster recovery technologies and processes.

2.6.1.6.1.6.7 Evaluate Pilot, Modify and Retest System

When problems are found during Pilot Testing, the Vendor will be responsible for correcting errors and preparing new versions of the System software for implementation. Before implementing the new versions in the pilot environment, regression testing (as per the procedures found in the Regression Testing section of this SOW) must occur. Once the new version of System code has passed regression testing, the Vendor is responsible for implementing the code in the pilot testing environment. The Vendor will be responsible for communicating any relevant code version change or implementation related information to all pilot testers in advance of any changes being made in the pilot environment.

The Executive Steering Committee and the Integrated Eligibility Solution Project Director must approve all System revisions resulting from the evaluation of the Pilot. Following any System revisions made, the Vendor will conduct an abbreviated acceptance test (if deemed necessary by the Integrated Eligibility Solution Project) with Integrated Eligibility Solution Project team and QA Provider participation as directed by the Project Manager.

2.6.1.6.1.7 System Documentation Updates — Testing

Once the System has been tested, the Vendor will make updates to any of the System documentation (development, training, security, design, requirements, etc.) to reflect any changes that have occurred during the testing process. The Vendor must also transfer all agreed to and finalized documentation to the Integrated Eligibility Solution Project team. The format and the medium of transfer will be at the discretion of AHS.

2.6.1.6.2 Testing — Deliverables

At a minimum, the following deliverables must be completed by the Vendor. The Vendor may propose additional deliverables as needed to achieve the task goals.

There is no deliverable numbered 34. Deliverable numbering continues with Deliverable 35 below.

2.6.1.6.2.1 Deliverable 305 — System Testing Test Results

The Vendor must provide the documentation of the various test results from each type of the system test as described in Section 2.6.1.6.1.1, including:

- Unit/Module Tests
- Subsystem Integration Tests
- System Qualification Tests
- Regression Tests
- System Testing Periodic Reviews

2.6.1.6.2.2 Deliverable 316 — System Readiness Certification for UAT

The Vendor must provide a System readiness certification document with accompanying test results to AHS based on the tasks as described in System readiness assessment and that the following criteria have been met by the System:

- System meets all functional requirements
- System meets all non-functional requirements
- System has passed the System Qualification Test with no known major errors
- Successful execution of the test scripts(s) for the current test phase.
- No open critical, major, or average severity defects unless the issue is determined to be low impact and low risk
- Stability of all modules and components in the test environment.

This readiness certification will be the Vendor's statement that the System has passed all internal testing and is now ready for UAT. Once the Readiness Certification has been delivered, the Vendor will set up a System walkthrough with representative Integrated Eligibility Solution Project and Integrated Eligibility project team members. The walkthrough will demonstrate that all areas of the System are working properly and match documented functional and Non-functional requirements.

2.6.1.6.2.3 Deliverable 327 — Site Readiness Reports

The Vendor must prepare a series of site assessment reports based on the results of the site assessments (Section 2.6.1.6.1.1.3), addressing all remote sites in the State.

The Vendor must review each of the site analysis reports and provide the Integrated Eligibility Solution Project Director with a technical memorandum identifying any areas of concern related to the implementation of the new System at a particular site. This report will also explain the cause of the issue at that particular site and make recommendations on how each issue will be remedied before the rollout of the new System.

2.6.1.6.2.4 Deliverable 338 — UAT Report

The Vendor must prepare a UAT report documenting all the test results including any errors and resolutions identified as a part of the UAT test, based on the tasks as described in UAT (Section 2.6.1.6.1.1.4).

The UAT report must summarize the UAT results and whether the UAT objectives were met. At a minimum, it must cover:

- Achievement of UAT objectives
- Test execution results by test cycle
- Test execution statistics and trends
- A plan to address any UAT test issues still unresolved
- NOTE: For Group 6 (3Squares), and Group 8 (WIC) the new FNS testing rule will apply: <http://www.ecfr.gov/cgi-bin/text-idx?SID=c199779e1447ea5ee6fbe11240720c8d&node=20140102y1.13> See g(2)(i). The UAT Results (2.6.1.6.2.4) and Pilots Results (2.6.1.6.2.7) are relative.

2.6.1.6.2.5 Deliverable 349 — FAT Report

The Vendor must prepare a FAT report documenting all the test results including any errors and resolutions identified as a part of the FAT test, based on the tasks as described in FAT (Section 2.6.1.6.1.5).

The FAT report must summarize the FAT results and whether the FAT objectives were met. At a minimum, it must cover:

- Achievement of UAT objectives
- Test execution results by test cycle
- Test execution statistics and trends
- A plan to address any UAT test issues still unresolved

2.6.1.6.2.6 Deliverable 40 — Pilot Plan

This document must include the objectives of the pilot, pilot staffing and timelines, procedures for setup and configuration of the pilot environment, pilot risks and contingencies, and pilot testing and sign-off requirements.

In order to reduce the load on remote locales and to reduce the functional issues that can occur when running two Systems simultaneously, it has been decided that the old and new Systems will not be run in parallel in the same pilot area(s).

2.6.1.6.2.7 Deliverable 351 — System Pilot Evaluation Report

Following the end of the pilot, the Vendor, with input from the pilot participants, will complete and submit an evaluation report of the System pilot. The evaluation report must address the following factors:

- System stability
- Meeting functional requirements
- User satisfaction
- Impact on Participant flow and convenience
- Impact on State workers' operations
- Availability and accuracy of State level data
- Adequacy of help messages and user documentation
- Security and System integrity

- Need for modification of System or user processes

2.6.1.6.2.8 Deliverable 362 — System Operations Documentation

The Vendor must prepare and submit System Operations Documentation that describes all required Systems operational activities and provides guidance on System maintenance and enhancement practices, tools, and approaches. The Vendor must also provide any additional documentation, such as Custom off the Shelf (COTS) software user manuals if applicable.

The System Operations Documentation must encompass System functionality from a remote user's perspective, a State business user's perspective, and from an information technology and System operations perspective.

These manuals must include the following types of information:

- A description of how to use the System based on user roles and responsibilities
- A list of prebuilt reports and their descriptions
- A description of all screens and how they are interrelated
- A description of all help and navigation functions and how to use them
- A complete list of error messages, their descriptions, and how to resolve the errors
- A list of all included System documentation and its use
- How to troubleshoot common System problems
- A description of the key data tables, elements, and their contents
- How to perform System maintenance functions like data backup and recovery, run batch processes (if applicable), perform data cleanup, and administer user accounts and permissions
- How to troubleshoot common System problems
- A listing of all logs and how to interpret them
- Key System capacity management considerations
- Key security management functionality
- Contact information for receiving support
- Where to find disaster recovery and business continuity information related to the System
- A listing of System interfaces and how to troubleshoot communications problems
- File descriptions
- System and System environment configuration baseline

The Vendor must also transfer all agreed to and finalized documentation to the Integrated Eligibility Solution Project team. The format and the medium of transfer will be at the discretion of the Integrated Eligibility Solution Project.

2.6.1.7 Task 7 — Deployment (Rollout)

The Vendors shall produce a detailed and thorough plan for deployment of the planned functionality for each phase. The following are the minimum subtasks that should be addressed by the deployment plan.

2.6.1.7.1 Deployment — Subtasks

At a minimum, the following subtasks must be completed by the Vendor. The Vendor may propose additional tasks as needed to achieve the task goals.

2.6.1.7.1.1 Data Conversion and Synchronization during Deployment

To help ensure that the Vendor and the Integrated Eligibility Solution Project team fully understand the extent of the work needed for data conversion, a detailed study of conversion issues and requirements will be required of the Vendor and included in the project's WBS.

The data conversion study must include:

- Conducting selected site visits to determine conversion requirements
- Sending conversion questionnaire to each remote site not visited
- Reviewing conversion analysis with the Integrated Eligibility Solution Project team, prepare detailed data conversion plan (addressing manual and electronic data)
- Defining strategies for verifying and/or correcting existing data
- Developing data conversion scripts and test data conversion scripts

In this task the Vendor must address data migration issues and a plan must be in place to ensure the validation of all conversion routines and the accuracy and completeness of all data.

For this task to be successful, the Vendor must ensure the following:

- Accountability for data conversion is assigned
- Data conversion was planned early in the project
- Process in place for validating conversion success, and mitigating conversion failures
- Plan for data conversion and synchronization issues during pilot transitions
- Validation routines exist to ensure conversion success
- Conversion checklists defined
- Conversion resources defined
- Vendor support during conversion communicated
- Restart and roll-back scenarios in case of conversion failure defined
- Estimated conversion effort defined
- Contingency in case of conversion problems defined

2.6.1.7.1.2 User Training

Effective training that will provide the required skills to use this new automated tool is critical to the successful implementation and use of the new System. The Vendor will be responsible for the development of user training curricula, schedules, training materials and training evaluation materials. The Vendor will be responsible for the setup and maintenance of an online training environment that allows trainees to access the new System. The Vendor will also be responsible for conducting face-to-face, hands-on, user training in logical groupings at regional locations determined by AHS, and for managing all training planning and logistics.

User training must be developed in alignment with the requirements defined in the Training Plan developed by the Vendor and approved by the Integrated Eligibility Solution Project team.

The System training, in addition to focusing on the navigation and use of the System, must also focus on how the System is integrated into the day-to-day work of end users including new business processes and/or workflows that the System will support.

After the training event, the Vendor must provide the Integrated Eligibility Solution Project Manager with documented evidence of each trainee's competence to operate the System and integrate its support in to his or her day-to-day work. Training must be of sufficient length to ensure adequate comprehension. Training must be provided "just in time" prior to deployment and must comprehensively address all System operations as well as security considerations.

The Vendor will be responsible for coordinating training efforts with Integrated Eligibility SMEs who will provide policy and practice support to the Vendor and be present at the training sessions to provide input, as necessary, regarding practice and policy questions or implications.

2.6.1.7.1.3 Technical Training

The Vendor must organize and provide formal orientation and training before System deployment, to the AHS development and operations staff so that they are enabled to manage and maintain the System after successful completion of the testing phase including UAT and any federally mandated testing requirements are met. The Vendor will also involve AHS' technical staff in any enhancements to the System to enable the staff to become familiar with the process.

2.6.1.7.1.4 Deployment (Rollout)

During System rollout, the Vendor must be responsible for the operation of the System and assisting the Integrated Eligibility Solution Project with the implementation of the Help Desk capabilities to support the new System.

Before any deployment can begin, the Vendor must ensure that the following activities have taken place:

- The new System's Deployment Plan is fully developed, documented and approved and includes the specific time frame and activities associated with the full roll-out of the System
- All critical resources (Integrated Eligibility Solution Project team Vendor) have been identified and are available to support deployment activities

- Critical or new technologies have been fully tested and key resources identified to provide needed support
- Contingency plans are in place to deal with implementation issues that may arise
- A governance structure and Communication Plan has been developed, documented and approved that defines the implementation decision process and GO/NO GO events
- Communications have been provided to stakeholders informing them of the implementation process and status has been developed and documented

The Vendor is responsible for performing the System deployment with support from the Integrated Eligibility Solution Project team. At the conclusion of the System deployment, all major System functionality must be available, including:

- All System functionality described in the functional and Non-functional requirements documents
- Security controls as described in the Security Plan
- Online access to report generation and data analysis functionality
- File and data maintenance, archiving functionality, and database synchronization with disconnected sites
- Working communications among all in-scope sites
- Disaster recovery plans, procedures, and environments are in place
- Interfaces with external entities are working properly

2.6.1.7.1.5 Incident Remediation and Software Warranty Period

The Vendor will be responsible for fixing any errors that occur during the deployment and two (2) years into the operation of the System. The two-year Software Warranty period starts after the full scope of the project is released into production and applies to all “corrective” maintenance and reactive modification of the new System performed after completion of deployment to correct discovered faults with all functionality within the scope of original software development effort. Once a new release has been developed, the Vendor must perform regression testing on the release and receive AHS approval before submitting the release into production. All such fixes are required to occur in a reasonable time frame and will be produced at no additional cost to the State as per the Service Level Requirements (SLRs) described in Section 2.6.4.

At the completion of System implementation, the Vendor, QA Provider, and relevant Integrated Eligibility Solution Project personnel will conduct a System Implementation Checkpoint meeting to assess System performance and status. After this meeting, Integrated Eligibility Solution Project Director, with input from the Executive Steering Committee, will determine whether the project can continue into the Maintenance and Operations Support phase.

2.6.1.7.1.6 System Documentation Updates — Deployment

Once the System has been deployed, the Vendor will make updates to any of the System documentation (operations, training, security, design, requirements, etc.) to reflect any changes that have occurred during the deployment process. The Vendor must also transfer all agreed to and finalized documentation to the Integrated Eligibility

Solution Project. The format and the medium of transfer will be at the discretion of Integrated Eligibility Solution Project.

2.6.1.7.2 Deployment — Deliverables

At a minimum, the Vendor must complete the following deliverables. The Vendor may propose additional deliverables as needed to achieve the task goals.

2.6.1.7.2.1 Deliverable 373 — Data Conversion and Synchronization Plan

The Data Conversion and Synchronization Plan must provide a field-by-field mapping (including how the values will be converted) from the legacy System to the new System, including the following:

- Any assumptions or proposed calculations involved in the conversion
- Default values for required fields that do not exist in the legacy System(s) or a method to allow for missing data until all participants are on the new System
- Methods for handling anomalies in the data between the Systems (data elements with incompatible length and/or type between the Systems, or data elements with stricter edit requirements in the new System that fail those edits in the old)
- How data elements that have been assigned default values by the automated conversion procedures will be populated with actual data once automated conversion is complete for a site

The Plan must detail any data “clean up” procedures in the individual Local Agencies that can effectively improve the conversion effort. The Conversion Plan must take into account possible exceptions to full conversion of the databases. It must also detail exception reports that will be produced by the conversion programs and provide for a fully reviewable conversion of data files.

If a phased implementation approach is used, the Vendor is responsible for continued data conversion and synchronization between old and new System until full implementation is achieved.

2.6.1.7.2.2 Deliverable 384 — Training Plan

The Training Plan must describe the types of training for test-the-trainer (TTT) audience, provide a description of training materials, provide a description of training methodology, include a detailed list of topics to be covered for each type of training, and describe the methodology for evaluation of training effectiveness. The plan must provide an overview of tools and materials to be employed in the training including workbooks, handouts, evaluative materials, and a training System if employed. Changes to Integrated Eligibility policies and procedures must be incorporated into AHS TTT user training. The plan must detail curriculum and materials development, training-of-trainers development (if necessary), training database development and maintenance, training roll-out schedule, materials production including computer based training (if necessary), training schedule including number of days and preliminary agendas for the training. The plan must identify the proposed training staff.

2.6.1.7.2.3 Deliverable 395 — Training Materials

The training materials will include items used to conduct the training sessions for the System that will ensure that training objectives are met. These materials can include

presentations, demonstrations, activities, handouts and other required documentation. These materials must also include training plans, evaluation materials, and training maintenance and support plans. An electronic copy of all training materials must be provided to the Integrated Eligibility Solution Project team.

Training materials will be required for each of the training types described in the training plan. Training Materials should be incorporated into the system as online help files accessible to users online. Each individual trainee should receive a copy of the training materials

2.6.1.7.2.4 Deliverable 406 — Infrastructure Services Deployment Report

The Infrastructure Services Deployment report is provided after successful deployment of the required services described in the Operational Impact section of the SOW. The infrastructure Services Deployment deliverable, at a minimum, must address the implementation of the following infrastructure services related to the System:

- Remote Access Infrastructure
- Patch and Remote Security Management Infrastructure
- Service Desk Enhancements
- Code Migration Infrastructure
- Software Configuration Management Infrastructure
- Change and Release Management
- Data Retention and Archiving Infrastructure
- Performance Reporting Infrastructure

2.6.1.7.2.5 Deliverable 417 — System Maintenance, Support and System Transition Plan

The Vendor must provide a written plan for the transition of system maintenance and operation from the Vendor to the State's hosting model including notification of any procedural, staffing, or resource requirements.

2.6.1.7.2.6 Deliverable 428 — System Incident Reports — Warranty

All incidents and defects that occur during the Warranty period that are part of the System scope (and under Warranty agreement) must be documented and communicated with the Integrated Eligibility Solution Project Manager within a reasonable, agreed upon time frame, on a regular basis. The incident report must contain the severity of the incident, a description of the incident, incident resolution status, and the proposed course of action for remedying all open incidents.

2.6.1.7.2.7 Deliverable 439 — Corrective Maintenance Reports

All corrective maintenance requests that are part of the System scope that occur during the Warranty period must be documented and communicated with the Integrated Eligibility Solution Project Manager within a reasonable, agreed upon time frame, on a regular basis. The maintenance report must contain the description of the maintenance request, resolution status, and the proposed course of action for remedying all open maintenance requests.

2.6.1.7.2.8 Deliverable 5044 — Configuration Management Plan and Infrastructure, System Source Code and Documentation

At the completion of the project, the Vendor must conduct a review with the Integrated Eligibility Solution Project team and identify any documentation that must be updated as a result of changes during the two-year warranty period. The two-year warranty period starts after the full scope of the project is released into production (i.e., deployment of each phase). The Vendor will be required to update the documentation and provide it to the Integrated Eligibility Solution Project for review and final acceptance.

The following documents are some of the critical documents that must be updated and provided to the Integrated Eligibility Solution Project Manager at the completion of the project:

- Configuration Management Plan and Infrastructure
- System Operations Documentation
- Functional Design Document
- Technical Design Document
- SOA Handbook
- SOA models
- System architecture
- Training materials
- Security Plan
- Disaster Recovery Plan
- Capacity Plan
- Infrastructure Services Plan and Report
- Data Conversion and Synchronization Source Code and Documentation

The Vendor must identify any of Integrated Eligibility Solution Project's proprietary documentation and return it to AHS. Any electronic copies of Integrated Eligibility Solution Project proprietary information stored on Vendor equipment must be deleted or transferred back to AHS.

The Vendor must provide the Integrated Eligibility Solution Project with a complete set of documented source code for the System. As part of the transfer of source code, the Vendor must conduct a high-level workshop with AHS technical personnel explaining the structure of the source code and how to navigate and find key aspects of the System functionality within the code.

The Vendor must also transfer all agreed to and finalized documentation to the Integrated Eligibility Solution Project. The format and the medium of transfer will be at the discretion of Integrated Eligibility Solution Project.

2.6.1.8 Task 8 — Phase Completion

Upon the completion of the Warranty Period, the Vendor will perform all activities necessary to close out the Phase or Project. This includes updating and transferring all System documentation to the Integrated Eligibility Solution Project, performing formal

contract closure, and transitioning all System responsibilities over to Integrated Eligibility Solution Project team.

2.6.1.8.1 Phase Completion — Subtasks

At a minimum, the Vendor must complete the following subtasks. The Vendor may propose additional tasks as needed to achieve the task goals.

2.6.1.8.1.1 Transfer of Materials

At the completion of the project, the Vendor must conduct a review with the Integrated Eligibility Solution Project and identify any documentation that must be updated as a result of changes during the Warranty Period or M&O Period(s). The Vendor will be required to update the documentation and provide them to Integrated Eligibility Solution Project for review and final acceptance.

The Vendor must identify any of Integrated Eligibility Solution Project's proprietary documentation and return it to AHS. Any electronic copies of Integrated Eligibility proprietary information stored on Vendor equipment must be deleted or transferred back to Integrated Eligibility Solution Project.

The Vendor must release the source code to Integrated Eligibility Solution Project at completed milestones with a complete set of documented source code for the System after successful completion of UAT and any federally mandated testing requirements are met. As part of the transfer of source code, the Vendor must conduct a high-level workshop with Integrated Eligibility Solution Project explaining the structure of the source code and how to navigate and find key aspects of the System functionality within the code.

2.6.1.8.1.2 System Documentation Updates

The Vendor will make updates to any of the System documentation (operations, training, security, design, requirements, etc.) to reflect any changes that have occurred during the Warranty period.

2.6.1.8.2 Phase Completion — Deliverables

At a minimum, the Vendor must complete the following deliverables. The Vendor may propose additional deliverables as needed to achieve the task goals.

2.6.1.8.2.1 Deliverable 51 — Updated System Source Code and Documentation — Phase Completion

At the completion of the Warranty period, the Vendor must conduct a review with the Integrated Eligibility Solution Project team and identify any documentation that must be updated as a result of changes during the Warranty Period. The Vendor will be required to update the documentation and provide them to the Integrated Eligibility Solution Project team for review and final acceptance.

2.6.2 List of Tasks and Deliverables

Table 16 contains the preliminary task plan developed by AHS for the project. There are no deliverables numbered 22, 23, 24, or 34.

Table 16 - Tasks and Deliverables

Item	Proj Init	Plat form Plan	Plat form Design	Plat form B/T	Plat form Impl	Pgm Plan	Pgm Design	Pgm B/T	Pgm Impl
Task 1: Project Monitoring and Status Reporting									
Project Monitoring and Status Reporting	X								
<i>Deliverable 1: Status Reporting</i>	X	X	X	X	X	X	X	X	X
Task 2: Project Initiation and Planning									
Project Initiation and Kickoff	X								
<i>Deliverable 2: Project Kickoff Presentation</i>	X								
Project Management Planning	X								
<i>Deliverable 3: Roles and Responsibilities Plan (HR Plan)</i>	X								
<i>Deliverable 4: Scope Management Plan</i>	X								
<i>Deliverable 5: Cost Management Plan</i>	X								
<i>Deliverable 6: Schedule Management Plan</i>	X								
<i>Deliverable 7: Communication Management Plan</i>	X								
<i>Deliverable 8: Quality Management Plan</i>	X								
<i>Deliverable 9: Risk/Issue Management Plan</i>	X								
<i>Deliverable 10: Change Management Plan</i>	X								
<i>Deliverable 11: Work Breakdown Structure (WBS)</i>	X								
<i>Deliverable 12: Final Work Plan and Schedule</i>	X								
<i>Deliverable 13: Performance Management Plan</i>	X								

Item	Proj Init	Plat form Plan	Plat form Design	Plat form B/T	Plat form Impl	Pgm Plan	Pgm Design	Pgm B/T	Pgm Impl
SDLC Methodology	X								
<i>Deliverable 14: Requirements Analysis, Validation and Development Plan</i>	X								
<i>Deliverable 15: Design Plan</i>	X								
<i>Deliverable 16: System Development Plan</i>	X								
<i>Deliverable 17: Testing Plan</i>	X								
<i>Deliverable 18: Implementation and Deployment Plan</i>	X								
Task 3: Requirements Development									
Requirements Methodology	X								
<i>Deliverable 19: Requirements Methodology and Template</i>	X								
Requirements Management	X								
Requirements Gathering		X				X			
<i>Deliverable 20: Crosswalk of RFP Functional Requirements against ACCESS Functionality</i>		X							
<i>Deliverable 21: Detailed Requirements Traceability Matrix</i>		X				X			
Task 4: System Design Development									
System Design Methodology	X								
System Design Development			X						
<i>Deliverable 25: System Architecture</i>			X				?		
Documentation and Prototyping			X						

Item	Proj Init	Platform Plan	Platform Design	Platform B/T	Platform Impl	Pgm Plan	Pgm Design	Pgm B/T	Pgm Impl
<i>Deliverable 26: SOA Models</i>			X						
<i>Deliverable 27: SOA Transition Plan</i>			X						
<i>Deliverable 28: Functional Design Document</i>			X				X		
<i>Deliverable 29: Technical Design Document</i>			X				X		
<i>Deliverable 30: Solution Implementation Design</i>			X				X		
<i>Deliverable 31: Security Plan</i>			X				?		
<i>Deliverable 32: Disaster Recovery and Business Continuity Plan</i>			X				?		
<i>Deliverable 33: Capacity Plan</i>			X				?		
Task 5: System Development									
System Development Methodology				X				X	
Periodic Reviews				X				X	
System Documentation Updates - Development				X				X	
Task 6: Testing									
System Testing				X				X	
<i>Deliverable 35: System Testing Test Results</i>				X				X	
Readiness Certification				X				X	
<i>Deliverable 36: System Readiness Certification for UAT</i>				X				X	
Site Readiness Assessments				X				X	
<i>Deliverable 37: Site Readiness Reports</i>				X				X	
User Acceptance Testing (UAT)				X				X	
<i>Deliverable 38: UAT Report</i>				X				X	

Item	Proj Init	Plat form Plan	Plat form Design	Plat form B/T	Plat form Impl	Pgm Plan	Pgm Design	Pgm B/T	Pgm Impl
Format Acceptance Testing (FAT)				X				X	
<i>Deliverable 39: FAT Report</i>				X				X	
Pilot Testing				X				X	
<i>Deliverable 40: Pilot Plan</i>				X				X	
<i>Deliverable 41: System Pilot Evaluation Report</i>				X				X	
System Documentation Updates - Testing				X				X	
<i>Deliverable 42: System Operations Documentation</i>				X				X	
Task 7: Deployment									
Data Conversion and Synchronization				X				X	
<i>Deliverable 43: Data Conversion and Synchronization Plan</i>				X				X	
User Training					X				X
<i>Deliverable 44: Training Plan</i>					X				?
<i>Deliverable 45: Training Materials</i>					X				X
Technical Training					X				X
<i>Deliverable 47: System Maintenance, Support and System Transition Plan</i>					X				X
Deployment (Rollout)					X				X
<i>Deliverable 46: Infrastructure Services Deployment Report</i>					X				X
Incident Remediation and Software Warranty Period					X				X
<i>Deliverable 48: System Incident Reports — Warranty</i>					X				X
<i>Deliverable 49: Corrective Maintenance Reports</i>					X				X

Item	Proj Init	Plat form Plan	Plat form Design	Plat form B/T	Plat form Impl	Pgm Plan	Pgm Design	Pgm B/T	Pgm Impl
System Documentation Updates - Deployment					X				X
<i>Deliverable 50: Configuration Management Plan and Infrastructure, System Source Code and Documentation</i>					X				X
Task 8: Phase Completion									
Transfer of Materials					X				X
System Documentation Updates					X				X
<i>Deliverable 51: Updated System Source Code and Documentation — Phase Completion</i>					X				X

2.6.3 Deliverables Expectations Document (DED)

The Vendor must develop the Project Deliverables in the form and format agreed to by AHS and the Vendor using a Deliverables Expectations Document (DED), and approved by AHS. No work will be performed on any deliverable associated with a payment milestone until the DED has been approved in writing by AHS. As each Project Deliverable is submitted, the Vendor must include a copy of the Project Deliverable's Expectation Document as the cover sheet.

2.6.3.1 Acceptance

All Vendor deliverables are subject to review by the State prior to final approval, acceptance, and payment.

Acceptance of all Vendor deliverables will be completed via a deliverables acceptance form to be drafted by AHS.

AHS will have ten (10) working days to complete its review of the deliverables. AHS will accept or reject the deliverables in writing using Controlled Correspondence (Section 2.6.3.3) and the Deliverables Acceptance Form. In the event of the rejection of any deliverable, the Vendor shall be notified in writing via Controlled Correspondence, giving the specific reason(s) for rejection. The Vendor shall have five (5) working days to correct the rejected deliverable and return it to AHS via Controlled Correspondence.

Deliverables must be tracked in tracking sheet approved by AHS.

2.6.3.2 Deliverable Quality Consequences and Incentives

Vendor must ensure that all Deliverable Expectation Documents related to each deliverable clearly and thoroughly outline the expected content and the level of detail required. The contract will include specific remedies and related consequences for

quality issues encountered after the first round of AHS review and feedback. This can include penalties as well as vendor opportunities to “earn back” penalties through improvements in future deliverables that can be approved after first round reviews.

For example:

- If a deliverable review and approval takes more than two (2) iterations, the State will deduct ten percent (10%) for each additional review and approval period from the total cost of the deliverable. The vendor can earn back each single deducted amount for each subsequent deliverable that achieves approval through a single submission, review and approval cycle.
- The first deliverable requires four (4) submission, review and approval cycles. The total cost of this deliverable is \$100. After the third review without an approval the cost of the deliverable is reduced by \$10 to \$90 and after the fourth review when approval is achieved the final deliverable payment is reduced by another \$10 and the vendor is paid \$80 for the deliverable.
- The second deliverable is approved in only one review and approval cycle. This deliverable is \$100. The payment to the vendor will be \$110 - \$100 for the deliverable and a payback incentive of \$10 from the first deduction on deliverable one.
- The third deliverable is approved in only one review and approval cycle. This deliverable is \$100. The payment to the vendor will be \$110 - \$100 for the deliverable and a payback incentive of \$10 from the second deduction on deliverable one.

2.6.3.3 *Controlled Correspondence*

In order to track and document requests for decisions and/or information, and the subsequent response to those requests, AHS and the Vendor shall use controlled correspondence.

Each controlled correspondence document shall be signed by the AHS Project Manager (or designee) and the Vendor Project Manager (or designee). No controlled correspondence document shall be effective until the signatures of both are attached to the document.

The controlled correspondence process may be used to document mutually agreeable operational departures from the specifications and/or changes to the specifications. Controlled correspondence may be used to document the cost impacts of proposed changes, but controlled correspondence shall not be used to change pricing.

Controlled correspondence shall not be the basis of a claim for equitable adjustment of pricing. Any changes that involve a change in pricing must be by a Purchase Order Change Notice.

Controlled correspondence documents will be maintained by both parties in ongoing logs and shall become part of the normal status reporting process.

2.6.4 Performance Measures and Associated Remedies

AHS will monitor the performance of the contract issued under this RFP. All services and deliverables under the contract must be provided at an acceptable level of quality and in a manner consistent with acceptable industry standards, custom, and practice.

Table 17 lists the performance areas with Service Level Requirements and the associated business goals and related definitions:

Table 17 - Performance Areas with Service Level Requirements

Service Category	Service Level Requirement Focus	Business Outcome/Goal & Relevant Definitions
Project Management	Virus Contamination	Maintain a virus-free technical infrastructure.
	Formal deliverables and key plan dates	Proactively manage risks so that scheduled milestones are met.
Testing	Quality of Code Delivered to AHS for Testing	System code delivered to UAT testing must be high-quality with a minimum number of issues that are uncovered in the UAT environment.
	UAT and FAT Defect Resolution Times	<p>Timeline requirements for response and resolution of defects identified in UAT based on Priority*.</p> <p>1 = Major malfunction of the system. Testing cannot continue until problem is resolved.</p> <p>2 = Major malfunction of component. Testing cannot continue until problem is resolved.</p> <p>3 = Function within component is not working correctly. Testing can continue with other functions within the component.</p> <p>4 = Component has a minor editing error e.g., misspelling on report or display. Error does not affect the function or validity of the test but will need to be corrected before production.</p> <p>5 = Issue is a design clarification or implementation issue that the State or the processor will correct.</p>
Production / M&O	System On-line application response time	<p>Ensure that System online response time is not adversely affected by System code changes once released into production.</p> <p>Proactively pursue opportunities to improve System performance.</p>
	System on-line application availability	<p>Ensure that System availability is not adversely affected by System code changes.</p> <p>Proactively pursue opportunities to reduce risks to System availability.</p>

Service Category	Service Level Requirement Focus	Business Outcome/Goal & Relevant Definitions
	Software Maintenance Request Resolution Times	<p>Time Frame requirements for resolution of Maintenance Requests based on Severity*.</p> <p>Severity 1 – The New System no longer functions at all, or a System component is unavailable to more than twenty percent (20%) of active production users.</p> <p>Severity 2 – Any defect that only affects less than twenty percent (20%) of the New System functionality or less than twenty percent (20%) of active production users.</p> <p>Severity 3 – The new System is able to function with a temporary workaround.</p>

*Please note that Priority is used for defects uncovered during User and Formal acceptance testing phase, and Severity is used during production phase to distinguish the relative importance and response time requirements for the type of defect encountered.

Table 18 contains Service Level Requirements (SLRs) and their associated reporting requirements:

Table 18 - Service Level Requirements and Associated Reporting Requirements

SLR Name	Service Level Requirement	Measurement of noncompliance	Frequency of Measurement
Virus Contamination	All software developed and delivered by the Vendor must be free of viruses, spyware, trojans, and backdoors.	Each virus that is included in software developed and delivered by the Vendor.	Monthly after deployment of Platform Implementation Phase
Formal Deliverables and Key Plan Dates	The Vendor must meet dates for deliverables and key plan dates as agreed to in the approved project work plan deliverable.	Each calendar day beyond the key plan due dates specified in the project work plan.	Monthly
System On-line Availability	The Solution as delivered shall be available at a level agreed in the contract (the contracted target level of availability) in the range of 99.9% to 99.99% of the time**.	Each percentage point less than the contracted target level of availability for the month.	Monthly after deployment of Platform Implementation Phase

SLR Name	Service Level Requirement	Measurement of noncompliance	Frequency of Measurement
On-line IE Response Times	The maximum response time for online performance is 8 seconds with the average of 3 seconds.	Each 0.5 second that the monthly weighted average response time exceeds the maximum response time.	Monthly after deployment of Platform Implementation Phase
Software Maintenance Request Resolution Times: Severity 1 - Emergency	The service provider must resolve Severity 1 Maintenance requests within 4 clock hours.	Each clock hour beyond the requirement for resolving Severity 1 Maintenance requests.	Monthly after deployment of Platform Implementation Phase
Software Maintenance Request Resolution Times: Severity 2 - Urgent	The service provider must resolve Severity 2 Maintenance requests within 8 clock hours.	Each clock hour beyond the requirement for resolving Severity 2 Maintenance requests.	Monthly after deployment of Platform Implementation Phase
Software Maintenance Request Resolution Times: Severity 3 - Important	The service provider must resolve Severity 3 Maintenance requests within 3 calendar days.	Each calendar day beyond the requirement for resolving Severity 3 Maintenance requests.	Monthly after deployment of Platform Implementation Phase
Quality of Code Delivered to UAT	All priority 3 or higher defects (testing defects) resulting from software development activities must be resolved by the Vendor prior to User Acceptance Testing and prior to deployment to production.	Each priority 3 or higher defect that is uncovered in HHS UAT.	Monthly after start of the UAT sub-task
UAT/FAT Defect Resolution Times: Response to Priority 1 test defect	The Vendor must respond to priority 1 test defects within 1 hour.	Each instance that a response is not provided within the required timeframe for each test defect.	Monthly after start of the UAT sub-task

SLR Name	Service Level Requirement	Measurement of noncompliance	Frequency of Measurement
UAT/FAT Defect Resolution Times: Response to Priority 2 test defect	The Vendor must resolve priority 2 test defects within 4 clock hours.	Each instance that a test defect is not resolved within the required timeframe.	Monthly after start of the UAT sub-task
UAT/FAT Defect Resolution Times: Response to Priority 3 test defect	The Vendor must respond to priority 3 test defects within 8 hours.	Each instance that a response is not provided within the required timeframe for each test defect.	Monthly after start of the UAT sub-task
UAT/FAT Defect Resolution Times: Response to Priority 4 test defect	The Vendor must respond to priority 4 test defects within 5 days.	Each instance that a response is not provided within the required timeframe for each test defect.	Monthly after start of the UAT sub-task
UAT/FAT Defect Resolution Times: Response to Priority 5 test defect	The Vendor must report on priority 5 test defects within each reporting cycle.	Each instance that a response is not provided within the required timeframe for each test defect.	Monthly after start of the UAT sub-task

2.6.5 Enhancements and Additional Services

For enhancements and additional services, the Vendor will work with State staff to define the necessary change and will provide a fixed price quote for the enhancement based on the hourly rate provided Template O. Vendor will work with State Contact to determine the deliverable timeline and requirement(s) if the fixed price quote is approved.

3.0 General Instruction and Proposal Requirements

3.1 Questions and Comments

Any Vendor requiring clarification of any section of this proposal or wishing to comment or take exception to any requirements or other portion of the RFP must submit specific

questions in writing no later than 4/4/2014. Questions may be emailed to John.McIntyre@state.vt.us. Any objection to the RFP, or to any provision of the RFP, that is not raised in writing on or before the last day of the question period is waived. Every effort will be made to have the State's responses posted by 10 business days, contingent on the number and complexity of the questions. A copy of all questions or comments and the State's responses will be posted on the State's website:

<http://bgs.vermont.gov/purchasing/bids>

3.2 Vendor's Conference

A pre-proposal bidders' conference has been scheduled for **4/30/2014 at 2:00 PM EST**. **The conference bridge details will be posted later on the website.**

While attendance is not mandatory, interested bidders are highly encouraged to participate in this conference call. Interested firms will have the opportunity to submit questions regarding the RFP requirements during the call. A sound recording of the meeting will be distributed upon request. Substantial clarifications or changes required as a result of the meeting will be issued in the form of a written addendum to the RFP.

3.3 Letters of Intent

In order to ensure all necessary communication with the appropriate bidders and to prepare for the review of proposals, the State requests that one letter of intent to bid be submitted per bidder. The letter must identify the RFP for which it is intending to submit a proposal.

Letters of Intent must be submitted by 5/9/2014 by 4:30 p.m. to:

Department of Buildings and General Services, Agency of Administration
BGS Financial Operations
Office of Purchasing & Contracting
Attn: John McIntyre
10 Baldwin St
Montpelier VT05633-7501
Fax: 802-828-2222
Email: John.McIntyre@state.vt.us

3.4 Modification or Withdrawal of Proposal

Prior to the proposal submission deadline set forth in Section 1.3, a Vendor may: (1) withdraw its proposal by submitting a written request to the State point of contact, or (2) modify its proposal by submitting a written amendment to the State point of contact. AHS may request proposal modifications at any time.

AHS reserves the right to waive minor informalities in a proposal and award a contract that is in the best interest of the State of Vermont. A "minor informality" is an omission or error that, in AHS' determination, if waived or modified when evaluating proposals, would

not give a Vendor an unfair advantage over other Vendors or result in a material change in the proposal or RFP requirements. When AHS determines that a proposal contains a minor informality, it may at its discretion provide the Vendor with the opportunity to correct.

3.5 News Releases

Prior to tentative award, a Vendor may not issue a press release or provide any information for public consumption regarding its participation in the procurement. After tentative award, a Vendor must receive prior written approval from the State before issuing a press release or providing information for public consumption regarding its participation in the procurement. Requests should be directed to the State point of contact identified in Section 1.2.

This does not preclude business communications necessary for a Vendor to develop a proposal, or required reporting to shareholders or governmental authorities.

3.6 Incomplete Proposals

AHS may reject without further consideration a proposal that does not include a complete, comprehensive, or total solution as requested by the RFP.

3.7 State Use Ideas

The State reserves the right to use any and all ideas presented in a proposal unless the Vendor presents a valid legal case that such ideas are trade secrets or confidential information, and identifies the information as such in its proposal. A Vendor may not object to the use of ideas that are not the Vendor's intellectual property and so designated in the proposal that: (1) were known to the State before the submission of the proposal, (2) were in the public domain through no fault of the State, or (3) became properly known to the State after proposal submission through other sources or through acceptance of the proposal.

3.8 Property of the State

The State of Vermont and AHS shall reserve the right to royalty-free, nonexclusive, and irrevocable licenses to reproduce, publish, or otherwise use and authorize others to use for State and Federal Government purposes, the copyright in any software and associated documentation developed under the resulting contract.

Except as otherwise provided in this RFP or the resulting contract, all products produced by a Vendor, including without limitations the proposal, all plans, designs, software, and other contract deliverables, become the sole property of the State.

All bid proposals and submitted information connected to this RFP may be subject to disclosure under the State's access to public records law. The successful bidder's response will become part of the official contract file. Once the contract is finalized, material associated with its negotiation is a matter of public record except for those materials that are specifically exempted under the law. One such exemption is material that constitutes trade secret, proprietary, or confidential information. If the response includes material that is considered by the bidder to be proprietary and confidential under 1 V.S.A., Ch. 5 Sec. 317, the bidder shall clearly designate the material as such prior to bid submission. The bidder must identify each page or section of the response that it believes is proprietary and confidential and provide a written explanation relating

to each marked portion to justify the denial of a public record request should the State receive such a request. The letter must address the proprietary or confidential nature of each marked section, provide the legal authority relied on, and explain the harm that would occur should the material be disclosed. Under no circumstances can the entire response or price information be marked confidential. Responses so marked may not be considered and will be returned to the bidder.

1.10.1. All proposals shall become the property of the State.

1.10.2. All public records of DVHA may be disclosed, except that submitted bid documents shall not be released until the Vendor and DVHA have executed the contract. At that time, the unsuccessful bidders may request a copy of their own score sheets as well as request to view the apparently successful bidder's proposal at DVHA Central Office. The name of any Vendor submitting a response shall also be a matter of public record. Other people or organizations may also make a request at that time or at a later date.

1.10.3. Consistent with state law, DVHA will not disclose submitted bid documents or RFP records until execution of the contract(s). At that time, upon receipt of a public records request, information about the competitive procurement may be subject to disclosure. DVHA will review the submitted bids and related materials and consider whether those portions specifically marked by a bidder as falling within one of the exceptions of 1 V.S.A., Ch. 5 Sec. 317 are legally exempt. If in DVHA's judgment pages or sections marked as proprietary or confidential are not proprietary or confidential, DVHA will contact the bidder to provide the bidder with an opportunity to prevent the disclosure of those marked portions of its bid.

3.9 Multiple Responses

The Vendor may only submit one proposal as a Prime Vendor. If the Vendor submits more than one proposal, AHS may reject one or more of the submissions. This requirement does not limit a Subcontractor's ability to collaborate with one or more Vendors submitting proposals.

3.10 No Joint Proposals

AHS will not consider joint or collaborative proposals that require a contract with more than one prime Vendor.

3.11 Use of Subcontractors

Subject to the conditions listed in this RFP, the Vendor may propose to use a Subcontractor(s) to make a complete offer to perform all services. Any prospective Subcontractor that is not a wholly owned subsidiary of the Vendor will be subject to these conditions.

The conditions for proposing to use Subcontractors include, but are not limited to, the following:

1. Prior to any communication or distribution of State confidential information to the potential Subcontractor, the Vendor must provide the State with the name of the potential Subcontractor in advance and in writing. The Vendor will also provide contact information for the potential Subcontractor.

- a. The State must give its written approval prior to the Vendor providing any State confidential information to a potential Subcontractor or another entity.
2. If selected, the Vendor will be the Prime Vendor for services provided to the State by approved Subcontractors
3. The Vendor will be ultimately responsible for the provision of all services, including Subcontractor's compliance with the service levels, if any.
4. Any Subcontractor's cost will be included within the Vendor's pricing and invoicing.

No subcontract under the contract may relieve the Vendor of the responsibility for ensuring the requested services are provided. Vendors planning to subcontract all or a portion of the work to be performed must identify the proposed Subcontractors.

The Vendor will require all Subcontractors operating in Vermont to carry Worker's Compensation coverage in the amounts required by Vermont law. The Vendor will also require Subcontractors to carry Comprehensive Liability Insurance including Bodily Injury coverage of \$100,000.00 per occurrence and Property Damage Coverage of \$25,000.00 per occurrence. The Vendor may provide the coverage for any or all Subcontractors, and, if so, the evidence of insurance submitted will so stipulate.

3.12 Instructions for Submitting Proposals

3.12.1 Number of Copies

The Vendor is required to submit one clearly marked original proposal and seven (7) identical copies of the complete proposal, including all sections and exhibits, in three-ring binders, and one (1) electronic copy on a compact disc.

The bid should include a Technical Response and a separate Cost Response. AHS will not accept electronic and facsimile proposals. Any disparities between the contents of the original printed proposal and the electronic proposal will be interpreted in favor of AHS.

3.12.2 Submission

All bids must be sealed and addressed to:

Department of Buildings and General Services
Agency of Administration
BGS Financial Operations
Office of Purchasing & Contracting
Attn: John McIntyre, Purchasing Agent
10 Baldwin St
Montpelier VT05633-7501

John.McIntyre@state.vt.us
[Phone] (802) 828-2210
[Fax] 802-828-2222

BID ENVELOPES MUST BE CLEARLY MARKED 'SEALED BID' AND SHOW THE REQUISITION NUMBER AND/OR PROPOSAL TITLE, OPENING DATE AND NAME OF BIDDER.

All bidders are hereby notified that sealed bids must be received and time stamped by the Department of Buildings and General Services located at 10 Baldwin St., Montpelier, VT 05633 by the time of the bid opening. Bids not in possession of the Office of Purchasing & Contracting at the time of the bid opening will be returned to the Vendor, and will not be considered.

Office of Purchasing & Contracting may, for cause, change the date and/or time of bid openings or issue an addendum. If a change is made, the State will make a reasonable effort to inform all bidders by posting at:

<http://bgs.vermont.gov/purchasing/bids>

The bid opening will be held on **6/5/2014 at 3:00 PM EST** at 10 Baldwin Street, Montpelier, VT 05633 and is open to the public. Typically, the State will open the bid, read the name and address of the bidder, and read the bid amount. Bid openings are open to members of the public. However no further information which pertains to the bid will be available at that time other than the bid amount, name and address of the bidder. The State reserves the right to limit the information disclosed at the bid opening to the name and address of the bidder when, in its sole discretion, it is determined that the nature, type, or size of the bid is such that the State cannot immediately (at the opening) establish that the bids are in compliance with the RFP. As such, there will be cases in which the bid amount will not be read at the bid opening. Bid results are a public record however, the bid results are exempt from disclosure to the public until the award has been made and the contract is executed with the apparently successful bidder.

3.12.2.1 DELIVERY METHODS

U.S. MAIL: Bidders are cautioned that it is their responsibility to originate the mailing of bids in sufficient time to ensure bids are received and time stamped by the Office of Purchasing & Contracting prior to the time of the bid opening.

EXPRESS DELIVERY: If bids are being sent via an express delivery service, be certain that the RFP designation is clearly shown on the outside of the delivery envelope or box. Express delivery packages will not be considered received by the State until the express delivery package has been received and time stamped by the Office of Purchasing & Contracting.

HAND DELIVERY: Hand carried bids shall be delivered to a representative of the Division prior to the bid opening.

ELECTRONIC: Electronic bids (i.e. email) will not be accepted.

FAX BIDS: FAXED bids will not be accepted.

3.12.2.2 Proposal Submission Requirements

Vendors must strictly adhere to the following response submission requirements:

1. Failure to follow any instruction within this RFP may, at the State's sole discretion, result in the disqualification of the Vendor's proposal.
2. The State has no obligation to locate or acknowledge any information in the Vendor's proposal that is not presented under the appropriate outline according to these instructions and in the proper location.
3. The Vendor's proposal must be received, in writing, at the address specified in this RFP, by the date and time specified. The State WILL NOT BE

RESPONSIBLE FOR DELAYS IN THE DELIVERY OF QUESTION DOCUMENTS. Any proposal received after proposal opening time will be returned unopened.

4. Proposals or alterations by fax, email, or phone will not be accepted.
5. Original signatures are required on one copy of the Submission Cover Sheet, and Vendor's original submission must be clearly identified as the original.
6. The State reserves the right to reject any proposals, including those with exceptions, prior to and at any time during negotiations.
7. The State reserves the right to waive any defect or irregularity in any proposal procedure.
8. The Vendor must not alter or rekey any of the original text of this RFP. If the State determines that the Vendor has altered any language in the original RFP, the State may, in its sole discretion, disqualify the Vendor from further consideration. The RFP issued by AHS through the State of Vermont is the official version and will supersede any conflicting RFP language submitted by the Vendor.
9. To prevent opening by unauthorized individuals, all copies of the proposal must be sealed in the package. A label containing the information on the cover page must be clearly typed and affixed to the package in a clearly visible location.
10. The Vendor acknowledges having read and accepting all sections by signing the Submission Cover Sheet.
11. It is the responsibility of the Vendor to clearly identify all costs associated with any item or series of items in this RFP. The Vendor must include and complete all parts of the cost proposal in a clear and accurate manner. Omissions, errors, misrepresentations, or inadequate details in the Vendor's cost proposal may be grounds for rejection of the Vendor's proposal. Costs that are not clearly identified will be borne by the Vendor.

3.12.3 Additional Information or Clarification

The State reserves the right to request additional information or clarification of a Vendor's proposal. The Vendor's cooperation during the evaluation process in providing AHS staff with adequate Responses to requests for clarification will be considered a factor in the evaluation of the Vendor's overall responsiveness. Lack of such cooperation may, at AHS' discretion, result in the disqualification of the Vendor's proposal.

1. Vendors may request additional information or clarifications to this RFP using the following procedures.
 - a. Vendors must clearly identify the specified paragraph(s) in the RFP that is/are in question.
 - b. Vendors must deliver a written document to the sole point of contact as identified in Section 1.2 of this RFP.
 - c. This document may be delivered by hand, via mail, email, or by fax. The State WILL NOT BE RESPONSIBLE FOR DELAYS IN THE DELIVERY OF QUESTION DOCUMENTS.

- d. It is solely the responsibility of the Vendor that the clarification document reaches the State on time. Vendors may contact the sole point of contact to verify the receipt of their documents. Documents received after the deadline will be rejected. All questions will be compiled and answered and a written document containing all questions submitted and corresponding answers will be distributed to each Vendor that received the RFP.
2. Unsolicited clarifications and updates submitted after the deadline for Responses will be accepted or rejected at the sole discretion of AHS. Unsolicited clarifications in the evaluation and selection of lowest and best Proposal will be considered only if all the following conditions are met.

3.13 Proposal Instructions

Proposals must address all the requirements of the RFP in the order and format specified in this section. Each RFP requirement response in the Proposal must reference the unique identifier for the requirement in the RFP.

It is the Vendor's responsibility to ensure its Proposal is submitted in a manner that enables the Evaluation Team to easily locate all response descriptions and exhibits for each requirement of this RFP. Page numbers should be located in the same page position throughout the proposal. Figures, tables, charts, etc. should be assigned index numbers and should be referenced by these numbers in the proposal text and in the proposal Table of Contents. Figures, etc. should be placed as close to text references as possible.

Hard copy proposals are to be assembled in loose-leaf, three-hole punch binders with appropriate tabs for each volume and section. Do not provide proposals in glue-bound binders or use binding methods that make the binder difficult to remove.

At a minimum, the following should be shown on each page of the proposal:

1. RFP #
2. Name of Vendor
3. Page Number

Proposal in response to this RFP must be divided into two appropriately labeled and sealed packages marked Technical Proposal and Cost Proposal. All proposal submissions should be clearly labeled with the RFP number.

The contents of each package must be as follows:

1. **Package 1 - Technical Proposal**

Technical Proposal addressing all requirements specified in the RFP using the response forms provided in Templates A through N.

2. **Package 2 - Cost Proposal**

Cost Proposal provided using the form supplied in AHS IE Template O Cost Workbook.

3. **Package 3 – Proposed Changes to Standard Terms and Conditions**

Vendor's response must include any proposed changes to the

State's Standard Terms and Conditions using AHS IE Template P
Proposed Changes to Standard Terms and Conditions.

3.13.1 Proposal Format

The proposal must be structured in the following manner and must consist of all the sections separated into three (3) packages as listed below:

3.13.1.1 Package 1 — Technical Proposal

This package of the Vendor's response must include Templates A through N as described below.

3.13.1.1.1 Template A. RFP Cover Letter and Executive Summary

This template of the Vendor's Technical Proposal must include a cover letter and executive summary stating the Vendor's intent to bid for this RFP.

The Vendor's response must include a transmittal (cover) letter; table of contents; executive summary; Vendor contact information and locations.

Submission for this template must be compliant with the instructions detailed in Template A - Cover Letter and Executive Summary.

3.13.1.1.2 Template B. Vendor Experience

This template of the Vendor's Technical Proposal must include details of the Vendor's Experience.

The Vendor's Technical Proposal must include Vendor organization overview; corporate background; Vendor's understanding of the HHS domain; Vendor's experience in public sector; certifications and other required forms.

Submission for this template must be compliant with the instructions detailed in Template B - Vendor Experience.

3.13.1.1.3 Template C. Vendor References

This template of the Vendor's Technical Proposal must include Vendor's References.

The Vendor's Technical Proposal must include least three (3) references from projects performed within the last five (5) years that demonstrate the Vendor's ability to perform the Scope of Work described in the RFP. If the proposal includes the use of Subcontractor(s), provide three references for each.

Submission for this template must be compliant with the instructions detailed in Template C - Vendor References.

3.13.1.1.4 Template D. Subcontractor

This template of the Vendor's Technical Proposal must include a letter of the Vendor's proposed Subcontractor(s) that will be associated with this Contract.

Submission for this template must be compliant with the instructions detailed in the IE Template D - Subcontractor Letters.

3.13.1.1.5 Template E. Organization and Staffing

This template of the Vendor's Technical Proposal must include a narrative of the Vendor's proposed Organization and Staffing approach.

The Vendor's Technical Proposal must include the proposed approach to: organization plan; organization chart; key staff; Subcontractors; staff contingency plan; staff management plan; staff retention and the Vendor's approach to working with the IE Solution Project staff.

Submission for this template must be compliant with the instructions detailed in Template E - Vendor Project Organization.

3.13.1.1.6 Template F. Staff Experience

This template of the Vendor's Technical Proposal must include a narrative of the Vendor's Staff Experience.

The Vendor's Technical Proposal must include the proposed approach to: roles and responsibilities; summary of skill sets; total years of experience in the proposed role; qualifications and resumes.

Submission for this template must be compliant with the instructions detailed in Template F - Staff Experience.

3.13.1.1.7 Template G. Functional Requirements

This template of the Vendor's Technical Proposal must include a response to the Functional Requirements provided in Template G - Functional Requirements.

The 'Response Columns' within each tab of the Functional Requirements matrix must be completed by the Vendor as detailed in Template G - Functional Requirements.

The objective of the Functional Requirements response is to provide the IE Solution Project team with a method to develop an understanding regarding the degree to which each Vendor's solution has the potential of meeting the State project requirements.

3.13.1.1.8 Template H. Functional Requirements Approach

This template of the Vendor's Technical Proposal must provide a narrative of the Vendor's proposed Functional Requirements approach. In response to Template H - Functional Requirements Approach, the Vendor is requested to provide a narrative overview of how the proposed solution will meet the State's requirements.

Submission for this template must be compliant with the instructions detailed in Template H - Functional Requirements Approach.

3.13.1.1.9 Template I. Technical Requirements

This template of the Vendor's Technical Proposal must include a response to the Technical Requirements provided in Template I - Non-Functional Requirements. The following section provides Vendor instructions for preparing the response.

The objective of the Technical Requirements response is to provide the Integrated Eligibility Solution Project team with a method to evaluate the degree to which each Vendor's solution satisfies the Integrated Eligibility Solution Project Technical Requirements.

Submission for this template must be compliant with the instructions detailed in Supplement 'I' for completing the matrix. The 'Response Columns' within each tab of the Technical Requirements matrix must be completed by the Vendor.

3.13.1.1.10 Template J. Technical Requirements Approach

This template of the Vendor's response to the RFP must include a narrative of the Vendor's proposed Technical Requirements approach. Submission for this template must be compliant with the instructions detailed in Template J - Technical Requirements Approach.

The Vendor's response must detail the approach to meet the various Technical Requirements including: technical standards; application architecture; data architecture; Business Intelligence (BI) analytics; multi-channel approach; user interfaces; external interfaces, portable architecture; software components; hardware components; system administration; system performance, availability and capacity.

3.13.1.1.11 Template K. Implementation Requirements

This template of the Vendor's Technical Proposal must include a narrative of the Vendor's proposed Implementation approach. Submission for this template must be compliant with the instructions detailed in Template K - Implementation Requirements.

The Vendor's response must detail the approach to meet the various Implementation Requirements including: project management methodology; detailed requirements document; system designs; software installation and configuration; development methodology; user, administrator and developer training; testing; conversion planning and support; deployment and go-live support; and change management.

3.13.1.1.12 Template L. Liquidated Damages, Warranty, Software Maintenance and Operations Support Approach

This template of the Vendor's Technical Proposal must include a narrative of the Vendor's proposed Warranty, Software Maintenance and Operations Support approach. Submission for this template must be compliant with the instructions detailed in Template L - Maintenance Requirements Approach.

The Vendor's response must detail the approach to meet the various Warranty, Software Maintenance and Operations requirements including: defect removal; corrective maintenance; warranty requirements; availability of staff, lead time for on-boarding of staff, staff due diligence process, knowledge transfer and documentation processes.

3.13.1.1.13 Template M. Work Plan

This template of the vendor's technical Proposal must include a Work Plan that will be used to create a consistent and coherent management plan. This work plan will demonstrate that the Vendor has a thorough understanding for the scope of work and what must be done to satisfy the project requirements. Submission for this template must be compliant with the instructions detailed in Template M - Work Plan.

The Work Plan must include detail sufficient to give the State an understanding of how the Vendor's knowledge and approach will:

- Manage the Work;
- Guide Work execution;

- Document planning assumptions and decisions;
- Facilitate communication among stakeholders; and
- Define key management review as to content, scope, and schedule.

3.13.1.1.14 Template N. Proposal Checklist and Supplements

This template of the Vendor's Technical Proposal must include the completed checklist verifying that all the RFP response requirements as part of Templates A-P and the RFP Attachments have been completed. Submission for the Proposal Checklist and Supplements must be compliant with the instructions detailed in Template N - Response Checklist.

3.13.1.2 Package 2 - Cost Proposal

This package of the Vendor's response must include Template O - Cost Workbook as described below.

3.13.1.2.1 Template O. Cost Proposal Instructions

The Cost Proposal must include a response through the submission of Template O - Cost Workbook. Vendors must complete this workbook as instructed and place it in a separate, sealed package, clearly marked as the Cost Proposal with the Vendor's name, the RFP number, and the RFP submission date.

Vendors must base their Cost Proposals on the Scope of Work described in Section 2.0 of the RFP. The Cost Proposals must include any business, economic, legal, programmatic, or practical assumptions that underlie the Cost Proposal. The State reserves the right to accept or reject any assumptions. All assumptions not expressly identified and incorporated into the contract resulting from this RFP are deemed rejected by the State.

The Vendor must include all one-time and ongoing costs in the Cost Proposal. Total Costs are required by the State for evaluation and budget purposes, while additional detail of costs is required for the State's understanding of the costs. Costs must be based on the terms and conditions of the RFP, including AHS' General Provisions and Mandatory Requirements of the RFP (not the Vendor's exceptions to the terms and conditions). The Vendor is required to state all other assumptions upon which its pricing is being determined in the AHS IE Template O Cost Workbook, and Cost Assumptions. Assumptions must not conflict with the RFP terms and conditions including AHS' General Provisions or Mandatory Requirements of this RFP.

Vendors are required to provide costs for all phases that must be firm-fixed price (FFP) with payments based on completion of phases as proposed by the State and the Vendor. The Vendor must provide fixed Hourly Rates to the State for work to be performed during each phase.

The Cost Workbook includes five (5) pre-formatted Excel Worksheets, as outlined below:

1. Implementation Labor Rates Worksheet (Form 1) – This Worksheet provides the information for specification of Vendor Composite Rates and individual staff classification Hourly Rates for the Integrated Eligibility Solution Project.

2. Implementation Costs Worksheet (Form 2) – This Worksheet provides the information for specification and pricing of all one-time Vendor-provided services associated with the Integrated Eligibility Solution Project.
3. Implementation Payment Schedule Worksheet (Form 3) – This Worksheet provides the information for details of the task-based payment schedule that specifies payments to the Vendor through final acceptance by the State of each phase.
4. Additional Services Labor Rates Worksheet (Form 4) – This Worksheet provides the information for specification of individual staff classification Hourly Rates for additional services as described in Section 2.6.5.
5. Cost Assumptions Worksheet (Form 5) – This Worksheet provides the Vendor's assumptions upon which its cost is being determined. Assumptions must not conflict with terms and conditions of the RFP, including AHS' General Provisions or Mandatory Requirements of this RFP.

Vendors are responsible for entering cost data in the format prescribed by the Cost Workbook. Formulas have been inserted in the appropriate cells of the worksheets to automatically calculate summary numbers, and should not be altered. Further instructions for entering cost data are included in the worksheets. It is the sole responsibility of the Cost to ensure that all mathematical calculations are correct.

Completion of the Cost Workbook and worksheets is mandatory. Applicable purchase, delivery, tax, services, safety, license, travel, per diem, Vendor's staff training, Project facility, and any other expenses associated with the delivery and implementation of the proposed items must be included in the Vendor's costs and fixed Hourly Rates.

3.13.1.3 Package 3 – Proposed Changes to Standard Terms and Conditions

This package of the Vendor's response must include Template P - Proposed Changes to Standard Terms and Conditions as described below.

3.13.1.3.1 Template P. Proposed Changes to Standard Terms and Conditions

If the vendor wishes to propose an exception to any Standard State Provision for Contracts and Grants or Terms and Conditions for Technology Contracts, it must notify the State of Vermont using Template P - Proposed Changes to Standard Terms and Conditions. Failure to note exceptions will be deemed to be acceptance of the Customary Provision for Contracts and Grants, as outlined in Attachments C, and G of this RFP or AHS Customary Provisions, as outlined in Attachment F of this RFP. If exceptions are not noted in the RFP but raised during contract negotiations, the State reserves the right to cancel the negotiation if deemed to be in the best interests of the State of Vermont.

3.13.2 Proposal Crosswalk — Mandatory Templates

Table 19 lists the Mandatory Templates that the Vendor will submit as part of their Technical and Cost Proposals.

Table 19 - Mandatory Templates

Response Template	Template Elements
Template A	Cover Letter and Executive Summary
Template B	Vendor Experience
Template C	Vendor References
Template D	Subcontractor Letters
Template E	Project Organization and Staffing Time Commitment
Template F	Staff Experience
Template G	Response to Functional Requirements
Template H	Response to Functional Requirements Approach
Template I	Response to Non-Functional Requirements
Template J	Response to Technical Requirements Approach
Template K	Response to Implementation Requirements Approach
Template L	Response to Maintenance Requirements Approach
Template M	Work Plan
Template N	RFP Response Checklist
Template O	Cost Workbook
Template P	Proposed Changes to Standard Terms and Conditions

Respondents are not to change any of the completed cells in any of the tables of the reference templates. Any changes to the completed cells in any of the tables of the reference templates could lead to the disqualification of a respondent.

3.13.3 Order of Precedence

In the event of any conflict or contradiction between or among these documents, the documents shall control in the following order of precedence:

1. The final executed Agreement, Attachments C, E, F, and G and all amendments thereto;

2. The RFP, as clarified by the Vendor questions and AHS' official responses thereto; and
3. Vendor's Proposal to the AHS RFP.

3.13.4 Procurement Library

Table 20 describes the documents that will be available in the Procurement Library for reference purposes only.

Table 20 - Procurement Library

Document Title	Document Description
175WICEBTMISTESTING	USDA NESF 14 - New Regulation Regarding System Testing
AHS Business Process Analysis v4	List of proposed AHS business processes. Contains workflows and use cases.
ACCESS Current Architecture	High-level diagram of current ACCESS integrated architecture
ACCESS System Interface List	List of interfaces between ACCESS and other systems prior to VHC
ACCESS System Report List	List of reports generated by ACCESS prior to VHC
AHS Oracle ULA Products	List of all Oracle software covered by Vermont's universal licensing agreement
Current Business Process Workflows	Role-based and system-based workflows of current processes for IE Solution programs.
DCF Modernization Report	Results of process analysis prior to ESD modernization efforts prior to VHC and the IE Solution.
HSEP Charter Matrix v5	Current status of HSEP components, including availability for reuse
HSEP Project Charter v1.4	Project charter for the Health Services Enterprise Platform

Document Title	Document Description
Inventory of VT Appeals and Complaint Processes	Draft copy of appeal and complaint processes relevant to VHC. Includes discussion of items for MAGI Medicaid, Dr. Dynasaur, and CHIP.
Security Exhibit AX	Vermont security standards
Security Exhibit AY	CWE dictionary of common software weakness types
Security Exhibit AZ	OWASP Application Security Verification Standard 2009
VT General System Design Report 1.0	Overview of key shared solution components for HSEP and a short list of potential vendors and technologies for each component
VT Health Enterprise APD v4.0	Vermont's HSE funding request to CMS
VT IAPD Approval Letter	Letter from CMS detailing the approval of Vermont's Health Enterprise IAPD
Vermont IT Strategic Plan - 2014-2019	Vermont information technology strategic plan; developed by DII

3.14 Additional Terms and Conditions

3.14.1 Business Registration

To be awarded a contract by the State of Vermont an offeror (other than an individual doing business in his/her own name) must be registered with the Vermont Secretary of State's office, <http://www.sec.state.vt.us/tutor/dobiz/forms/fcregist.htm>, and must obtain a Vendor's Business Account Number issued by the Vermont Department of Taxes, <http://www.state.vt.us/tax/pdf.word.excel/forms/business/s-1&instr.pdf>

3.14.2 Indemnification

The State of Vermont has no legal authority to indemnify a vendor, and that issue is not negotiable.

3.14.3 Liquidated Damages

AHS and the Vendor agree that failure by the Vendor to meet the performance standards and timelines set forth in the Contract will result in damages sustained by AHS and that it is difficult to quantify AHS' actual damages sustained by reason of such failure. For failure by the Vendor to meet a deliverable date, AHS may require the Vendor to pay liquidated damages per work day, for each and every day thereafter until such deliverable is completed and accepted as corrected and approved by AHS. The parties understand that liquidated damages are intended to be a last resort to expedite action on the part of Vendor and are not intended to be punitive. AHS, at its option, may begin default proceedings at any point during the period during which the Vendor has failed to meet timeliness, performance standard, documentation, work product, or deliverable date(s). AHS will not begin default proceedings prior to the beginning of the calendar month following the deliverable due date. The deliverable due dates will be defined in the final Schedule and Work Plan.

3.14.4 Taxes

Most state purchases are not subject to federal or state sales or excise taxes and must be invoiced tax free. An exemption certificate will be furnished upon request covering taxable items. The Vendor agrees to pay all Vermont taxes which may be due as a result of this contract. If taxes are to be applied to the purchase it will be so noted in the response.

3.14.5 Required Statements

- Certificate of Compliance
- Workers' Compensation — Self Reporting Form - For projects exceeding \$250,000, Vendor is required to self report detailed information including information relating to past violations, convictions, suspensions, and any other information related to past performance and likely compliance with proper coding and classification of employees.

- Workers' Compensation — Subcontractor Form - For projects exceeding \$250,000, Vendor is required to provide a list of Subcontractors on the job along with lists of Subcontractor's Subcontractors and by whom those Subcontractors are insured for workers' compensation purposes
- Offshore/Outsource Form

4.0 Proposal Evaluation

The State will use a formal evaluation process to select the successful Vendor(s). The State will consider capabilities or advantages that are clearly described in the proposal, which may be confirmed by key personnel interviews, oral presentations, site visits, demonstrations, and references contacted by the AHS. AHS reserves the right to contact individuals, entities, or organizations that have had dealings with the Vendor or proposed staff, whether or not identified in the proposal.

4.1 Evaluation Criteria

The State will evaluate proposals based on the following best value Evaluation Criteria:

- Vendor Experience, including:
 - ☐ Relevant Vendor Experience
 - ☐ Customer References
- Project Staff and Project Organization, including:
 - ☐ Project Organization
 - ☐ Key Project Personnel Experience
 - ☐ References
- Business Solution, including:
 - ☐ Functional
 - ☐ Technical
 - ☐ Implementation Approach
 - ☐ Ongoing Service Delivery Approach
- Cost
 - ☐ Initial implementation
 - ☐ Ongoing Operations

4.2 Initial Compliance Screening

The State will perform an initial screening of all proposals received. Unsigned proposals and proposals that do not include all required forms and sections are subject to rejection without further evaluation. AHS reserves the right to waive minor informalities in a proposal and award contracts that are in the best interest of the State of Vermont

Initial screening will check for compliance with various content requirements and minimum qualification requirements defined in the RFP. The State through AHS also reserves the right to request clarification from Vendors who fail to meet any initial

compliance requirements prior to rejecting a proposal for material deviation from requirements or non-responsiveness.

4.3 Mandatory Qualifications

The minimum mandatory requirements for this RFP are listed below. If the Vendor (Prime and/or Subcontractor) does not maintain these credentials or cannot demonstrate compliance with all of these requirements to the State, the Vendor proposal may be rejected.

- The Vendor (Prime) must have experience in the development of three (3) implementations of systems similar in size, complexity and scope to this procurement in the past five (5) years)
- The Vendor's team (both Prime and Subcontractor) must have proven experience in the implementation of the Oracle SOA suite as defined in the RFP with at least three (3) implementations of systems similar in size, complexity and scope in the past five (5) years
- The Vendor (Prime) must have annual revenue of at least \$100M and 1,000 staff

The Vendor is to demonstrate compliance with the above mandatory requirements in Template A - Cover Letter and Executive Summary. If the Vendor's Proposal meets the above mandatory requirements, the Vendor's Proposal may be included in the next part of the technical evaluation phase of this RFP – the Competitive Field Determination.

4.4 Competitive Field Determinations

The State may determine that certain proposals are within the field of competition for admission to discussions. The field of competition consists of the proposals that receive the highest or most satisfactory evaluations. The State may, in the interest of administrative efficiency, place reasonable limits on the number of proposals admitted to the field of competition.

Proposals that do not receive at least 70% of the evaluation points for each of the evaluation criteria, may, at the sole discretion of the State, be eliminated from further consideration.

4.5 Key Personnel Interviews

The State may, at its sole discretion, request interviews with key personnel as identified in the Vendor's Proposal from the Vendors admitted to the field of competition. The State will notify selected Vendors of the time and location for these interviews, and may supply agendas for discussion. The State reserves the right to ask additional questions during these interviews.

4.6 Oral Presentations and Site Visits

The State may, at its sole discretion, request oral presentations, site visits, and/or demonstrations from one or more Vendors admitted to the field of competition. The Key Project Personnel as identified in the Vendor's Proposal must be active participants in the oral presentations — the State is not interested in corporate or sales personnel being the primary participants in oral presentations. This event, if held, will focus on an

understanding of the capabilities of the Vendor and importantly identified Key Project Personnel's ability to perform consistent with the Vendor's proposal in meeting the State's requirements. The State will notify selected Vendors of the time and location for these activities, and may supply agendas or topics for discussion. The State reserves the right to ask additional questions during oral presentations, site visits, and or demonstrations to clarify the scope and content of the written proposal.

The Vendor's oral presentation, site visit, and/or demonstration must substantially represent material included in the written proposal, and should not introduce new concepts or offers unless specifically requested by AHS.

4.7 Best and Final Offers

The State may, but is not required to, permit Vendors to prepare one or more revised offers. For this reason, Vendors are encouraged to treat their original proposals, and any revised offers requested by the State, as best and final offers.

4.8 Discussions with Vendors

The State may, but is not required to, conduct discussions with all, some, or none of the Vendors admitted to the field of competition for the purpose of obtaining the best value for AHS. It may conduct discussions for the purpose of:

- Obtaining clarification of proposal ambiguities;
- Obtaining confirmation that the parties will be able to reach agreement on substantive legal issues;
- Requesting modifications to a proposal; and/or
- Obtaining a best and final offer.

The State may make an award prior to the completion of discussions with all Vendors admitted to the field of competition if AHS determines that the award represents best value to the State of Vermont.

4.9 Independent Review

Bidder acknowledges and agrees that SOV is required pursuant to 3 V.S.A. § 2222 to obtain an independent expert review of this contract and the services to be rendered hereunder, which review shall be commenced as soon as practicable and be completed prior to contract signature. Such review will include, as required by law: (A) an acquisition cost assessment; (B) a technology architecture review; (C) an implementation plan assessment; (D) a cost analysis and a model for benefit analysis; and (E) an impact analysis on net operating costs for the agency carrying out the activity. Upon completion of the review, and upon SOV's request, Bidder will discuss the results of the review with the SOV and cooperate to address any aspects of the Contract or services that are identified in the review as SOV deems necessary. Supplier acknowledges and agrees that if necessary and as required by SOV, the Contract and/or applicable Statement(s) of Work will be amended to address the issues identified in the review.

5.0 Appendices

5.1 Appendix 1 – Glossary of Acronyms and Terms

A

AABD: Aid to the Aged, Blind, and Disabled

ACCESS: State's legacy eligibility and enrollment system

ADABAS: Adaptable Data Base System

Ad Hoc Query: Queries created by users to obtain information for a specific need as it arises

Affordable Care Act (ACA): On March 23, 2010, President Obama signed into law the Patient Protection and Affordable Care Act. On March 30, 2010, the Health Care and Education Reconciliation Act of 2010 was signed into law. The two laws are collectively referred to as the Affordable Care Act (ACA). The Affordable Care Act expands Medicaid eligibility: effective on January 1, 2014, Medicaid will be available for the first time to individuals without minor children earning less than one hundred thirty-three percent (133%) of the federal poverty level (FPL).

Agency of Human Services (AHS): “the Agency,” Vermont’s agency of Health and Human Services.

B

Blueprint: Blueprint for Health

Business Intelligence (BI): The process or capability of gathering information in the field of business; the process of turning data into information and then into knowledge

Business Process Analysis: Methodology used for developing a system's functional requirements by establishing an understanding of the as-is environment and identifying the to-be operational business and service delivery processes of the future system

C

CACFP: Child and Adult Care Food Program

CALT: Collaborative Application Lifecycle Tool is a collaborative tool that creates a centralized repository for storing, collaborating on and sharing deliverables and artifacts from IT projects in support of Medicaid administration and establishment of Exchanges

CCIS: Chronic Care Information System

CMS: Centers for Medicare and Medicaid Services

Common Enterprise Portal: Enterprise portals are a type of composite application that pre-integrates the services needed to build contextual websites

Contract: Binding agreement between the State of Vermont and the awarded Vendor.

Contractor: Resources brought to the projects by the awarded Vendor.

COTS: Commercial Off-The-Shelf ready-made software applications

CSE: Child Support Enforcement

D

Dashboards: Display Key Performance Indicators (KPIs) or business metrics using intuitive visualization, including dials, gauges and traffic lights that indicate the state of various KPIs against targets

Data Mart: Analytical data stores, usually part of a data warehouse, that are designed to focus on specific business functions for a specific community within an organization

Data Mining: The process of discovering meaningful correlations, patterns and trends by sifting through large amounts of data stored in repositories

Data Sharing: Refers to the collaboration functionality (e.g., search, data exchange, communication mechanisms) or the work stream containing that functionality

Data Warehouse: A repository of an organization's electronically stored data, designed to facilitate reporting and analysis

DBMS: Database Management System is a set of computer programs that control the creation, maintenance, and the use of a database

DCF: Department for Children and Families is the State's eligibility and enrollment for Medicaid and all public assistance programs are administered by DCF

DDI: Designing, developing and implementing

Department of Disabilities, Aging and Independent Living: DAIL is responsible for all community-based long-term care services for older Vermonters, individuals with developmental disabilities, traumatic brain injuries, and physical disabilities

Department of Mental Health: DMH administers mental health programs across the State through multiple programs for both adult and children's services

Department of Vermont Health Access: DVHA administers nearly all of the publically funded health care programs for the State of Vermont

Distributed Query: This query provides the ability to access data from multiple heterogeneous data sources. These data sources can be stored on either the same or different computers.

DOC: Department of Corrections is responsible for managing all adult prisons and community correctional sites

E

Economic Services Division: ESD conducts all eligibility determinations regarding applications for State supported financial and health care benefits

Eligibility Automation Foundation (EAF) is an enterprise set of shared and reusable services that provides eligibility screening, application, and determination functionality for both current and future business programs.

Emergency Assistance (EA): Assistance provided to low income Vermonters them meet their basic needs

Enterprise Content Management: (ECM) A formalized means of organizing and storing the State's documents, and other content, that relate to the State's processes

Enterprise Information Architecture: Enterprise information architecture (EIA) is the part of the enterprise architecture process that describes — through a set of requirements, principles and models — the current state, future state and guidance necessary to flexibly share and exchange information assets to achieve effective enterprise change.

Enterprise Life Cycle: ELC: Enterprise Life Cycle (ELC) is a concept in Enterprise Architecture (EA). The Enterprise Architecture process is closely related to other processes, such as enterprise engineering and program management cycle, more commonly known as the Systems Development Life Cycle.

Enterprise Service Bus (ESB): A software construct found in a Service-Oriented Architecture that provides fundamental services via a messaging engine

ETL: Extract, Transform, Load – A process for transitioning data from one system to another.

Extraction, Transformation, and Load (ETL) Tools: Tools that extract data from outside databases, transform the data to a usable form and load it into a target database

F

Federal Data Hub: A data services hub to help states verify the income, citizenship and other information about individuals when they seek health coverage through health insurance exchanges and for Medicaid and Children's Health Insurance Programs

Field Services Director: Representative of the AHS Secretary's Office in the community who work closely with and provide continuity between all AHS departments/offices as well as community partners.

File Transfer Protocol (FTP): A standard network protocol used to copy a file from one host to another

Firewall: A technological barrier designed to prevent unauthorized or unwanted communications between computer networks or hosts

FNS: Food and Nutrition Service (federal agency).

G

General Assistance: GA

Geographic Information System (GIS): A system that processes geographic information such as mapping of geographic points or areas or using mathematical algorithms for measuring distance

Global Commitment to Health Waiver: As part of the State Fiscal Year 2006 budget proposal process, the Douglas Administration presented the Plan for Saving the Vermont Medicaid System. With this long-term strategy Vermont proposed to replace its existing section 1115a waiver, the Vermont Health Access Plan (VHAP). The replacement is the Global Commitment to Health. With the federal approval of this proposal, certain federal Medicaid requirements found in Title 19 of the Social Security Act are waived. The result is that the Global Commitment to Health includes the tools necessary for the state, in partnership with the federal government, to address future needs in a holistic, global manner.

Government Accounting Office: GAO

H

Health Benefits Exchange: VHC, "the Exchange" Vermont's implementation of a Health Insurance Exchange

Healthcare Programs: These are Vermont's publicly funded health insurance programs

Health Insurance Portability & Accountability Act: HIPAA

HHS: Health and Human Services

Health Services Enterprise: HSE – The overarching program structure that governs the VHC, the IE solution, the MSE and the HSEP.

Hewlett Packard: HP

Health Services Enterprise Platform: HSEP – “the Platform”; the shared services and infrastructure that will be shared across solutions.

I

ID: Identification

Identity Management: The management of individual IDs, their authentication, authorization, and privileges/permissions within or across system and enterprise boundaries

IE: Integrated Eligibility, may refer to Vermont’s Integrated Eligibility System, the functionality associated with the process of determining eligibility for multiple programs through the use of a single application or the work stream containing that functionality

Ineligible: an individual does not qualify for Public Assistance at either initial or subsequent re-determination

Information Architecture: A description of the information and data flows that are critical to a solution. This architecture illustrates the types of information and data that are collected by a solution and how the information is aggregated, stored, and used for reporting purposes

Information Systems Division: ISD

Interface: A point of interaction between two systems or modules

Intrusion Detection System (IDS): A device (or application) that monitors network and/or system activities for malicious activities or policy violations and produces reports to a Management Station

Independent Verification and Validation (IV&V): Third party that oversees the project to ensure quality and timely delivery.

K

L

LIHEAP: Low-Income Home Energy Assistance Program

Low-Income Subsidy: LIS

M

MDM: Master Data Management: Master data management (MDM) is a technology-enabled discipline in which business and IT work together to ensure the uniformity, accuracy, stewardship, semantic consistency and accountability of the enterprise's official shared master data assets. Master data is the consistent and uniform set of identifiers and extended attributes that describes the core entities of the enterprise including customers, prospects, citizens, suppliers, sites, hierarchies and chart of accounts.

Metadata: Information that describes various facets of an information asset to improve its usability throughout its life cycle

Medicaid Information Technology Architecture: MITA

Medicaid Management Information System: MMIS

Middleware: Computer software that connects software components or applications. The software consists of a set of services that allows multiple processes running on one or more machines to interact

Modified Adjusted Gross Income: MAGI

Module: A portion of a system that provides specific, discrete functionality

M&O: Maintenance and Operations

N

Natural (NLP): An ontology-assisted way of programming in terms of natural language sentence

National Institutes of Standards and Technology: NIST

O

Online Analytical Processing (OLAP): Client and server based analysis tools, allowing for complex analytical and ad hoc queries with a rapid execution time

Online Transaction Processing (OLTP): Systems that facilitate and manage transaction-oriented applications, typically for data entry and retrieval transaction processing

Open Source: Practices in production and development that promote access to the end product's source materials or code

Operational Data Store (ODS): A database designed to integrate data from multiple sources to make analysis and reporting easier

Oracle Consulting: Oracle Professional Services

Oracle Process Automation: OPA

P

Password: Confidential authentication information, usually composed of a string of characters used to provide access to a computer resource

Person-centric approach: an approach centered on the client (applicant, recipient, beneficiary) and focused on delivering services to achieve an outcome

Pharmacy Benefits Manager: PBM: The vendor that is contracted by the State of Vermont to process pharmacy claims for individuals who are eligible for Vermont's health care programs.

PMO: Project Management Office

Portal: A computing gateway that unifies access to enterprise information and applications

Potentially Eligible: A person that may be eligible to receive benefits from HHS programs and services

Primary Data Center: PDC

Process Flows: A diagram depicting the set of activities required to perform a specific function in the future state

Proposal: An offer from the State requesting specific services to a prospective Vendor

Q

QA: Quality Assurance

Quality of Service (QOS): The ability to provide different priority to different applications, users, or data flows, or to guarantee a certain level of performance to a data flow

R

Relational Database Management System (RDBMS): A Database Management System in which data is stored in the form of tables and the relationship among the data is also stored in the form of tables

Reach Up: Reach Up (TANF) in Vermont helps families with children by providing cash assistance for basic needs and services that support work and self-sufficiency

Requirements Traceability Matrix: RTM – Detailed list of requirements necessary for the proposed solution

RFP: Request for Proposal

Rich Internet Application (RIA): Web application that has many of the characteristics of a desktop application, typically delivered either by way of a site-specific browser or via a browser plug-in

S**SCHIP:** State Children's Health Insurance Program

Service-Oriented Architecture (SOA): A set of design principles used in application development characterized by the following attributes:

1. The system must be modular. This provides the obvious benefit of being able to "divide and conquer" — to solve a complex problem by assembling a set of small, simple components that work together
2. The modules must be distributable — that is, able to run on disparate computers and communicate with each other by sending messages over a network at runtime
3. Module interfaces must be "discoverable" — that is, clearly defined and documented. Software developers write or generate interface metadata that specifies an explicit contract, so that another developer can find and use the service
4. A module that implements a service must be "swappable." This implies that it can be replaced by another module that offers the same service without disrupting modules that used the previous module. This is accomplished by separating the interface design from the module that implements the service
5. Service provider modules must be shareable — that is, designed and deployed in a manner that enables them to be invoked successively by disparate applications in support of diverse business activities

Seven Standards and Conditions: In late April, CMS published guidance entitled *The Seven Standards & Conditions for Enhanced Funding*, which lists requirements that states must meet to leverage the 100%, 90/10, and other federally matched funding streams that support the ACA. The Seven Standards serve as a touchstone for the modular, flexible, interoperable design of the Health Services Enterprise and its emphasis on reusability of portfolio components.

Shared Analytics Infrastructure: SAI

Simple Object Access Protocol (SOAP): A protocol specification for exchanging structured information in the implementation of Web Services

Shared Analytics: Refers to the business intelligence functionality or the work stream containing that functionality

Service portfolio management: SPM

Social Security Administration: SSA

Social Security Disability Insurance (SSDI): A monthly cash benefit provided to individuals who have been determined disabled by the Social Security Administration.

Social Security's Supplemental Security Income: SSI

Software as a Service (SaaS): Software that is developed to be delivered as a service. The software and supporting infrastructure are owned, delivered and managed remotely by an external provider

Software Development Kit (SDK): A set of development tools that allows for the creation of applications for a certain software package

Solution Architecture: A holistic description of a solution comprised of business architecture, information architecture, and technology architecture views

Supplemental Nutrition Assistance Program: SNAP - Implemented as 3SquaresVT in Vermont

State Medicaid Agency: SMA

State of Vermont: "State" or "Vermont"

T

TANF: Temporary Assistance for Needy Families

Technology Architecture: The technical layer on which a solution is based. The technical architecture is comprised of all the major hardware and software technology entities required to enable the solution to meet the business and information requirements

Three Squares (3SquaresVT): Food stamps program for Vermont

ToT: Training of Trainers

TTT: Testing the Trainers

U

United States Department of Health and Human Services DHHS

Use Case: A format used to capture the requirements from a client and user perspective. The purpose of the use cases is to illustrate *what* the system is expected to do, not *how* it is expected to do it.

User Interface: UI - The method or component users use to interact with a system

V

Vendor: System Integrator that is awarded the contract to provide the solution

Vermont Department of Health: VDH - Sets the State's public health priorities and works with DVHA to help realize public health goals within the population served by DVHA

Vermont Health Connect: VHC - Vermont's Insurance Marketplace

Vermont Information Technology Leaders: VITL

Virtual Private Network: VPN - A network that uses a public telecommunication infrastructure, such as the Internet, to provide remote offices or individual users with secure access to their organization's network

W

Web 2.0: This term describes Web applications that facilitate interactive information sharing, interoperability, user-centered design, and collaboration on the World Wide Web. Examples include wikis, blogs, and mashups

Web Service Specifications: Collectively referred to as “WS-*” and pronounced “w-s-star.” These are industry-supported standards that provide the heterogeneity and interoperability that applications require

Web Services: Web services are modular business services delivered over the Internet as and when needed. The modules can be combined, can come from any source, and can eventually be acquired dynamically and without human intervention, when needed. They are a key building block of a Service-Oriented Architecture

Web Services Description Language: WSDL - An XML-based language that provides a model for describing Web Services

Wide Area Network (WAN): A computer network that covers a broad area (i.e., any network whose communications links cross metropolitan, regional, or national boundaries)

Women, Infants, & Children: WIC

Work: “The Work” in this RFP is defined as project services and ongoing operational and hosting services.

Work Manager: The Contractor’s liaison with the State under this Contract

X

XML (Extensible Markup Language): A language similar to HTML that allows for the self-descriptive categorization, storage and transport of data