STATE OF VERMONT CONTRACT SUMMARY AND CERTIOFICATION – Form AA-14

I. CONTRACT INFORMATION: **Contract # _____ Amendment # _____**

Agency/Department: AHS/Department of Corrections
Business Unit: Correctional Services – Central (03520) **Vendor No:**
Contractor: Prison Health Services, Inc.
Address: 105 Westpark Drive, Suite 200, Brentwood, TN 37027
Federal ID or SS#: 23-2108853
Starting Date: **1/29/2007** Ending Date: **1/31/2009 with two options to renew for an additional one (1) year term by the state.**
Summary of contract or amendment: Inmate health services.

II. FINANCIAL INFORMATION
Maximum $ payable under contract: $___ Maximum units under contract: _____ If Renewal:[Prior Contract #]
This Amendment-$ Change: $_____ Cum. Amendments- $ Change: $_____ Cum % Change: _____%
Unit change: _____ Prior $ max: $ _____ Prior units: _____
Rate: $ see attachment B Prior Rate: $_____
Source of Funds: **General Fund** 100% **Federal** _____% Code _____ **Other Fund:** _____% Code_____
Appropriation(s) Dept Id **#:** 3480004010 _____; _____

III. SUITABILITY OF PERSONAL SERVICES CONTRACT
X Yes ☐ No Does this contractor meet all 3 parts of the "ABC" definition of independent contractor? (See Bulletin 3.5) If not, please indicate why this work is being arranged through a contract.
☐ Yes X No Is agency liable for income tax withholding or FICA?
☐ Yes X No Should contractor be paid on the state payroll?

IV. PUBLIC COMPETITION:
The agency has taken reasonable steps to control the price of the contract and to allow qualified businesses to compete for the work authorized by this contract. The agency has done this through:
X Standard bid or RFP ☐ Simplified bid ☐ Sole Sourced ☐ Qualification Based Selection

V. TYPE OF CONTRACT:
X Personal Service ☐ Construction ☐ Architectural/Engineering ☐ Commodity ☐ Privatization**
***Requires DHR review*

VI. CONFLICT OF INTEREST: I certify that no person able to control or influence award of this contract had a pecuniary interest in its award or performance, either personally or through a member of his or her household, family, or business:
☐ Yes X No Is there an "appearance" of a conflict of interest so that a reasonable person may conclude that this contractor was selected for improper reasons? (If yes, explain)

VII. PRIOR APPROVALS REQUIRED OR REQUESTED
X Yes ☐ No Contract must be approved by the Attorney General under 3 VSA §311(a)(10).
X Yes ☐ No I request the Attorney General to review this contract as to form;
No, already performed by in-house AAG or counsel: _____ (Initial)
☐ Yes X No Contract must be approved by the CIO/Commissioner of DII; for IT hardware/software/services and Telecommunications over $150,000
☐ Yes X No Contract must be approved by the CMO; for Marketing services over $15,000
X Yes ☐ No Contract must be approved by the Secretary of Administration.

VIII. AGENCY/DEPARTMENT HEAD CERTIFICATION; APPROVAL
I have made reasonable inquiry as to the accuracy of the above information:

_____ _____ _____ _____
Date Agency or Department Head Date Approval by Agency Secretary (if required)

_____ _____ _____ _____
Date Approval by Attorney General Date **Reviewed By Comm. DHR or DHR AAG

_____ _____ _____ _____ _____ _____
Date CIO (initial) Date CMO (initial) Date Approval by Secretary of Administration

STATE OF VERMONT Contract #
STANDARD CONTRACT FOR PERSONAL SERVICES Change #

1. Parties This is a contract for personal services between the State of Vermont, Department of Corrections (hereafter called "State"), and Prison Health Services, Inc. , with principal place of business in Brentwood, TN, (hereafter called "Contractor"). Contractor's form of business organization is a corporation. Contractor is required by law to have a Business Account Number from the Vermont Department of Taxes. Account Number is F-26619.

2. Subject Matter The subject matter of this contract is personal services generally on the subject of health care. Detailed services to be provided by the Contractor are described in Attachment A.

3. Maximum Amount In consideration of the services to be performed by Contractor, the State agrees to pay Contractor in accordance with the payment provisions specified in Attachment B a sum not to exceed $___.

4. Contract Term The period of Contractor's performance shall begin on **1/29/2007** and end on **1/31/2009 with two options to renew for an additional one (1) year term by the state.**

5. Prior Approvals If approval by the Attorney General's Office or the Secretary of Administration is required, (under current law, bulletins, and interpretations), neither this contract nor any amendment to it is binding until it has been approved by either or both such persons.
X Yes ☐ No Approval by the Attorney General's Office required.
X Yes ☐ No Approval by the Secretary of Administration required.

6. Amendment No changes, modifications, or amendments in the terms and conditions of this contract shall be effective unless reduced to writing, numbered and signed by the duly authorized representative of the State and Contractor.

7. Cancellation This contract may be cancelled by either party for cause by giving written notice at least 30 days in advance.
7a. Termination without cause- should either party wish to terminate this contract without cause or default, the following provisions apply:

a) the contractor may elect to terminate the contract without penalty so long as the State is provided written notice of termination 180 days priors to the effective date of termination.
b) should the contractor wish to terminate the contract with less than 180 days of notice, Contractor will face a penalty of $5,555.55 per day for each day less than 180 days. In no circumstance will the Contractor be allowed to terminate the contract with less than 90 days of notice.
c) notwithstanding provisions a & b, the State reserves the right to terminate the contract without penalty with 30 days of notice to the Contractor.

8. Attachments This contract consists of 80 pages including the following attachments which are incorporated herein:

Attachment A - Specifications of Work to be Performed
Attachment B - Payment Provisions
Attachment C - "Customary State Provisions", Revised 06/16/05
Attachment D – Modifications of Maximum Insurance Requirements
Attachment E – Business Associate Agreement (Revised 03/28/06)
Attachment F – Final Adopted Rule for Access to Information
Attachment G – Staffing Matrix
Attachment H – Staffing Coverage Standards
Attachment I – Independence, Liability, Harmless Clause
Attachment J – Performance Initiative
Attachment K - Reports

WE THE UNDERSIGNED PARTIES AGREE TO BE BOUND BY THIS CONTRACT.

by the STATE OF VERMONT
Date: _____

Signature: _____
Name: Robert D. Hofmann, Commissioner

Agency: AHS/Corrections

by the CONTRACTOR
Date: _____

Signature: _____

_____
Richard Hallworth
Name: Prison Health Services, Inc.
Address: 105 Westpark Drive, Suite 200
Brentwood, TN 37027
Fed. ID/SS#: 23-210885

APPROVED AS TO FORM:
Attorney General: _____ Date: _____

ATTACHMENT A
CONTRACT FOR SERVICES
SPECIFICATIONS OF WORK TO BE PERFORMED

Contractor will provide the following services for the State:

I. Introduction

It is the purpose of this contract to facilitate and enable the delivery of health care services to the Vermont Department of Corrections' (hereinafter DOC) inmates in Vermont. The Contractor shall:

- meet the health care needs of inmates in accordance with applicable state and federal laws; deliver all medical services in compliance with current standards set forth by the National Commission on Correctional Health Care (hereinafter NCCHC). At such time as these standards are updated, it is understood that the Contractor shall make necessary adjustments and modifications to ensure that Vermont correctional facilities remain in compliance and retain NCCHC accreditation;

- provide a network sufficient in size, location, and scope to meet all clinical requirements outlined in Chapter Two – Health Care Services. The clinical members of this network must also be credentialed consistent with NCCHC standards;

- participate in applicable state sponsored quality improvement projects as directed by the DOC (e.g., Vermont Program for Quality in Health Care, Diabetes Collaborative);

- incorporate local community providers in its system of care;

- coordinate activities with the Vermont DOC Health Services Director or designee. In the event of a dispute between the Contractor and the State on a clinically-related matter, the DOC Health Services Director will have final decision making authority; and,

- participate in outcome driven pay-for-performance initiatives.

II. Health Care Services

A. INTAKE SCREENING

Contractor shall conduct a receiving screening on all new commitments (including transfers) immediately upon the inmate's arrival at the DOC facility and before the inmate enters the general population of the facility. A qualified health care professional shall:

1) Inquire into, and document current and past illnesses, health conditions, and special requirements including:
   - any past history of serious infectious or disease including HIV/AIDS and Hepatitis C;
   - recent symptoms of communicable disease (e.g., chronic cough, hemoptysis, lethargy, weakness, weight loss, loss of appetite, fever, night sweats) suggestive of such illness;
   - past or current mental illness, including hospitalizations;
   - past history of trauma and/or sexual assault/abuse;
   - current or past receipt of, or eligibility for Community Rehabilitation and Treatment (CRT) programs;
   - history of, or current receipt of services related to a developmental disability (DS programs);
   - history of, or current suicidal ideation;
   - dental problems;
   - allergies;
   - dietary restrictions;
   - medications taken (including last dose), name of prescriber and pharmacy;
   - all inmates who are currently taking prescribed medication upon intake will be medically evaluated and, if medically indicated, those medications will be made available to the inmate in accordance with established protocols;
   - for females: date of last menstrual period, date of last pap smear, date of last mammogram, current and past pregnancy, and other gynecological problems;
   - routine medical treatment;
   - health insurance coverage;
   - use of alcohol and other drugs (including last use), and any history of associated withdrawal symptoms, detoxification needs and stabilization services for a substance abuse disorder; and,
   - other health problems designated by the responsible physician.

2) Observe and document the following:
   - appearance (e.g., sweating, tremors, anxious, disheveled);
   - behavior, (e.g., disorderly, appropriate, insensible);
   - mental status (including state of consciousness, suicidal ideation, cognitive limitations), using forms developed in conjunction with the state;
   - communication barriers, if any
   - ease of movement;
   - breathing (e.g., persistent cough, hyperventilation);
   - skin (e.g., trauma markings, bruises, lesions, jaundice, rashes, scars, tattoos, infestations, and needle marks or other indications of drug abuse); and,
   - other disability that may or may not require reasonable accommodation.

3) Administer a screening test for tuberculosis, as soon as practical after admission.

4) Document the findings, date and time the receiving screening is complete.

5) Print name and title and sign and date the screening form.

6) Obtain inmate authorization for treatment.

7) Offer voluntary testing for HIV/AIDS and Hepatitis C and explain rationale.

8) Identify all community providers and obtain release of information authorizing contact.

9) Observe the following timelines for all inmates:

- inmates with questionable health conditions will be medically cleared within twelve (12) hours of intake, and before being sent to the general population;
- inmates with non-emergent conditions will be referred to the general population with appropriate follow-up referrals established;
- inmates requiring immediate intervention will be referred to the appropriate health care staff for evaluation and treatment and will be seen within two (2) hours of intake;
- any referral of the inmate for special housing will be implemented in four (4) hours.
- any referral for emergency health services will be initiated immediately; and,
- referrals to additional medical specialists will be as appropriate, and timelines will be imposed with regard to the severity of medical need as determined by the referring physician.

10) Record receiving screening findings on a standardized form (to be agreed upon by the parties and utilized in all sites). The intake form will be included in the inmate's health care record, and filed in the same Location in the record in each site. The form will be in compliance with all State and national standards. Dispositions of inmates must be clearly noted on the screening form.

11) Contractor staff will be notified of all inmates requiring special housing or having activity restrictions.

12) Within 60 days of the contract start date, an assessment to determine the project plan, technical requirements, workflow and process changes and system integration requirements will be performed by the contractor. Assuming cooperation with Vermont DOC (network infrastructure, interface development), implementation of the PHS Intake System will commence with pilot operation at one DOC facility by June 30, 2007. After resolution of any issues associated with the pilot implementation, a full roll-out of the application will be completed within 120 days thereafter.

B. INMATE ORIENTATION – ACCESS TO HEALTH CARE SERVICES

At the time of initial intake, each inmate will be provided with a written health care services orientation and information on how to access health care services while in the facility. The orientation will include:

1) Sick call process and procedures;
2) How to access emergency and routine medical, mental and dental health services;
3) Medication administration times and procedures;
4) Information on chronic care clinics;
5) Information on accessing mental health services;
6) Information on accessing dental services;
7) Information on accessing optometry services;
8) Hours of facility health center;
9) Information on health services in segregation; and
10) Issue and grievance procedures.

a. Incarcerated Inmates with Special Needs

The Contractor shall comply with the Department's ADA policy.

Inmates with special needs (e.g. non-English speaking, developmentally disabled, illiterate, blind, mentally ill, or deaf) will receive assistance, as required, to help them communicate with health care personnel and to understand how to access health services. Contractor personnel will be trained to adequately explain an inmate's rights to health care services. In addition, signs addressing access to health services will be posted in the intake area and in all inmate housing areas. During the transition phase of this contract, contractor will provide DOC Health Services Director with hard copies of all forms, notices, inmate education materials, and signage for review, approval and printing. As soon as possible, but no later than April 1, 2007 of this contract, all sites must be supplied with the new and approved set of forms and other health care materials and all other existing forms removed.

b. Incarcerated Females

In addition to the services available to all inmates, the Contractor shall also provide female inmates written information on how to access (a) gynecological and prenatal care, (b) breast examinations and mammograms for age-appropriate or symptomatic inmates, and (c) routine pap tests.

C. HEALTH ASSESSMENT

Inmates housed in a Vermont DOC facility for longer than forty-eight (48) hours will receive a complete health assessment within seven (7) days of arrival at the facility. The Contractor shall attempt to communicate and coordinate with community providers who treated the inmate prior to incarceration. The health assessment will be completed by a licensed nurse practitioner, physician's assistant or physician.

The initial health assessment will include:

1) A review of the receiving or transfer screening results.
2) The collection of additional health data to complete the medical, dental, mental health and immunization histories.
3) A recording of vital signs (i.e., height, weight, pulse, blood pressure and temperature).
4) A complete physical examination as indicated by the inmate's gender, age and risk factors including breast, rectal, testicular exams, HIV screening and an assessment for traumatic brain injury.
5) Pelvic, pap and breast examinations for women.
6) Laboratory and/or diagnostic tests to detect communicable diseases including venereal diseases and tuberculosis. The Medical Director may approve additional diagnostic procedures and testing such as a urinalysis, when clinically indicated.
7) Immunization history and the provision of immunizations as clinically indicated.
8) The initiation of therapy and the ordering of other tests and examinations, as clinically appropriate.
9) A written referral for substance abuse disorder as clinically indicated.
10) Discussion with the inmate's community provider. In those instances where the inmate has refused to sign a release of information on admission, the physician, NP or PA will discuss the importance for continuity of care and attempt to obtain a release.
11) Discussion with the inmate regarding smoking cessation, exercise, weight control, other health issues.

The form used to document the findings of the health assessment shall be in compliance with all NCCHC standards. By no later than April 1, 2007, the form will be reviewed and approved by the Contractor's Regional Medical Director and the DOC Health Services Director or his/her designee. In addition, a written authorization for health evaluation and treatment will be obtained from the inmate and witnessed by health care personnel, if a consent has not been obtained prior to this time. This health assessment form will become part of the inmate's permanent health care record.

When the results of the health assessment indicate that the inmate requires further evaluation or treatment, a

treatment plan will be generated and appropriate referrals initiated. The inmate will be referred to the appropriate physician. The specific time for the follow-up care will be determined by the treatment plan, according to the following guidelines

- Routine Health Issues – within fourteen (14) days of the health assessment;
- Urgent Health Issues – within twenty-four (24) hours of the health assessment (or less if required by the severity of the case); and,
- Emergent Health Issues – immediate.

For re-admitted inmates who have received a health assessment within the previous ninety (90) calendar days, the most recent intake screening, the prior health assessment and laboratory results shall be reviewed. The physician will determine if a complete health assessment is necessary. The extent of the health assessment will be determined by the Contractor's Medical Director.

Physical examinations shall be conducted annually. Women inmates shall be provided: (a) gynecological and prenatal care, including consultation; (b) breast examinations and mammograms for age-appropriate or symptomatic inmates; and (c) routine pap tests.

The Superintendent or his/her designee will be informed of any functional aspect of an inmate's physical or mental status that may affect security, housing or work assignments or potential for violent, self-injurious or suicidal behavior, consistent with NCCHC standards and DOC policy. The disposition of inmates not medically suited for confinement will be discussed with the Superintendent or his/her designee. Inmates segregated from the general population for disciplinary reasons and those who have been moved by the use of force will be evaluated by the health care staff immediately when possible and in all case within one (1) hour. The evaluation will be documented in the inmate's health care record.

D. INFORMED CONSENT

The Contractor shall ensure that a patient's informed consent is obtained prior to all examinations, treatments and procedures in accordance with applicable State laws and regulations including informed consent of next of kin, guardian or legal custodian when required. Any inmate may refuse health evaluations and treatment. An inmate's refusal of treatment must be documented by a waiver signed by the inmate and must be part of the inmate's medical record.

The Contractor must document its policies and procedures for obtaining informed consent and an inmate's right to refuse treatment. The Contractor must also submit its consent forms to DOC for approval upon execution of the Contract.

E. INMATE WORKERS

Contractor shall examine and provide medical clearance for all inmate workers, including work release inmates. The medical clearance process will be initiated within twenty-four (24) hours of receiving the list of inmates to be cleared. However, the need for laboratory testing may increase the time required to provide medical clearance.

The inmate worker clearance will be documented on a standardized form and include:

1) A review of the inmate's current health care record, including history and physical exam.
2) Questions regarding the inmate's past medical history, including communicable disease, cardiac problems, pulmonary problems, allergies and back problems.
3) Questions regarding current signs and symptoms of illness.

4) Documentation that the inmate has no conditions that preclude work based on criteria provided by the Vermont Department of Health.

Inmate workers will not be allowed to provide health services or work in the health services area, except for cleaning purposes. Inmates working in the health services area must be supervised at all times.

F. SICK CALL

All inmates will have a daily opportunity to request health care. Contractor will implement a sick call system that provides inmates with unimpeded access to health care services. Nursing personnel will collect, triage and respond to all inmate requests daily. Contractor will utilize the established sick call boxes. For inmates who do not have access to the sick call boxes, alternative arrangements will be made for filing sick call requests. The requests will be triaged and the inmates will be scheduled for health care services as medically indicated. The frequency of sick call will be consistent with NCCHC standards and the facility schedules shown in Attachment G.

Contractor shall follow nursing protocols, developed and implemented with the approval of the State, to facilitate the delivery of sick call services by nursing personnel. Health staff will be trained to effectively triage the inmate's condition and implement established protocols. Health services will be provided in a manner that complies with state and federal privacy mandates within the scope of each facility's physical plant. If the inmate's condition requires services beyond the ability of the nurse and/or the established nursing protocols, the inmate will be referred to the appropriate health provider for evaluation and treatment within twenty-four (24) hours.

Sick call services, in compliance with NCCHC standards, will be provided at sufficient levels to allow the health care staff to provide same-day response to urgent inmate requests for health care services. Nursing sick call will be conducted daily. Physician sick call will be conducted according to a set schedule agreed upon by the contractor and the DOC. If the inmate's custody status precludes attendance at sick call, contract staff will consult with facility security staff to facilitate access to health care services within time frames established for inmates in the general population.

Timeliness of the response to sick call requests can be an important indicator of quality of care. Contractor shall meet the NCCHC standards for sick call response times.

G. HEALTH IMPROVEMENT AND DISEASE PREVENTION

Health staff is expected to provide health education during all inmate encounters.

The Contractor shall coordinate all health improvement and disease prevention activities with the DOC and the Vermont Department of Health. The health improvement and disease prevention program shall include smoking cessation, diabetes management including dietary needs, effects of drug and alcohol use, stress management, sexually transmitted diseases, HIV/AIDS and Hepatitis. Education shall be offered in formats that are easy to read and understand, culturally appropriate and gender sensitive. Instructional methods may include classes, audiotapes, videotapes, brochures, or pamphlets. The DOC Health Services Director will review and approve all educational materials. As emerging issues are identified, new prevention topics and activities shall be added.

Contractor must be willing to coordinate inmate education programs with educators from the community (i.e., Public Health Nurses). The Contractor shall act as a consultant for facility staff in the development of health education/promotion groups or classes. HIV risk reduction activities shall be coordinated with other State agents and contractors, as authorized by the DOC and the Vermont Department of Health.

The Contractor shall include a detailed description of its health improvement and disease prevention program in its CQI program description.

H. FIRST AID KITS

Contractor will provide and maintain First Aid Kits in clinical areas of DOC facilities for Contractor staff and inmates in custody. DOC is responsible for any First Aid Kits placed in other areas of the facilities. The First Aid Kits must be secured with a plastic tear away lock. Each time the lock is broken, utilizing staff will initiate a supply request to health care services. Nursing staff will check and replenish the contents of each kit on a monthly basis and when requested. The monthly kit checks will be documented as required by NCCHC standards. The location and contents of the first aid kits will be approved by the Contractor's Medical Director, Program Manager and the correctional facility superintendents.

I. EMERGENCY SERVICES

Contractor is required to provide an immediate response to inmates in an emergency situation. Contractor will have twenty-four (24) hour physician telephone on-call coverage and specific written policies and procedures to address emergency response and the emergent transfer of inmates. At a minimum, policies will include standardization of thresholds for emergency transport. The Contractor also must develop a coordinated protocol with the DOC Mental Health Provider to respond to mental health care emergencies.

Contractor shall sub-contract or maintain written agreement(s) with local hospitals to provide emergency services to inmates on a twenty-four (24) hour basis and inpatient hospitalization for all inmates in custody (subject to conditions described in this chapter, Section J Hospitalization and Payments to Health Care Providers). Additionally, arrangements will be made for Advanced Cardiac transportation and Basic Life Support transportation with local EMS and ambulance services. Contractor shall be responsible for the emergency transport of inmates.

Contractor shall ensure that an inmate's medical chart accurately reflects and documents services provided by outside health care providers, as well as any emergency services provided by the Contractor.

The Contractor shall provide and document emergency medical care necessary to stabilize any injured DOC employee, contract employee, volunteer or visitor who is injured or becomes ill while onsite at a DOC facility. Any required follow-up care will be the responsibility of the person receiving the emergency care.

a. Emergency Care for Work Release Inmates

In the event that a work release inmate requires urgent/emergent care, Contractor shall provide care at the most appropriate facility (community or DOC) based on the inmate's health condition.

For inmates injured while on work release, whose injuries are covered under workers' compensation insurance, DOC shall provide Contractor with the inmates' workers compensation information, including insurer information. When sufficient workers compensation information has been provided, Contractor shall be responsible for coordinating follow-up care and case management services with the employer's workers' compensation insurer until either the inmate's treating physician has released him/her to return to work or until the inmate is discharged from the DOC, whichever occurs first. Contractor may or may not provide care for the work-related injury at a DOC facility, depending upon Contractor's arrangements with the employer's workers' compensation insurer.

Contractor retains responsibility for delivering all medically appropriate care, regardless of inmate's access to

third party coverage. Contractor will work with the DOC to develop a specific policy and procedure to ensure that work release inmates receive appropriate urgent/emergent care, and to ensure case management and follow-up care provision and coordination.

J. HOSPITALIZATION AND PAYMENTS TO HEALTH CARE PROVIDERS

Contractor shall establish written agreements with local hospitals to provide services when an inmate's condition requires inpatient hospitalization beyond the scope of the facility to manage. Contractor Utilization Review personnel will monitor the condition of inmates in local hospital(s) daily and report to the DOC Health Services Director or designee at regular intervals as determined during the contract negotiation process.

Contractor shall identify the need, schedule, and coordinate any inpatient hospitalization and related services for State correctional facility inmates. Contractor shall also coordinate with the DOC Mental Health Provider any hospitalization of inmates requiring mental health care services.[1] Inmates may be subsequently transferred to a State correctional facility infirmary or other appropriate setting when medically appropriate and practicable. Contractor shall ensure that an inmate's medical chart accurately reflects and documents services provided by outside health care providers.

Under no circumstances shall Contractor limit or delay access to inpatient hospitalization for inmates identified as needing this level of care. If the State believes that the Contractor is not transferring inmates needing inpatient hospitalization in timely fashion, the DOC Health Services Director and Contractor Medical Director shall review and resolve any dispute. Failure to reach resolution may be grounds for termination of the contract.

a. Provider Payments

The Contractor must have in place contracts or written agreements with hospitals for both inpatient and outpatient services and must negotiate payment rates with these facilities that are adequate to ensure the provision of services to the incarcerated population. The Contractor will be responsible for payment of all inpatient hospital claims for inmates. The contractor will assist the state in the process of determining eligibility and proof of identity and citizenship.

Contractor shall make good faith efforts to adjudicate (reimburse, deny or request additional information) all clean hospital (and other community-based providers) claims within forty-five (45) days of the Contractor's receipt of the claims. Failure to promptly reconcile and pay clean claims may result in penalties (see Chapter Five, Section Q – Performance Guarantees) or may be grounds for contract termination. All hospital/ community provider claims forty-five (45) days or more in arrears shall be reported to the DOC monthly.

K. INFIRMARY SERVICES

Contractor shall staff and utilize the infirmary beds available at several of the Vermont DOC facilities for non-acute admissions of inmates who may require a higher level of medical attention. Inmates requiring respiratory isolation will be housed in a designated negative air pressure room.

The scope of services provided in the infirmary will be organized so that inmates have appropriate classification, housing and treatment. NCCHC defines an infirmary as "an area within the confinement facility accommodating two or more inmates for a period of twenty-four (24) hours or more, expressly set up and operated for the purpose of providing skilled nursing for persons who are not in need of hospitalization."

[1] If a mental health provider admits a patient to a hospital or other health care facility for psychiatric treatment, s/he must inform the Contractor immediately. The Psychiatric Medical Director for the mental health vendor is responsible for arranging psychiatric hospitalization in consultation with the DOC Health Services Director or designee. The Psychiatric Medical Director must immediately notify contractor of decision.

The infirmaries may be used for convalescent, medical observation and skilled nursing care. The requirements of national standards vary depending upon the housing classification, the degree of services provided and the defined scope of service. The infirmary beds will be classified and the scope of services will be defined according to policies and procedures covering areas including, but not limited to:

1) Twenty-four (24) hours a day direct nursing observation will include daily or more frequent (if medically indicated) recording of vital signs and nurses' notes, based on the inmate's condition and physician order. Inmates will always be able to gain a health care professional's attention, either through visual or auditory signals.

2) Admission to, and discharges from the infirmary will be controlled by the Contractor's Medical Director.

3) A physician will be available by telephone twenty-four (24) hours per day, seven (7) days per week, three hundred and sixty-five (365) days per year.

4) All nursing services will be under the direction of a Nurse Manager, who will be on-site forty (40) hours per week. Staffing levels will be appropriate for the number of inmates, the severity of their illnesses and the level of care required for each, but no less than the staffing reflected in Attachment H.

5) Contractor's staff will initiate a separate and complete infirmary medical record upon admission and incorporate it into the inmate's health care record upon discharge. The record will include:

- admitting orders that include the admitting diagnosis, medication, diet, activity restrictions, any required diagnostic tests, and the frequency of vital sign follow-up;
- a complete documentation of the care and treatment given;
- the medication administration record; and
- a discharge plan and discharge notes.

6) Contractor will develop a manual of infirmary nursing policies and procedures. The manual will be consistent with the Vermont's Nurse Practice Act and licensing requirements and approved by the Health Services Director or designee.

7) The health care staff, in conjunction with Facility Superintendent, will be responsible for ensuring that the infirmary area is clean and safe for the provision of health care services.

L. SERVICES FOR INCAPACITATED PERSONS

Only after medical clearance by designated community providers has been obtained, including all required signatures, shall the Contractor provide a medical screening, observation and assistance to all incapacitated persons who have been brought to a correctional facility. Medical clearance by designated community providers will be in accordance the policies and procedures agreed to and approved by the State.

If an incapacitated person arrives who has not been properly screened, Contractor shall advise DOC that the incapacitated person lacks clearance and should not be accepted into the facility. The Contractor shall provide an intake screening and observation services to all persons approved for acceptance in accordance with the policies and procedures agreed to and approved by the State.

M. SPECIAL NEEDS – CHRONIC AND CONVALESCENT

a. General

Contractor will provide chronic and convalescent services in a manner that incorporates principles of case and disease management for complex cases (see section below), and promotes maximum progress and healing. "Chronic" is defined as health care services rendered to an inmate over a long period of time for ongoing medical conditions including, but not limited to, Hepatitis C, depression, diabetes mellitus, hypertension, asthma, substance use disorders and epilepsy. "Convalescent" is defined as medical services rendered to an inmate patient to assist in recovery from an acute illness or injury.

Health care programs provided by Contractor shall require that inmates requiring chronic or convalescent care receive timely follow-up, evaluation, treatment and education about the preventive activities available. Inmates with chronic conditions will be evaluated every three (3) months, in chronic-care clinics, or more frequently if clinically indicated.

Contractor personnel will utilize evidence based disease management protocols and develop chronic care treatment plans and collaborate with DOC's Health Services Director to develop individualized plans to address an inmate's specific needs. The treatment plan will outline the inmate's course of care and will define and dictate the nursing staff responsible for day-to-day health care service delivery and inmate education. Contractor's Medical Director will report monthly to Vermont Department of Correction's Health Services Division on chronic care enrollment and progress on specified clinical indicators.

Under no circumstances shall Contractor limit or delay access to chronic/convalescent treatment for inmates identified as needing this level of care. If DOC believes that the Contractor is not providing chronic/convalescent treatment in timely fashion, the DOC Health Services Director and Contractor Medical Director shall review and resolve any dispute. Failure to reach resolution may be grounds for termination of the contract.

b. Case Management of Complex Cases

At a minimum, active case management shall include:

1) Performing a needs assessment and developing individual treatment plans (under the supervision of a physician, as appropriate) that address, as applicable, diet, exercise, medication, type and frequency of medical follow-up and adjustment of treatment modality.

2) Monitoring inpatient hospitalizations and coordinating care required upon return to the Facility.

3) Ascertaining whether an inmate has health insurance from any source, including individual or employer-sponsored coverage (self, spouse and/or family), automobile coverage (if admitted with vehicle-related injuries), workers' compensation (if injured while on work release), military coverage (TRICARE), Veterans Administration, Medicaid, or Medicare coverage. The Contractor will then facilitate collection on the State's behalf.

4) Coordinating post-discharge follow-up services, including within non-acute settings such as rehabilitation facilities and nursing homes.

In those cases where third party reimbursement is available and such information is known to Contractor, inmates shall be encouraged, but not required, to sign insurance claim forms.

For inmates injured while on work release, whose injuries are covered under workers' compensation insurance, Contractor shall be responsible for coordinating follow-up care and case management services with the employer's workers' compensation insurer until either the inmate's treating physician has released him/her to return to work or until the inmate is discharged from the DOC, whichever occurs first. Contractor may or may

not provide care for the work-related injury at a DOC facility, depending upon Contractor's arrangements with the employer's workers' compensation insurer. Contractor retains responsibility for delivering all medically appropriate care, regardless of inmate's access to third party coverage.

Contractor is responsible for completing a Vermont Health Access Plan (VHAP) enrollment form for all inmates receiving inpatient hospital services who may be eligible for VHAP coverage. The Contractor will submit the inmate's enrollment form to VHAP for a determination of program eligibility. VHAP eligibility determinations may require proof of inmate identity and citizenship which shall be responsibility of the DOC to obtain and provide to the Contractor as part of the VHAP enrollment process.

N. COMMUNICATION ON SPECIAL NEEDS

Regular channels of communication must be established and maintained between Contractor's health care staff and the Facility Superintendent and facility staff to ensure a continuum of care for sick inmates, while maintaining the security and the health and safety of other inmates and facility staff.

Contractor's health care staff and DOC facility administration will communicate as needed about inmates who are:

- chronically ill;
- on dialysis;
- adolescents in adult facilities;
- infected with serious communicable diseases;
- physically disabled;
- diagnosed with traumatic brain injury;
- pregnant;
- frail or elderly;
- terminally ill;
- mentally ill or suicidal;
- developmentally disabled; or,
- seriously ill with significant health conditions.

O. SPECIAL NEEDS TREATMENT PLANS

The Contractor will develop and maintain treatment plans for inmates with special needs as listed in this chapter, Section M - Special Needs – Chronic and Convalescent. These treatment plans will include, at a minimum:

1) the frequency of follow-up for medical evaluation and adjustment of treatment modality;
2) the type and frequency of diagnostic testing and therapeutic regimens; and,
3) instructions about diet, exercise, adaptation to the correctional environment, and medications, when appropriate.

Special needs will be listed on the master problem list in each inmate's medical record. The Contractor will maintain an ongoing list of special needs inmates, and will make this information continuously available to facility administration and the DOC Executive Health Committee.

P. SUICIDE AND SELF–INJURY PREVENTION PROGRAM

Contractor must coordinate with the State and its agents in the delivery of a comprehensive suicide and self-injury prevention program promulgated by the DOC and designed to identify, respond to, monitor, and treat suicidal and self-injurious inmates. The suicide and self-injury prevention program must include written policies and procedures that address key components of the program.

At a minimum, key components include those defined by NCCHC, and are as follows:

- training
- identification
- referral
- evaluation
- housing
- monitoring
- communication
- intervention
- notification
- reporting
- review
- critical incident debriefing

Contractor must perform quality monitoring activities at least quarterly in order to assess adherence to the program.

Q. HOSPICE CARE

During the transition phase[2], Contractor shall work closely with DOC to develop and implement the contractor's CHOICES program as outlined in Section 6.10 of the proposal. This shall include, but not necessarily be limited to: establishment of policies addressing: criteria for admission to the hospice program, special privileges for terminally ill inmates, requirements for housing in palliative care settings, "do not resuscitate orders" and coordination with existing community hospice resources. The hospice care unit will be located at the Southern State Correctional Facility in Springfield, Vermont.

The Contractor's staff working in the hospice program should be qualified health care professional care professionals with training in basic hospice theory and techniques. The Contractor shall ensure that enrollment in the program is an inmate's informed choice, and that an independent evaluation by a physician not directly involved in the inmate's care is completed prior to enrollment. The Contractor's Regional Medical Director will approve all transfers to the hospice unit.

R. DIAGNOSIS, CONSULTATION AND TREATMENT

Contractor's health delivery systems will be designed to allow the physician time to concentrate on those inmates with significant health conditions. Contractor shall provide follow-up and treatment for health problems identified by screening or diagnostic tests. When appropriate, nursing protocols will be implemented. If an inmate's health condition cannot be appropriately addressed with a nursing protocol, the inmate will be referred to the Medical Director by the attending nursing staff.

Contractor's Medical Director and DOC's Health Services Director will be available for second opinions and to review consultation requests. Contractor shall coordinate all necessary hospitalization, monitoring, diagnostic testing, prescriptions and specialty consultations to appropriately address an inmate's health condition.

[2] The term transition phase reference throughout this contract refers to the first forty-five (45) days of the new contract.

S. OBSTETRIC AND GYNECOLOGY SERVICES

The Contractor shall provide annual gynecological consultations and perform pap and breast examinations on all female inmates, unless contra-indicated by a qualified health care professional. Annual mammograms shall be performed on all female inmates over forty (40) years of age, unless contra-indicated by a qualified health care professional.

Pregnant inmates require close supervision and peri-natal care by the Contractor. The Contractor shall also develop a plan to meet the special needs of pregnant inmates.

Currently, the Dale Correctional Facility and Southeast State Correctional Facility house all female inmates. The Contractor's staffing at these facilities should include an OB/GYN trained health care practitioner who is qualified to meet the needs of the inmates in these facilities. High risk pregnancies, those with medical conditions that could complicate their pregnancy or those in which opiate addiction is managed shall be managed by the peri-natal service at FAHC. Normal pregnancies may be managed at either women's facility in accordance with pre-established protocols.

T. SPECIALTY OUTPATIENT SERVICES

Contractor shall provide general medical care, dental care, optometry care on site. A log of dental and optometry appointment requests will be maintained at each site and reported on monthly. Physical therapy may also be arranged on a limited basis on site. Contractor shall develop a network of qualified health care professional care professional specialists to provide inmates with necessary access to all other medically necessary health services. Contractor shall enter into written agreements with said specialists who practice in the local areas, and provide the DOC Health Services Director with a current list of all specialists to be utilized

For HIV-positive inmates, treatment shall be coordinated through the Infectious Diseases Unit at Fletcher Allen Health Care. The Contractor shall make every reasonable effort to comply with the evidence-based clinical management protocols for inmates who are HIV-positive, as directed by the Infectious Diseases Unit, including providing protease inhibitor drug treatment, as clinically indicated. Disputes over specifics of inmate care shall be resolved by the DOC's Health Services Director. The Contractor shall provide inmates with contact information for local AIDS Services Organization to facilitate transitional care for inmates with HIV/AIDS who are being released from the correctional system.

Whenever possible, Contractor shall arrange for qualified health care professional care professional specialists to visit the facilities so that inmates may be maintained within the security of the Contractor facility. To the degree possible, laboratory services (blood and urine testing), EKGs, pathology service (PAP testing, biopsy testing) and radiology (SSCF, flat films only) will also be performed on-site. If necessary, an outside referral will be made for services that cannot be provided at the facility. A standardized utilization management form containing pertinent clinical information must be completed for all specialty referrals and shall serve as the basis for the written referral. This shall include, but not be limited to diagnostic testing results, substantive patient history and clinical findings.

Contractor shall be responsible for scheduling, authorizing and coordinating all specialty services. Contractor's Regional Medical Director must review and approve all off-site specialty requests. Once approved, an appointment shall be scheduled and a standardized authorization letter generated, which will accompany the inmate/patient to the appointment. The specialty provider is expected to complete the lower portion of this authorization letter with his/her findings and suggestions for care and follow-up. Recommendations by the specialty physician must be reviewed, signed and dated by the site medical director. The site Medical Director will write new orders for any recommendations made by the specialty physician, which s/he deems appropriate

and will document same in the progress note. The rationale for not accepting recommendations shall also be documented in the progress note section of the medical record. Recommendations for additional specialty or off-site care must be reviewed by the regional director using the above process.

Program managers at each site will continually track all consults to make sure all steps outlined above are followed.

Contractor will coordinate the movement of inmates to off-site appointments with the Vermont DOC facility superintendents and/or their designees. All inmates returning from outside hospital stays or clinic visits will be seen by a medical professional immediately upon return and a progress note regarding the review will be documented in the inmate's health record. Contractor shall ensure that an inmate's medical chart accurately reflects and documents services provided by the outside health care provider(s).

U. ANCILLARY SERVICES

Contractor shall establish and maintain a comprehensive range of ancillary support services. Contractor shall identify the need, coordinate and pay for all supporting diagnostic testing and examinations, both inside and outside the State correctional facilities. All subcontractors will be required to meet state and local licensure requirements and provide proof of Professional Liability insurance.

a. Laboratory Services

Contractor shall contract with a laboratory to provide diagnostic testing. Laboratory testing will include routine, special chemistry and toxicology analysis. The laboratory will meet all requirements of the State of Vermont for HIV specimen handling, testing and reporting.

All services provided shall meet all State of Vermont requirements for medical pathology and standards set forth by the American College of Pathology. Services will include timely pickup and delivery and accurate reporting within a reasonable time frame with provisions for stat lab testing as necessary.

Contractor shall establish a policy and procedure manual for all laboratory testing performed on-site.

A log will be maintained to document the type and number of specimens sent, and those returned. A lost specimen will be reported immediately, so that the lab may be repeated.

Contractor's laboratory services contract will include:

- Laboratory supplies and required equipment
- A standard Operations Procedure Manual for laboratory service at each Vermont institution
- Pick-up and delivery on a daily basis, or as needed Monday through Friday
- Printer installed at the institution to provide test results
- Results for routine testing will be returned within 24 hours
- Stat laboratory work will be performed at a local hospital or accredited laboratory nearest the institution when regular lab service is not available. Results will be telephoned immediately to the requesting physician and a written report will follow within 24 hours.

All results, when returned, will be immediately checked by a member of the healthcare staff, and then forwarded to the physician to review and initial before being filed as part of the inmate's medical record.

The physician on 24-hour call will be notified immediately if any grossly abnormal lab value is detected, or if the medical staff receives any stat lab report. Contractor's physicians will check, initial and date all laboratory

results during next scheduled shift at the facility to assess the follow-up care indicated and to screen for discrepancies between the clinical observations and laboratory results. In the event that the laboratory report and the clinical condition of the patient do not appear to correlate, the physician will make a clinical assessment and provide appropriate follow-up, which includes reordering the lab tests.

Quality Improvement Indicators

Contractor's laboratory service provider shall adhere to the Clinical Laboratory Improvement Act, be certified by the Colleges of American Pathology and be fully licensed as a national laboratory service. They shall have an internal Quality Assurance team that conducts periodic reviews of quality improvement indicators. The QA team is responsible for the following:

- Reviewing test results for accuracy
- Review of testing protocols and procedures and
- The proper conduct of tests on purchased controlled materials approved by the FDA.

Each month the laboratory will provide Contractor with an itemized statement of the service rendered the prior month which the Contractor will then forward for review by the DOC Health Services Director or designee.

b. Radiology Services

A radiology technician will be on-site to provide radiology service on a scheduled basis at Southern State Correctional Facility. Inmates will be referred off-site for procedures beyond the scope of service provided on-site. A Board-Certified radiologist will read the studies in a timely manner. The radiology report will be documented and maintained in the inmate's health care record. The Contractor's on site Medical Director, or physician designee, will review, initial and date all radiology reports. A written plan of care will be documented on all abnormal X-ray reports.

c. Diet Therapy

Special diets will be available to inmates when medically indicated and prescribed by a physician. Contractor personnel will complete a Therapeutic Diet Order form and forward it to dietary services. The order will include the type of diet and the duration for which the diet is to be provided. The inmate's orientation to the therapeutic diet will be documented in the health care record. In accordance with NCCHC standards, Contractor shall coordinate reviews of all diets at least every six (6) months with a registered dietitian.

d. EKG Services

Contractor shall provide EKG services and necessary EKG equipment. The EKG contract will provide for immediate reading and reporting of results of EKG. Nursing staff will receive in-service training related to EKG services.

e. Medical Prosthetics

Contractor shall establish contracts with local prosthetic companies to provide prosthetic devices to inmates as medically indicated. The contract will require the company representative to make preliminary measurements and fittings for prosthetics on-site. Prosthetics will be chosen according to community standards, but also must conform to security requirements of the DOC.

V. OPTICAL SERVICES

Contractor may subcontract for all Optical and Vision Services. Vision services and optometry examinations and treatment will be provided on-site in accordance with DOC guidelines and NCCHA/ACA Standards. The Optometry clinics will concentrate on the provision of routine eye care, including: routine visual acuity testing, routine refraction, glaucoma testing, and the prescription and dispensing of eyeglasses, as provided for under DOC department directives and appropriate. Optometrists will examine inmates with specific complaints. They will also screen for signs of diabetes that can be identified during the eye exam. Any problems associated with the delivery of routine eye care will be referred to an ophthalmology clinic for further testing and resolution. Any situation that cannot be handled on-site will be scheduled for treatment at an off-site provider facility or hospital. As with other specialty service, ophthalmology/optometry services will be provided on-site at the facility to the greatest extent possible. Any inmate with an uncorrected visual acuity of 20/40 or worse in either eye will be referred to an optometrist. Eye examinations and treatment will be provided within 4 weeks of an inmate request. Routine eye exams with needed correction will be offered every two years.

Eyeglasses will be provided when the inmate's vision is 20/40 or worse and an optometrist or ophthalmologist has written a prescription for eyeglasses. Contractor will repair or replace eyeglasses as a result of changing optical requirements and normal use. Eyeglasses will be provided and ordered only if medically indicated and the inmate has 90 days or more remaining prior to end of sentence.

Non-clinically mandated ophthalmic prosthetics may be provided at the inmate's expense. Patients will be responsible for the safety and security of eyeglasses. Replacement for lost or damaged eyeglasses will require written approval. One pair of eyeglasses may be authorized in any two-year period. Those required more often will be paid for by the inmate unless required by a change in the inmate's visual acuity. The inmate will be responsible for the cost of replacement resulting from loss, willful destruction, or damage.

Contractor shall respond to the self-reported need or medical referral for optical intervention and schedule coordinate and pay for the dispensing, evaluation, and fitting services of an optometrist. Inmates requesting health care services for visual problems will be evaluated using the Snellen eye chart by nursing staff. If a visual deficiency beyond 20/40 is identified, the inmate will be referred to Contractor's optical service provider.

Inmates shall be eligible to receive follow-up eye exams every two (2) years.

Contact lenses and tinted lenses will not be provided except in response to a verified medical need and not for cosmetic purposes.

W. PHARMACEUTICALS

The pharmaceutical system will have the following components and comply with NCCHC standards:

Contractor shall provide a total pharmaceutical system in compliance with NCCHC standards that is sufficient to meet the needs of the DOC inmates. Contractor shall also be responsible for the acquisition, storage and administration of pharmaceuticals. Policies, procedures and practices addressing pharmaceuticals will be in compliance with all applicable state and federal regulations regarding dispensing, administering, and procuring pharmaceuticals.

Contractor will utilize the Vermont Medicaid formulary. Proposed modifications to the Vermont Medicaid formulary must be submitted to the DOC Health Services Director or designee for review and approval before being implemented.

Compliance with the formulary will be mandatory. However, if the DOC Health Services Director or Contractor's Regional Medical Director determines that the most effective treatment is a non- formulary medication, this medication will be made available to the inmate. Non-formulary medications will be obtained

by completing a non-formulary request form and submitting it to the Contractor's regional Medical Director for approval.

A cost-effective agreement with a pharmaceutical vendor will be established. If an agreement is established with a national vendor, a contract or other arrangement will also be established with local pharmacies to provide time-sensitive access to all medications.

a. Medications for Work Release Inmates

Contractor shall ensure that work release inmates have access to all necessary medications. Contractor shall make every effort to provide medications at a DOC facility, but may provide medications on a keep-on-person basis in accordance with DOC policy and procedures.

Contractor will work with the DOC to develop a specific policy and procedure for dispensing medications to work release inmates.

b. Medication Assisted Therapy for Opiate Addiction

Contractor shall comply with DOC policy on Suxobone, Methadone, Buprenorphine and other medication-assisted therapies for opiate addiction.

Contractor shall work with DOC to ensure that medication assisted therapy for the treatment of opiate addiction is available to inmates, as determined by and in agreement with DOC policy. Contractor shall also be expected to participate in the identification of potential candidates and coordination of such treatment.

In the future, DOC reserves right to require competitive procurement process to select a pharmacy services provider. For the present, Contractor may continue to use its direct subsidiary, Secure Pharmacy Plus (SPP).

SPP shall provide the following
Ordering and Delivery of Medications

Next-day delivery service shall be available for any medication orders received via:

- Web (entered by 5:00 pm ET, Monday through Friday
- Fax (verified by 4:00 pm ET, Monday through Friday
- Phone (by 5:00 pm ET, Monday through Friday

All orders phone, faxed or entered through the web system by 1:00 pm ET Saturday will be delivered the following Monday.

The Web pharmacy system shall be fully operational by April 1, 2007. This system is expected to allow the end user to enter orders, view order status, view patient profiles, access on-line reports, track product formulary indicators, refill-too-soon, expired prescriptions, allergies, Web Pharmacy shall restrict client access to components based on their role, so that, for example, a user can be setup with only the capabilities to request prescription refills.

SPP's pricing shall remain inclusive of all freight transportation & handling charges. In the event of an interruption in delivery service, SPP would use an available alternative shipping source and local sources to meet delivery requirements. Depending on the length of the interruption in delivery service, SPP has system capabilities to identify existing open prescriptions.

The packing slip will be printed in the sequence that meets the DOC's needs. The packing list features the name, address, and DEA number of SPP in the upper left corner of the sheet. The facility number and facility name are printed at the top center of the sheet.

Identifying Narcotics and Controlled Substances
Delivery boxes containing controlled substances will have the controlled substances packaged in a separately sealed envelope containing the controlled substances, controlled substances packing list, and controlled substance sign out sheet. The medication card will be marked with a bright "ORANGE" label that reads "CONTROLLED SUBSTANCE. DANGEROUS UNLESS USED AS DIRECTED."

The envelope containing the controlled substance will always be packed at the top of the delivery box.

Inventory System and Control
All medications are stored based on the manufacturer's requirements at time of purchase.

Formulary Development
SPP's clinical pharmacists will work with the DOC to maintain an updated formulary that is specific to the DOC. SPP will also continue to work with the DOC to maintain the existing non-formulary prescription policy under the strict limits approved by DOC.

Contractor will continue to make information available regarding "best practices" in formulary management techniques based on our experiences with other clients, various Health Maintenance Organizations and State Departments of Corrections. The SPP formulary shall be cross-referenced by brand and generic names, categorized by class, with symbols that show relative cost of each drug within the class, along with essential treatment guidelines for providers. A copy is included in the Attachments.

Communication Plan
SPP will ensure adequate communication of the information through the following methods.

- Printed memos will be placed in each box of medications being delivered to the site.
- An e-mail distribution list will be established for the providers in the DOC's System. As changes occur, e-mails will be sent to each provider.
- A revised copy of the formulary will be distributed in one or more of the following formats:
    - Hard copy and Diskette: full size
    - Hard copy and Diskette: pocket size summary
    - Electronic file: for download to PDA
    - MicroMedex Formulary Advisor System

Administration Methods
SPP uses a multi-dose system for dispensing patient specific medications including a peel off reorder label. A 30-day supply of medication shall be provided for all maintenance medications if requested.

SPP will provide the required labeling that is in compliance with the federal requirements and the laws of the Vermont. SPP will also provide a computer- generated label that contains all administration information and can be affixed to the Medication Administration Record (MAR).

Security Procedures
All pharmacy services, both off- and on-site shall be under the direct supervision of Regional Medical Director, who shall ensure strict adherence to subcontractor performance agreements and internal policies and procedures.
A licensed consultant pharmacist will regularly conduct an inspection of all institution areas where medications are maintained. This inspection will include, but not be limited to, the expiration dates, storage and a periodic

review of medication records. The consultant pharmacist's monthly inspection report will be retained in the pharmacy with a second copy sent to the Director of Pharmacy.

A limited supply of controlled drugs will be kept in DOC institutions. These drugs are under the control of the responsible physician. These medications are monitored and accounted for by the nursing staff under the overall supervision of the Health Services Administrator.

Controlled drugs are kept in a double locked cabinet, separate from non-controlled drugs. Class II, III, and IV will be counted at the end of every shift by the nurse going off duty with the nurse coming on duty. Any discrepancies in the count are reported immediately and resolved prior to the present nursing staff going off duty. All controlled substances must be signed out to the patient receiving them at the time they are administered. All security measures regarding controlled substances must meet approval from the DOC.

Needles, syringes and other high-risk items are stored in locked areas and signed out to the individual inmate when they are used. A designated nurse is responsible for maintaining the sharp count inventories. All hypodermic supplies, including needles, syringes and disposal containers are tamper proof and puncture resistant. Contractor will contract with a biohazardous waste material disposal contractor for appropriate removal and destruction of all needles and syringes.

Staff Training
SPP's training will repeat during transition and continue throughout the contract term.

Components of the orientation program will include, but are not limited to, the following:
- Access to services,
- Electronic ordering,
- 24-hour pharmacy hotline,
- Back-up pharmacy systems,
- Pharmacy consultations,
- Medication check-in,
- Ordering medical surgical supplies,
- Web pharmacy and reporting,
- Appropriate forms and documentation,
- Nursing drug handbook,
- Medication alerts,
- Utilization of stock medications, and,
- Emergency and start-up kits.

SPP will provide each clinic an in-service manual explaining all aspects of the SPP pharmacy program as well as in-service training on a convenient DVD (also available in VHS format). During the transition period, SPP will work with the client on revision and/or approval of the in-service manual. SPP will also provide additional in-service information to each correctional center in the event of a change in our medication operational distribution system or staff turnover.
SPP will also provide 9 customized copies of the SPP implementation manual known as “Secure Notes” for site medical managers to use as refresher training for existing staff and for initial training of new staff.

Continuing Education
The SPP Clinical Department uses two methods to contribute to our training services:

1. A Pharmacy and Therapeutic Packet is prepared every month. This packet will inform your staff and keep them up to date on:
- Therapeutic class reviews,

- Disease state treatment guidelines,
- New drug information,
- Adverse drug reactions, and,
- Other news briefs.

NOTE: If there is urgent drug information (i.e. recalls), SPP will not hold information releases to a monthly basis, but will provide it immediately as it occurs.

Stop Order Procedures

Prescribed DEA controlled substances will have automatic stop orders with periodic review for any such orders. Unless a prior stop date has been specified, or state or federal law mandates otherwise, the following automatic stop dates will apply to DEA controlled substances:

- DEA controlled substances that are Schedule II and III will have an automatic stop date of 72 hours.
- DEA controlled substances that are Schedule IV and V will have an automatic stop date of 10 days.

Each medication container will be correctly labeled with the inmate's name, medication contents and all other vital information, including stop dates.

Generic and Therapeutic Substitution

The SPIN system will automatically substitute generic medication for brand names. All prescriptions for medications for which an FDA-approved generic equivalent is available are filled with the A-rated generic equivalent unless the authorized prescribing physician specifically designates to dispense as written.

SPP's clinical staff closely tracks the approval of the FDA generic equivalents. SPP monitors the latest developments in generic approvals so that the DOC may realize the maximum benefit of converting use of these medications at the earliest possible opportunity.

Non-Formulary Medications

SPP's computerized dispensing system assures that inmate medication is in accordance with the Formulary. SPP will also work with the DOC Health Services Director to allow prescribers to order medications not in the formulary with the approval of the Medical Director or Clinical Pharmacist. The non-formulary process ensures that critical non-formulary medications reach patients as intended without delay.

SPP shall have a non-formulary approval form that is completed by the Provider. After approval by the appropriate designee, SPP processes the order. This process allows for signature changes and medication refills under the same approval to minimize paperwork. If a non-formulary medication is ordered without the proper approval, SPP will immediately notify the facility and request approval. SPP shall provide clinical reporting, along with historical graph representation of non-formulary activity.

Any prescriber may order medication that is not on the formulary, provided that the medication ordered has gone through the proper prior approval channels, such as approval from the Medical Director.

Quality Assurance

Registered pharmacists and pharmacy technicians perform their responsibilities with the philosophy of zero tolerance for medication dispensing errors.

Medication Safety Subcommittee

- The Medication Safety Subcommittee is a component of the Pharmacy & Therapeutics Committee and focuses on errors reported by each facility. Facility reported errors are compiled, data is analyzed, and

results are trended. The information is thoroughly investigated and presented to the Medication Safety Subcommittee. The members of the Subcommittee include clinical pharmacists, order entry personnel, customer service staff, and members of the SPP Management Team.

The Subcommittee classifies the reported errors using the National Coordinating Council for Medication Error Reporting and Prevention (NCCMERP) standards, which are modified to fit SPP's unique practice setting. The Subcommittee then provides direct feedback to the pharmacy team involved in any errors, provides trend analysis, makes recommendation for process improvements, and sends a report to the Health Services Director.

X. MEDICATION ADMINISTRATION

The Contractor shall maintain a medication administration system that meets the DOC's needs. Once a medication order has been written, nursing staff will transcribe the order onto the medication administration record and inform the pharmacy of the medication order. If the prescribed medication is available in the stock supply, the medication therapy will be initiated on the next medication round. Contractor shall ensure that medications ordered "stat" will be obtained and administered within one (1) hour for in stock medication and two (2) hours for medications not on hand.

Medication will be administered to inmates by nurses or other authorized personnel twice (2) times daily or as ordered. Medications will be either administered at a health services unit or delivered to each inmate housing area, as jointly determined by the Contractor and DOC. It is understood that security considerations, architecture and facility custody level impact the method for distributing medications. Facility superintendents will be actively involved in the discussions and determination of most appropriate method at each site. Contractor may use the State's self-carry protocol. Inmates will have access to over-the-counter medications during scheduled medication rounds.

The administration of each medication will be documented on a medication administration record. Documentation on the medication administration record will clearly indicate those instances when an inmate refuses a medication or is not available to receive a medication. Medication administration times may be adjusted to meet the needs of inmates who participate in work details or classes. If an inmate refuses a specific medication three (3) times, the inmate will be counseled and requested to sign a refusal form.

Contractor's medication administration program shall contain internal controls to provide for re-order prior to the expiration of the initial order, if required. The system must ensure the provision of continuous pharmaceutical therapy.

Health care personnel will administer medications and document the administration of each medication on the MAR. Documentation on the MAR will also indicate those instances when medications are not administered and the reason why.

If an inmate misses or refuses three consecutive doses of an essential medication, they will be referred to the Medical Director or physician designee for counseling.

Keep on Person
Contractor will continue to work with DOC to define and employ a limited self-medication Keep on Person (KOP) program. The KOP program ensures that inmates receive prescribed medications in a timely and appropriate manner, promotes health and training in self-care skill to inmates, and uses nursing resources productively.

Direct Observed Therapy

Health care personnel will perform direct observed therapy, as indicated. In addition to observing the inmate take the medication health care personnel will perform a visual mouth check.

Y. DENTAL SERVICES

Dental

Basic dental care will be provided on-site at four DOC facilities - Chittenden, Northwest, Southern and Northern - to each inmate under the direction and supervision of licensed dentists. Contractor's dental services are designed to fully comply with:

- NCCHC Standards
- ACA Standards
- American Dental Association standards
- Vermont Board of Dentistry Rules
- Center for Disease Control Standards
- Occupational Safety and Health Administration Standards.

Contractor will also adhere to DOC's guidelines for dental care and ensure its program provides all inmates with an acceptable level of dental care within recognized professional standards. Contractors dental program will include routine/comprehensive, urgent and emergency dentistry services that emphasize preventive services and good oral hygiene practices.

Contractor shall provide a dental operating manual in each facility. This manual will be used by dental personnel for the day-to-day operation of the institutional dental unit.

Contractor will provide access to clinic staff 24 hours a day for the evaluation of dental emergencies. All true dental emergencies will receive action within 24 hours of occurrence.

Contractor will complete a dental screening and provide oral hygiene instructions to each inmate within 7 days of admission. Each new inmate will receive a dental screening by a qualified health care professional care provider as a part of the initial health assessment process. Dental symptoms or conditions will be recorded in the medical record. If an emergency condition exists, the inmate will receive immediate dental treatment. If no emergency exists, the inmate will be scheduled for a follow-up appointment as necessary. All routine requests for dental care will be provided within 28 days of an inmates request for services.

In the case of a re-admitted inmate who has received a dental examination within the past six (6) months, the Contractor shall assure that a licensed dentist determines the need for an additional dental evaluation. Nurses who provide dental screening and oral hygiene instruction will receive in-service training from a licensed dentist under contract to, or employed by the Contractor.

Contractor's dental program shall concentrate on preventive services such as annual cleanings, fluoride treatments, and oral hygiene education. Routine dental examinations will be performed within two years of the last treatment.
Contractor shall provide on-site dental services which include preventive and restorative care. The Contractor will provide a schedule, by facility, to the State with the hours that dentists will be on-site actually seeing patients (i.e., exclusive of time used for set-up and dismantlement of equipment and for administrative activities). The hours across all facilities must equal at least ninety-six (96) hours.

The Contractor shall provide access to dental services in accordance with NCCHC standards and State law. The Contractor's sub-contractor arrangements with dental providers shall be in conformance with Vermont Statute 26 V.S.A. Chapter 13 § 722.

Z. MATERIALS, SUPPLIES AND EQUIPMENT

Contractor shall secure all necessary supplies and equipment to carry out the terms of the contract. Equipment purchased by Contractor and placed in the facility prior to the commencement date of the contract shall remain the property of Contractor. All equipment purchased after the commencement of the contract shall be DOC property. Supplies will include, but not be limited to, forms, books, health care record folders and forms, pharmaceuticals, prosthetics, dental hand instruments, needles and sharps, special medical items, diagnostic devices, containers and medical waste receptacles, inmate education materials, personnel protective equipment, and program manuals. During the transition period, the parties shall develop a process for DOC approval of equipment and supply purchases that exceed $500.00 per item.

Contractor shall ensure that the health care services area is safe, secure (e.g., doors and cabinets locked), and sanitary for the provision of medical and dental care. In addition, all diagnostic equipment and patient items will be maintained in working order, as defined by the manufacturer. The DOC will receive copies of all inspection reports for such equipment.

AA. INVENTORY CONTROL

All syringes, needles and sharps will be stored and maintained within security regulations and guidelines set forth by NCCHC standards, VOSHA requirements, and CDC guidelines. The use of each needle, syringe or scalpel will be documented on a perpetual inventory record. All syringes, needles, sharps and dental instruments will be accounted for daily.

At each change of shift, two nurses will count all narcotics and any other items subject to abuse. If the count is correct, each nurse will sign the control record. The DOC Health Services Director, Contractor Medical Director, Director of Nursing and the State Correctional Facility Administration will be notified of all unaccounted for discrepancies as soon as practicable, not to exceed twenty-four (24) hours.

AB. CONTAMINATED WASTE

Contractor will be responsible for the disposal of all contaminated waste. This may include waste generated outside the facility when an inmate is on temporary authorized absence. Contractor will contract with a company authorized to provide for the disposal of all biohazardous and contaminated waste. Biohazardous and contaminated waste will be maintained in accordance with the guidelines established by OSHA.

AC. HEPATITIS TREATMENT

It is recognized by the Parties that Hepatitis in general, and Hepatitis C specifically, represents an increasingly serious public health threat to inmates nationally and in Vermont. It is agreed that the Contractor will provide appropriate treatment, consistent with NCCHC and/or CDC guidelines, according to protocols developed by the Contractor and the State. The DOC Health Services Director shall make final decisions concerning inmate eligibility for treatment under these protocols.

III. PERSONNEL SERVICES

A. OVERVIEW

Contractor shall hire qualified health care professionals as defined in this contract to provide a comprehensive health care program to meet the medical and dental needs of the inmates housed within the DOC, according to coverage schedules for each of the facilities per the Staffing Matrix (Attachment G). It shall be the Contractor's final responsibility to fill all posts in accordance with the staffing standards and coverage schedules per the Staffing Matrix, exclusive of posts filled by State employees.

If for any reason these posts are not filled, Contractor may be penalized as set forth in Chapter V, Section Q – Performance Guarantees. Contractor is expected to provide interim per diem staffing of health professionals trained to provide health services within a correctional setting for all health services-related positions vacant beyond one (1) week due to illness, disability, disciplinary actions, and/or staff departures.

Contractor must ensure that no clinical shift is left uncovered. Attachment H reflects the minimum staffing required by facility, by shift and by type of clinical staff for Contractor to avoid a penalty under this provision. Attachment H serves to ensure that staffing at each facility is based on the clinical needs of the patients and the volume of care to be delivered. At designated facilities, Attachment H lists an RN as the preferred provider on some shifts, but allows for the use of an LPN if an RN is not available. Penalties shall not be imposed when the RN and LPN positions are used interchangeably when permitted by Attachment H. Southern State will continue to have RN coverage 24/7 due to the infirmary. Those facilities that have LPN Clinical Coordinators in place will be supervised by Contractor's regional management clinical team members on a routine basis. If Contractor is not able to recruit RN staff to fill a particular position on a regular basis, discussions will occur between the parties to redefine the staffing matrix for the facility affected. Billing will reflect the actual title worked rather than the title on the matrix. Under no circumstance may clinical staff be asked to operate outside of their scope of practice to cover a shift. Failure by the Contractor to cover a shift in accordance with these provisions may result in a penalty as set forth in Chapter V, Section Q – Performance Guarantees.

The Contractor must ensure that all personnel are licensed, certified and/or registered, as necessary, in conformance with Vermont laws and regulatory requirements. A personnel file will be established for each employee or subcontractor. Each professional employee's file will contain current licensure and/or certification documentation.

The health care staff will work as part of the multidisciplinary treatment team with Contractor's Regional Medical Director and Regional Administrator. The health care staff will be provided with the necessary training and resources to be proactive in addressing the inmates' health care needs, as described in Chapter II – Health Care Services.

Contractor employees will be provided with a copy of Contractor's personnel policies. All Contractor personnel must comply with these policies and all other policies and work rules of the DOC in order to ensure continued employment with Contractor.

B. FORENSIC ACTIVITIES

The Contractor shall abide by applicable NCCHC standards for forensic activity. Contractor health care staff shall not be responsible for participating in security activity, including shake-downs, adversarial proceedings involving DOC staff or inmates, body cavity searches or any other security function that is inconsistent with their role as health care staff and acceptable correctional healthcare practices.

C. PROGRAM MANAGER

Program Manager(s) shall be hired by the Contractor to provide management and administrative support to the program and serve as the intermediary between Contractor and the DOC.

RESPONSIBILITIES

- Enters all required data in the KRONOS timekeeping system on a daily basis; completes payroll reports and submits them to Contractor corporate payroll department on every two weeks; tracks and reports all overtime and ad comp data to the Contractor regional office; responsible to coordinate all activities with the Contractor regional and corporate office related to staffing reports to the client.

- Schedules all outside appointments for off-site specialty services.
- Enters all utilization management data into the Daily Operating Indicator System (Contractor claims reporting system) and transmits to the Contractor corporate claims department; responsible for the completion of all reports to ensure proper authorization and payment of claims.
- Logs all invoices received at the facility for payment; authorizes invoices for payment/no-payment and submits them to Contractor accounts payable in a timely manner.
- Prepares or delegates preparation of the daily transportation lists and x-ray lists as needed for DOC transportation officers too arrange for off-site services.
- Prepares or delegates release of information tasks.
- Assists with the Contractor corporate quarterly inventory of all pharmaceuticals and medical supplies.
- Enters and updates Medical classification codes as required by DOC.
- Enters all grievance data onto Grievance Logs or into the Contractor Grievance Tacking system when implemented. Reports grievance data to the Contractor Regional office on a monthly basis.
- Prepares and distributes release of information and tracking of results.
- Keeps the Nurse Manager/Clinical Coordinator and District Manager informed of all the activities that may impact the work setting and/or contract compliance.
- Answers phones and directs calls appropriately.
- Tracks events for review by the Nurse Manager/Clinical Coordinator.
- Inventories and order all clinical forms, medical supplies and office supplies.
- Organizes and maintain all filing systems.
- Photocopies inmates' files for Out of State patients, DOC requests for medical records and for disability information.
- Assists with staffing coordinator by making phone calls to additional staff as needed.
- Coordinates maintenance and repair of all medical equipment. Responsible for receiving and tracking of all invoices.
- Prepares the agenda for use at the MAC meeting and completes minutes.
- Responsible for reporting daily, weekly and monthly required reports (Nurse Manager 24 Hour Report, Weekly Staffing Report, Performance Guarantee, Additional Monthly Charges, Monthly Statistics).
- Reviews all administrative and clerical tasks to ensure completeness in a timely fashion.

D. DISTRICT MANAGERS

QUALIFICATIONS
- Graduate from an accredited school of nursing preferred but not required.
- Supervisory or administrative experience in related field may be substituted for a degree.
- Minimum three (3) years correctional health care service.

GENERAL DUTIES
- As the designated administrative health authority manages and evaluates the health services program for compliance based on Prison Health Services' goals and objectives.
- Functions as liaison between correctional officials, public agencies, and Prison Health Services, Inc.
- Implements and monitors all contractually required services.

ADMINISTRATIVE RESPONSIBILITIES
- Monitors the administrative implementation and effectiveness of health services policies, procedures and programs.
- Assists in the development, implementation, monitoring and annual review of health care policies and procedures.
- Maintains a good working relationship with correctional personnel, nursing staff, contracted providers, and outside provider agencies.
- Provides for 24-hour on call administrative services to the Facility.

- Monitors the recruitment, retention, orientation, and performance of all health services personnel.
- Completes employee performance evaluations for all non-physician personnel and physician personnel in collaboration with the Medical Director.
- Assists in recruiting and obtaining written agreements with contracted professional providers.
- Ensures appropriate licensure and certifications for all health personnel.
- Monitors the services rendered by contract providers.
- Ensures proper flow of relevant information to correctional and health services personnel.
- Completes and submits daily, weekly, monthly and annual statistical reports.
- Maintains confidentiality and security of health records and medical information.
- Closely monitors all potential catastrophic illnesses and the use of available resources to maintain cost.
- Evaluates and recommends methods of improving operational efficiency and cost effectiveness.
- Monitors the use of pharmaceutical services.
- Reviews and approves all requisitions and purchases via the purchase order system.
- Actively participates in programs which monitor quality improvement and infection control.
- Participates in environmental inspection of the entire correctional facility to ensure a safe and sanitary environment.
- Plans and presents Prison Health Services' approved in-service education programs.
- Monitors compliance with all applicable national and state health care standards for correctional facilities.
- Provides other services and performs other duties as assigned by Prison Health Services' Corporate Office.
- Holds monthly meetings with department administrator to evaluate statistical data, program needs, problems and coordination between custody and health services personnel.
- Assists in the development of a disaster plan for health services, which is consistent with facility's disaster plan. Ensures that the health portion of the disaster plan is practiced at least annually.
- Ensures that job descriptions are established for each employee position.

E. REGIONAL ADMINISTRATOR

Contractor shall hire a Regional Administrator who will be responsible for coordinating with Vermont DOC Health Services Director, Facility Superintendents and Facility Executive the implementation of programs that provide all inmates with unimpeded access to quality health services in a timely manner, consistent with the requirements of the Settlement Agreement. The professional requirements for the role of Regional Administrator include a minimum of five (5) years experience as a health care professional, with at least one (1) year of clinical experience in correctional health care, and demonstrated management experience in a health care or other setting.

The Contractor's Regional Administrator shall be the liaison between the DOC's central office and the Contractor's central office, as well as with the DOC's Mental Health Services Contractor and other community organizations. S/he will be responsible for the management and administration of all Vermont DOC health care operations, with contract-wide authority to ensure that Contractor successfully meets all contractual obligations.

S/he shall assist the Program Manager in the clinical management and evaluation of site operations, participate in coordinating start-up activities for the contract and routinely visit all DOC facilities to evaluate clinical and nursing programs. The Regional Administrator shall also assist the Program Manager and site Nursing Managers in the development and implementation of clinical programs, provide technical assistance in achieving and maintaining health care unit accreditation, and follow-up on site evaluation reports to ensure corrective action has been accomplished.

The Regional Administrator will also provide the State correctional facilities with consultation services upon request. Consultation may be provided on a variety of topics, to include: employee health programs, construction planning, new facility staffing plans, communicable disease management, inmate fee-for-service and inmate co-payment programs and legislative issues. In addition, s/he shall respond to emerging situations

requiring regional support action, consult with the Vermont Commissioner of Health or designee on plans, actions, and time table of corporate or regional response and be involved in "trouble shooting" at DOC facilities as requested or directed.

F. MEDICAL DIRECTOR

Contractor will appoint and employ a Medical Director for each site who will be the designated Responsible Health Authority. The Medical Director shall be responsible for arranging all levels of health care and overseeing the delivery of health care services. S/he shall work closely with the DOC Health Services Director. All medical judgment shall rest with the Contractor's Medical Director subject to consultation with the DOC Health Services Director on complex or unusual cases. The Medical Director shall ensure that a physician is on-call twenty-four (24) hours per day, seven (7) days per week, three hundred and sixty-five (365) days per year.

G. REGIONAL MEDICAL DIRECTOR

The Medical Director shall serve as the chairperson of the Quality Improvement Committee and monitor the quality of care provided to the DOC. The Medical Director shall also be responsible for monitoring the practice patterns of all health care staff. The Regional Medical Director shall work closely with the Regional Administrator, District Managers and DOC Health Services Director to establish and maintain compliance with contract requirements, and all national and state health care standards addressing health care in correctional facilities.

H. JOB DESCRIPTIONS

To ensure the proper functioning of the facility's health care staff, job descriptions will be developed for each position. The appropriate job description will be reviewed with each employee. The employee will be required to acknowledge and sign off on the job description. The job description will be used for performance reviews and will be updated annually.

I. RECRUITMENT PRACTICES

The DOC will have the opportunity participate in the selection of all senior-level positions for the contract, including but not limited to Regional Administrator, Regional Medical Directors and District Managers. After the Contractor has selected a final candidate, the Health Services Director of the DOC may, at his/her discretion, interview the candidate. Contractor may not extend a final offer to a candidate prior to the DOC approval.

In addition to the Contractor's clinical staff (such as registered nurses, licensed practical nurses, and physician assistants) identified for each facility in Attachment G, it will establish a pool of additional clinical staff to provide adequate coverage for routine clinical employee absences such as sick and vacation leave, consistent with the Staffing Coverage Standards delineated in Attachment H. The Contractor's pool will be of sufficient size to address all routine absences.

To successfully staff its health care programs, Contractor is urged to utilize professional recruiters to identify the qualifications and experience that are needed to provide quality services in the DOC environment. Successful applicants will be selected to complement the health care program and the mission of the DOC. Qualifications and preferences will be matched with employment criteria to identify suitable candidates for each position. The applicant database will include:

- credentials;
- licensure;

- certification;
- training;
- geographic preference;
- practice setting preference; and,
- experience.

Contractor recruiters shall utilize display and classified advertising, direct mail, electronic/internet posting, and participation in appropriate professional conferences and health care expositions. When recruiting for site-specific positions, placements in local newspapers and magazines will be utilized.

DOC and Contractor shall coordinate recruitment efforts as needed to ensure an optimal, qualified staffing complement is in place at each facility.

J. LICENSURE/CERTIFICATION

Contractor physicians shall meet all licensure provisions and requirements of the Vermont Medical Practice Board. Contractor employees performing professional health care services shall be CPR-certified (including bi-annual re-certification) and shall maintain all necessary licensure and/or certification to practice their specialty. Each applicant's background, licensure/certification, work history, and personal and professional references shall be screened by experienced credentials specialists. Independent references shall be secured to provide a balanced reporting of the candidate's qualifications and performance history.

The Medical Directors and District Managers will be responsible for furnishing DOC with copies of licenses and certificates for all health care services staff, upon request. A copy will be maintained in the employee's Contractor personnel file. In addition to verifying that all personnel have the proper license and credentials at the time they are hired, the Contractor shall ensure that all professional licenses and credentials are kept current and adhere to NCCHC standards. By using a chronological alert system, Contractor shall maintain up-to-date references, copies of licenses and CPR certifications for all licensed professionals. Documentation of current licensure and annual CPR re-certification will be made available to the DOC Health Services Director. Such documentation shall include all information relative to any pending sanctions or complaints filed with state or professional licensing boards.

K. STATE OVERSIGHT

All Contractor personnel, subcontractors and agents will be required to successfully complete pre-employment security background checks and clearance by the DOC. Upon successful completion of the pre-employment security background check and clearance and acceptance of an employment offer, the Program Manager of each facility shall immediately inform the Superintendent of the name, job title and assignment of each newly-hired health care services staff member.

The DOC shall have the right to reject employment and or services of any person or firm retained by Contractor, when it is determined that such action is in the best interest of the DOC. The Superintendent shall have the right to request the termination of any health care services staff member who fails to abide by the facility's institutional operating procedures, or for any other just cause.

The DOC shall be responsible for providing security to Contractor personnel at all times that they are engaged in health care duties at a state correctional facility.

L. PERFORMANCE REVIEW

Contractor shall utilize an employee evaluation system. The Program Manager and/or the Nurse Manager shall

complete a performance assessment for each newly hired employee before the ninetieth (90^{th}) day of employment. The assessment will include a recommendation to offer the employee permanent employment status, to extend the probationary period, or to terminate the employee. The Program Manager or designee shall complete a performance review on all employees, at least annually. Upon completion of the written performance evaluation, the supervisor will schedule a meeting with the employee as part of the review. The employee will be allowed to either agree or disagree with the evaluation, but will be required to sign and acknowledge the evaluation. The employee will receive a copy of the evaluation; the original is forwarded to the central office to be filed in the employee's permanent record. The DOC shall be notified immediately of all health care staff evaluations that reflect sub-standard performance, as well as Contractor's action plan to immediately correct health care staff performance.

M. STAFF TRAINING AND RETENTION

Contractor shall support a well-developed staff training and professional development program to ensure a strong foundation for performance and consistency in the provision of health care services.

The Contractor shall develop and implement a comprehensive staff retention program, including a program specifically oriented to nursing staff. At a minimum, Contractor's retention program must require all new staff to complete a thirty (30) day orientation period under supervision of an experienced employee. During this thirty (30) day orientation period, all new staff will be closely supervised and will not be on a shift by themselves. All new employees will also be required to complete a series of training modules which include an introduction to Vermont's correctional system, a review of DOC's policies and procedures (including mental health policies and protocols) and security training.

a. Orientation Training for New Employees

The Contractor orientation program for new employees is presented in three segments: (1) DOC Orientation, (2) Contractor Employee Orientation, and (3) On-the-Job Orientation. Each employee hired after February 1, 2007 must successfully complete all three segments of the orientation program; retained employees must complete a refresher course annually on the date of hire.

1) DOC Orientation

Contractor shall commit five days of DOC orientation training for all newly-hired full-time staff (except Nurse Managers) within six months after the hire date. Newly-hired Nurse Managers shall receive DOC orientation training within one month after the hire date.

Contractor shall utilize a standardized DOC orientation training curriculum[3] which has been approved by the Executive Health Committee.

Contractor shall work with the DOC to ensure that all employees receive an orientation to the correctional facility within the first week of the employee's start date. The orientation shall include:

- security policies and procedures;
- health care service facilities and equipment;
- schedule of services provided by the Contractor;
- emergency procedures; and,
- all other information pertinent to the efficiency of the facility's health care services.

[3] The Executive Health Committee is comprised of State, Contractor and Mental Health Provider representatives is responsible for the DOC orientation training curriculum.

All employees shall be required to sign a statement that they are familiar with the institution's operating procedures and policies.

2) Contractor Employee Orientation

Contractor employees will receive a detailed orientation to the Contractor's programs, policies, procedures and personnel benefits. In addition to the general employee orientation, an orientation to the administrative, medical records, pharmaceuticals, clinical services, infection control, quality improvement, emergency procedure issues specific to the assigned DOC facility will also take place within the first week after an employee's start date. The pharmaceutical module of the orientation program will require licensed nurses to take a post-test used to establish the employee's knowledge base and determine if individualized training is necessary.

3) On-the-Job Orientation

New employees shall receive an in-depth orientation to the post for which they are hired. The new employee shall work with an employee who has experience in that area, allowing them to participate in the daily routine of their new position. Each new employee will have an identified supervisor assigned.

Throughout the orientation process, new clinical staff (registered nurses, licensed practical nurses, physician assistants, etc.) shall be required to complete a proficiency checklist, addressing the clinical skills required for the position. The orientation will be completed when proficiency is verified by the clinical supervisor of the new employee. Clinical proficiency verification will be completed upon the clinical supervisor's dated signature on the proficiency checklist. The proficiency checklist shall be completed within the first week after the employee's start date.

Although an employee may have been hired for a specific post, new employees shall be oriented to each area in the health care services unit within one month after the employee's start date. This is done to familiarize the employee with all aspects of the health care delivery system.

b. Ongoing Training

Contractor will seek to retain qualified staff to ensure a fully staffed, experienced employee matrix at each facility. Contractor's continuing education program shall build on the foundation established in the orientation process. Contractor employees shall be encouraged to further their professional development by attending seminars, lectures and conferences. The Contractor shall provide all health care staff with paid time off to attend continuing education classes and training, in compliance with NCCHC standards.

Quality Improvement studies, incident reports, inmate grievances and infection control review findings will be used to identify educational topics specifically needed by a facility. The Contractor educational program will also contain specific programs designed to acquaint employees with Contractor's goals and objectives, policies and procedures, nursing protocols and programs. Contractor's central office personnel will be utilized to augment these educational programs.

Contractor shall provide a health care reference library at each major health care services area. The library will contain professional reference books and current periodicals. Reference materials will include but not be limited to:

- *National Commission on Contractor Health Standards for Health Services in State Contractor Facilities*;
- Illustrated Medical Dictionary;
- *Physicians Desk Reference*;

- Textbook of Medical-Surgical Nursing; and,
- Current Medical Diagnosis and Treatment.

The Contractor shall develop an employee grievance resolution policy and process that provides all Contractor staff with a confidential forum to address work-related issues.

IV. ANCILLARY SERVICES

A. CORRECTION STAFF EDUCATION

Contractor shall provide training to all DOC Correctional Officers with respect to basic identification of inmates requiring immediate medical attention and shall be consistent with NCCHC standards. This will include training with regard to symptom recognition (shortness of breath, choking, bleeding, etc.) and the appropriate steps for triaging and obtaining medical services for the inmate on an urgent or emergent basis. Training will include in-person orientations and written materials.

Contractor shall conduct in-service education and training sessions for Corrections staff, at each facility, on a quarterly basis. The training curricula will be approved by DOC's Health Services Director and should include, at a minimum:

- administration of basic first aid;
- recognizing the need for emergency treatment;
- recognizing acute manifestations of chronic illnesses;
- recognizing chronic medical and disabling conditions;
- recognizing sign and symptoms of traumatic brain injury;
- recognizing signs and symptoms of dementia;
- medication side-effects and administration;
- infectious and communicable diseases;
- cardiopulmonary resuscitation;
- recognizing suicidal behavior and procedures/protocols for suicide prevention;
- smoking cessation;
- stress management;
- hepatitis A, hepatitis B and hepatitis C;
- HIV;
- tuberculosis;
- utilization of the Contractor's services; and,
- procedures for the delivery of emergency, acute and chronic illness services by Contractor staff.

B. STAFF VACCINATIONS

The Contractor is responsible for the provision and administration of Hepatitis B vaccine and TB testing items for use with security staff and/or other staff who are identified as being at significant risk of infection (as designated under the OSHA Blood-borne Pathogens mandate). Contractor's nurses will give these injections and maintain appropriate documentation of their administration.

In addition, the Contractor's nurses will administer diphtheria-tetanus vaccines when (1) injuries require a booster and (2) on a preventative basis (every ten (10) years) to security staff.

C. COORDINATION WITH THE DEPARTMENT OF HEALTH

The Contractor will be required to coordinate and work collaboratively with the Vermont Department of Health. The Contractor will be expected to cooperate with the any program or training module offered by the Vermont Department of Health. The Department of Health will provide on-going guidance to the Contractor and DOC on a variety of issues including the following:

- quality assurance activities;
- infection control;
- critical incident investigations;
- detection and prevention of HIV/AIDS;
- dissemination of public health information and education for inmates and staff; and,
- response to public health threats.

In addition, the Contractor will coordinate and work collaboratively with the Vermont Department of Health in its implementation of an independent monitoring process for Quality Assurance and Quality Improvement.

V. Administrative Services

A. POLICIES AND PROCEDURES

The Contractor shall develop site-specific policies and procedures, which will be reviewed annually by the DOC. An electronic copy of each facility's policies and procedures shall be sent to the DOC.

The Contractor's policies and procedures are subordinate to the DOC's policies and procedures. The DOC will review all Contractor policies and procedures to ensure compliance with all federal and state laws and regulations, NCCHC standards and all DOC policies and procedures (including mental health policies and procedures). Compliance with DOC policies and procedures will be monitored through CQI reporting and through scheduled and unscheduled audits by DOC or the Vermont Department of Health.

B. CONTRACT IMPLEMENTATION AND INITIATION ORIENTATION

a. Transition

Contractor shall meet with DOC representatives weekly, or as otherwise may be required, to report transition status.

C. CONSULTATION

The District Managers shall provide support, information and assistance to local management personnel, including the Contractor's Medical Director, to facilitate the accomplishment of all contract goals and will meet regularly with the DOC administrators to discuss health services and contract issues. The Contractor's Regional Administrator will be responsible for coordinating with representatives of the DOC, especially facility management staff (e.g., Superintendents, assistants and Supervisors of Security), to implement programs that provide all inmates with unimpeded access to health care services in a timely manner, and are consistent with the requirements of the Settlement Agreement.

The Contractor's Regional Administrator will provide DOC correctional facilities with consultation services upon request. Consultation may be provided on a variety of topics, to include: employee health programs, construction planning, new facility staffing plans, communicable disease management, inmate fee-for-service and inmate co-payment programs and legislative issues. Consultation will include furnishing the DOC Health Services Director with copies of all sub-contracted services and a rationale for the selection of each vendor.

D. MEDICAL RECORDS

b. General

Contractor shall maintain a problem-oriented health record, consistent with state regulations and community standards of practice. The health record will include medical, dental, chemical dependency, and mental health care information, and will be stored separately from custody records.

A health record will be initiated during the inmate's first health care encounter and shall contain complete and accurate records of health care services provided during the individual's incarceration.

An inmate's health record will be available for reference during health care encounters. Documentation will be in the SOAP format, legible and completed with the date, time and place of the encounter. The health care provider's signature and title will be recorded for each encounter.

Each form and document in the health record shall contain identification information including the inmate's name, race, sex, date of birth, and the name of the facility presently maintaining the inmate's health record. All outside health services, such as laboratory results, or physician consultation reports, will be filed as part of each inmate's permanent health care record.

The Contractor must ensure that health records are kept current. Each encounter between a health care provider and an inmate must be documented in the health record by the end of each staff shift to ensure that the providers coming onto the next shift are aware of the medical status of any inmate treated during the prior shift.

Health records for inmates transferred to other facilities within the State of Vermont must be securely transferred to the receiving facility within four (4) hours of the inmates transfer. Inmates transferred to out-of-state facilities must have complete health records physically accompany them on the out-of-state transfer.

The health records of discharged inmates will be maintained in accordance with the laws of the State of Vermont and policies of the DOC. Existing health records will be incorporated into the new health record on an inmate's return to the DOC from both the community and from out-of-state facilities.

At a minimum, the standardized health care record shall contain the following information:

- identifying information (i.e.. inmate name, date of birth, gender);
- problem list containing medical and mental health diagnoses and treatments as well as known allergies;
- completed intake/receiving screening form;
- health assessment form;
- progress (SOAP) notes of all significant findings, diagnoses, treatments and referrals;
- provider orders;
- accommodations requested by or offered to inmates with special needs;
- results of screenings and assessments and treatment plans developed to address substance abuse and addiction issues;
- inmate requests for health care services, including illnesses and injuries;
- medications administration records;
- reports of laboratory, radiology and other diagnostic studies;
- informed consent and refusal forms;
- release of information forms;
- place, date and time of health care encounters;
- health provider's name and title;

- hospital reports and discharge summaries;
- intra-system and inter-system transfer summaries;
- specialized treatment plans;
- consultation forms;
- Health Services reports;
- immunization records, if applicable;
- inmate medical grievance forms; and,
- documentation of all medical, dental and mental health care services provided, whether from inside or outside the facility.

c. HIPAA Compliance

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, Contractor must enter into a Business Associate's Agreement with the DOC (an example of Vermont's template Business Associate's Agreement is included as Attachment E).

Health records for inmates at each facility must be maintained in a secure location consistent with the confidentiality and security needs of the institution. Health records shall be maintained in a confidential and HIPAA-compliant manner at all times consistent with the Agency of Human Services Rule #96-23 (Attachment F). The Contractor must ensure that all health records are kept secure and intact. Health records and reports are, and will remain, the property of the DOC.

Because personal health information may be used or disclosed without authorization for specialized government functions, a correctional institution or a law enforcement official with lawful custody of an inmate may have access to personal health information for the health and safety of such individual, other inmates, officers or other employees at the correctional institution, or persons responsible for such inmate's transportation or otherwise for the administration and maintenance of the safety, security, and good order of the correctional institution. Information necessary for the classification, security and control of inmates will be shared with the appropriate Corrections personnel. In any criminal or civil litigation where the physical or mental condition of an inmate is at issue, Contractor will provide full and unrestricted access to and copies of the appropriate health care record to the State within the scope of legal and regulatory requirements and in accordance with the DOC's policies, procedures and directives.

E. TREATMENT PROTOCOLS

The Contractor shall employ treatment protocols for chronic conditions common among the Vermont inmate population. The treatment protocols should be designed and implemented to ensure appropriate utilization of clinically proven, cost effective treatment modalities. The protocols should be further implemented in a manner that ensures that treatment is provided in a generally consistent manner for all inmates requiring medical care for a particular condition. The protocols used should be consistent with those of national level organizations that develop clinical protocols for their own use and as guides for others, including those developed by federally-qualified health care professional Maintenance Organizations. The use of NCCHC clinical guidelines for chronic disease management in correctional institutions is also recommended.

F. CONTINUOUS QUALITY IMPROVEMENT PROGRAM

Contractor shall implement a continuous quality improvement (CQI) program as set forth by NCCHC standards.

The CQI Program shall address aspects of the health care delivery system to ensure the delivery of clinical

services as defined in the terms of this agreement. It will focus on the quality and timeliness of health care delivered. The CQI program combined with the operational management of the program will seek to ensure the delivery of the defined health care in a safe and healthy environment.

The CQI Program will be overseen by a Regional QI Committee which will be chaired by the Contractor Regional Medical Director. The primary purpose of the committee is to identify problems and opportunities for improvement, based upon data collected in the CQI monitoring process and issues that may arise during daily clinical activities. The Contractor shall have in place a written Quality Improvement Manual that includes policies and procedures for all aspects of the QI program. Updates to the manual shall be provided to the DOC Health Services Director. The Contractor's QI manual will be used to provide in-service training to its staff.

The Contractor Regional Management team will meet monthly to discuss, critical incident reports, infection control activities, inmate grievances and findings from the current month's facility CQI reports. The Contractor District Managers will work closely with the Contractor CQI Program Director to address performance issues in their respective facilities. Monthly meetings will also be conducted at each facility to discuss findings of CQI monitoring activities. The meeting will be attended by the nursing staff, dental staff, medial staff, medical records staff and site managers.

In addition to monthly QI committee meetings, quarterly meetings will be conducted with the DOC central office through the Executive Health Committee (EHC) to communicate CQI findings and to describe actions taken to resolve problems that are specific to health care services. The EHSC will include the DOC's Health Services Director, State Chief Nursing Officer, Contractor Regional Administrator and Medical Director as well as the Contractor District Managers.

The Executive Health Committee will conduct monitoring and evaluating activities to ensure operation of the ongoing CQI problem-solving mechanism designed to monitor and improve inmate health. The Executive Health Committee will conduct mortality and morbidity reviews and special case reviews and will assure timely communication and resolution of problems as they arise. The Committee may establish work groups to address specific clinical or systems issues. In addition, all policies and procedures related to the delivery of health care services will be reviewed by the Executive Health Committee.

Contractor will submit a written report to the DOC on the 30th business day following the end of the quarter. Failure to submit the report within the prescribed time period may result in a penalty as defined in Chapter V Section Q –Performance Guarantees, of this agreement.

The comprehensive CQI shall contain the following components:

- risk management;
- infection control;
- utilization of services and cost containment;
- inmate grievances; and,
- quality monitoring.

1) RISK MANAGEMENT – Contractor shall establish a logical and thorough system of policies and procedures to minimize exposure to liability. Risk management activities focus on the identification of clinical events which have or may have the potential of placing the inmate, health care provider, or the facility at risk. Identified risk areas are investigated and analyzed to develop policies and procedures that reduce risk and maintain a safe clinical setting. The CQI shall include a safety component to provide a safe environment for inmates, employees and visitors. Contractor shall work with DOC officials to establish a process to systematically monitor and evaluate the environment. The QI committee will work to maintain a safe environment and reduce the risk of accidental injuries.

2) INFECTION CONTROL – Contractor's infection control policies and procedures shall focus on the prevention, identification and control of diseases acquired in the facility setting or brought in from the outside community. The infection control program will address hand washing, housekeeping, decontamination, disinfection and sterilization of equipment and supplies, medical isolation, infectious and parasitic laundry, infectious waste, pest control and parasite infected environments. The primary functions of the infection control program are:
the management of communicable disease surveillance and treatment;

- daily reading of tuberculosis tests;
- reporting of communicable diseases and conditions (e.g., tuberculosis, sexually transmitted diseases, and hepatitis);
- collection, evaluation and reporting of epidemiological data for trends;
- development of effective systems for identification, prevention and control of communicable disease;
- ensure adequate community follow-up and coordination after inmates are released from the facility; and,
- provide education to inmates and Contractor employees on communicable diseases, including symptoms, transmission and analysis.

Contractor's infection control program will emphasize surveillance activities to facilitate the identification, prevention and control of communicable diseases. Surveillance activities are also used to identify the health education needs of all who live and work in the DOC. Contractor's infection control volume data reporting forms will be designed to facilitate the collection of data on a variety of infection control issues, to include:

- inmates testing positive for venereal disease;
- inmates testing positive for HIV;
- inmates diagnosed with AIDS;
- inmates testing positive for TB; and,
- inmates testing positive for hepatitis.

Contractor shall develop an extensive infection control manual and protocols to provide a resource for on-site staff. A copy of the infection control manual will be placed in each nursing area.

3) UTILIZATION OF SERVICES – COST CONTAINMENT – Contractor will establish a utilization review program to use of health care resources in a cost-effective manner. Policies and procedures will be established to ensure the delivery of health care services in an effective and efficient manner, with an emphasis placed on the triage process to appropriately channel inmates to health care providers who can appropriately evaluate and treat the presenting condition.

Contractor personnel shall collect and monitor statistical data to detect potential problems. Volume data reporting forms will be used to report data and to track the utilization of health care services on a year-to-date basis. Significant variances will be reviewed for problem identification. Contractor's central office personnel will monitor the utilization of all health care services provided off-site, as compared to national data on incarcerated populations, and will be readily available for telephone consultations. Contractor shall provide State Administrators with a report identifying those inmates transferred off-site to the hospital emergency department, and a status report on all inmates in local hospitals and the DOC' infirmary. Contractor's volume data reporting forms will also be used to prepare a monthly narrative report to the DOC Health Services Director on the types and numbers of services provided, including:

- intake medical screenings;
- health assessments;
- inmate requests for service;
- inmates seen at nursing sick call;

- inmates seen by the physician;
- inmates seen by the nurse practitioner;
- inmates seen by the dentist;
- infirmary admissions, patient days, average length of stay;
- off-site hospital admissions;
- medical specialty consultation referrals;
- diagnostic studies;
- percentage of inmates on medications;
- inmate mortality;
- health care services manpower report, hours worked at each post;
- problems identified and actions taken or planned, with timeframes to resolve them; and,
- chronic care tracking.

Contractor will implement its new Chronic Care Tracking System at all sites by September 1, 2007.

4) ISSUE RESOLUTION AND GRIEVANCE PROCESS – When inmates believe they have not received a level or type of health care to which they are otherwise entitled, they shall have access to a resolution process which will expedite answers to their questions and additional care as determined. Contractor shall have policies and procedures for a both formal process and informal processes to respond to these inmate issues. Contractor shall ensure that all inmates have access to this process in writing and that they understand it. In cases where a disability may limit an inmate's understanding of the process, accommodations will be provided. A standardized form shall be used for the filing of inmate issues, unless disability accommodations require other means. Inmates may request, and must be provided assistance, in completing the form.

The Contractor shall propose an issue resolution process that at a minimum:

- includes policies and procedures that are consistent with DOC's policies and procedures;

All issues received by the Contractor must be entered into an automated grievance system. The entries must include at a minimum:

- the date the issue was filed;
- the name and identification number of the inmate filing the issue;
- the nature of the issue;
- the categorization of the issue (routine or urgent);
- any investigation conducted by the Contractor; and,
- the resolution of the issue and date of resolution.

Inmates may file a formal grievance with the DOC at any time. All routine and urgent grievances will be resolved by the DOC in accordance with its policies and procedures. Urgent grievances are defined as those complaints that involve an immediate need on the part of the inmate for health care services to prevent permanent disability or loss of bodily functions, or for severe pain. Urgent grievances shall be resolved in consultation with the Contractor's Medical Director or his/her designee.

The inmate will be notified in writing of the resolution of the grievance in accordance with DOC policies and procedures.

The Contractor must provide monthly reports to the DOC on the number, categorization (routine or urgent), type and disposition of all issues it receives from inmates; and provide Facility Superintendents on-going read-only access to the automated grievance system.

5) QUALITY MONITORING – Contractor's unit based CQI will monitor, evaluate and improve health care services delivery. It will also provide its data, data analyses, and performance improvement plans to the Vermont Department of Health for use in its independent DOC Quality Assurance/Improvement process. Contractor has developed monitoring tools designed to meet the specific needs of the DOC. The monitoring tools address the following areas:

- Special inmate events which warrant further evaluation based on the potential of a serious outcome. The review of special inmate events focuses on both health care management and continuity of care.

- Health care records review, with special attention given to discharge summaries, laboratory and diagnostic tests, the appropriate use of protocols, processing of medical records, medical record retention processes and compliance with national standards.

- Physician record reviews performed on a specified number of randomly selected medical records by a physician to review the treatment being provided, determine if it is appropriate, and make changes in the individualized treatment plan. A summary of the medical record reviews will be presented each month to the CQI committee by the Medical Director.

- Focused studies performed to monitor specific areas of concern for the purpose of problem identification in a variety of functional areas such as medication reviews, contract services and chronic management, including:

  - chest pain
  - consultations
  - dental services
  - EKG
  - history and physicals
  - intake screening
  - medical record
  - medication administration
  - mortality review
  - patient education
  - suicide precautions

G. INTERFACE WITH DOC'S MENTAL HEALTH SERVICES PROVIDER

Contractor shall establish procedures to ensure an ongoing active interface with the DOC's Mental Health Provider system. Contractor shall designate a liaison to work with mental health providers in establishing routine and emergency lines of communication and developing procedures to ensure that ongoing coordination of services occurs. The purpose of the interface between the parties is to ensure coordination of care occurs for inmates being treated for both physical and mental health problems. Contractor shall establish treatment teams in conjunction with the mental health providers as appropriate and necessary to ensure an efficient and effective level of care coordination.

a. Alcohol and Substance Abuse Services

Inmates admitted to the DOC under the influence of drugs and/or alcohol and those with significant histories related to the use of drugs and alcohol will be referred for further substance abuse counseling. The counseling will be used to evaluate the inmate and determine the need for substance abuse counseling and treatment. This process shall include protocols that involve the DOC's Mental Health Provider in inmate evaluation and, if

necessary, treatment plan development. Contractor shall assist in discharge planning in anticipation of release from the DOC.

b. Detoxification

Incapacitated persons brought to a correctional facility pursuant to 33 V.S.A. Section 708 (d) (1) & (2) shall be screened by medical staff.

c. Mental Health Services

The DOC's mental health vendor shall provide all services related to the mental health needs of inmates, including assessment, diagnosis and treatment. Contractor shall support these activities as agreed upon with the State and refer inmates to mental health care providers as necessary. Contractor shall work collaboratively and cooperatively with these providers to ensure open lines of communication and comprehensive care for inmates receiving medical and mental health care services. The Contractor's Regional Medical Director and the DOC Mental Health Provider's Psychiatric Director shall ensure that inmates are not referred for mental health treatment in lieu of needed and appropriate medical services. Weekly meetings shall be held to discuss treatment plans in cases involving both the Contractor and DOC Mental Health Provider. Meeting minutes documenting all discussion and decisions shall be sent to the Executive Health Committee. Any unresolved disagreements over the appropriate course of treatment for an inmate shall be forwarded to the Executive Health Committee for final determination.

d. Crisis Intervention and Suicide Prevention

Contractor shall assist the DOC Mental Health Provider in providing training for the correctional and health care services staff in the identification of signs and symptoms of suicidal behavior. Contractor shall participate in the continued development and implementation of suicide prevention programs with the DOC Mental Health Provider.

When an inmate is suspected of being at risk of harm to himself/herself, Contractor shall (1) contact the DOC Mental Health Provider or other designated provider, (2) coordinate with DOC for the close observation of the inmate for suicidal behavior until a mental health care provider is able to assess the inmate's mental health status, and (3) assist other personnel in safety-related activities. Contractor shall document all relevant information and interactions with suicidal inmates and include relevant information in the inmate's medical chart.

H. DISASTER MANAGEMENT

Contractor shall work in conjunction with the DOC to develop a health care disaster plan for each facility and to ensure that the roles of Contractor staff are clearly understood in disaster situations. The health care services disaster plan will be coordinated with the facility's disaster plan to provide an effective and efficient response to all disaster situations. Contractor personnel will work cooperatively with State correctional facility personnel to establish evacuation and disaster policies and procedures specifically for the DOC. The facility-specific policies and procedures will be used for in-service training.

I. MANAGEMENT INFORMATION SYSTEM

The principal data collection tools are the patient tracking logs associated with the electronic utilization data management system. Specified inmate encounters are recorded in the log on a daily basis, including:

- patient scheduling;
- chronic tracking and follow-up;

- infectious inmate follow-up;
- statistical workload summary; and,
- input for clinical quality improvement.

Additional data required under this contract include:

- monthly volume and types of services;
- utilization review (input to the review committee);
- comparison with prior periods and target work load plans;
- pharmacy dispensing and utilization;
- manpower utilization data system;
- clinical CQI;
- diagnostic aggregate data; and,
- issue/complaint log data.

Data collection from each site and compilation for the region will be supervised by the Program Manager. Monthly summary reports will be generated and made available for discussion at each QI Committee meeting. Significant variations will be investigated and discussed by the committee, with the goal of modifying utilization trends to identify problems at an early stage.

All historical data shall remain the property of the DOC. In the event that the Contractor ceases operations under this contract, all data used in the daily management of the program shall remain available and accessible to the State for a period not to exceed six (6) months.

J. PURCHASING PROCEDURES

Contractor shall assume total responsibility for purchasing all perishable and non-perishable medical and pharmaceutical supplies. The individual authorized to conduct Contractor's contracted purchasing program shall be the District Managers or designees. The District Managers shall act as the day-to-day liaison between the DOC and Contractor regarding purchasing issues. During the transition period, the parties shall develop a process for DOC approval of equipment and supply purchases that exceed $ 500.00 per item.

K. INSURANCE

Refer to Attachment C, Section 6 and Attachment D.

L. ACCREDITATION PLAN

- Contractor shall maintain accreditation for all accredited sites

Contractor’s Regional Administrator (or designee) will coordinate with DOC administrators to ensure that all policies, procedures and programs are in compliance with the most current NCCHC standards for health care services in jails and prisons. In addition, the Regional Administrators and District managers (or designee) will perform on-site accreditation reviews periodically throughout the contract to ensure continued standards compliance. The Regional Administrator (or designee) will instruct the State staff in the proper use of the evaluation tool.

The evaluation tool will be used when establishing or revising policies and procedures, to ensure continued compliance with NCCHC standards. Contractor will establish and implement a corrective action plan with specific completion dates and benchmarks for any discrepancies or shortcomings regarding standards

compliance. The corrective action plan and all necessary documentation will be submitted to DOC for review.

If the parties agree that subsequent changes in the NCCHC standards have significant cost implications, the parties reserve the right to amend the contract.

M. OTHER OPERATIONAL AND FINANCIAL DATA REPORTING

Contractor shall submit a series of operational reports and financial reports, as specified in Attachment K. All annual reporting shall be according to the State's Fiscal Year (July 1 to June 30). Most annual and quarterly reports are due from the Contractor and any subcontractors to the DOC within forty-five (45) days after the end of each reporting period. Facility-specific operational and financial reports must be submitted, as well as an aggregated report for the entire system.

The State reserves the right to request additional or different reporting information from the Contractor throughout the term of the contract, on either an ad hoc or regular basis.

The DOC and the Vermont Department of Health, at their cost, will conduct scheduled and unscheduled contract audits to verify and validate the delivery of services provided by the Contractor. These audits will be scheduled at least one week in advance. The Contractor shall make available detailed personnel records, attendance data, staff vacancy reports and other relevant information as required by the audit team.

N. CLAIMS PROCESSING

The Contractor must have a claims processing system that can accurately adjudicate all types of provider claims, including hospitals, physicians, ancillary providers, etc.

Contractor shall make reasonable efforts to process all Clean claims (reimbursed, denied or responded to) within forty-five (45) days of receipt. The Contractor shall have in place a process for specifying missing information when provider claims are denied due to incomplete status. All claim denials shall include detailed information on the reasons for the denial and the provider's right to appeal.

Failure to promptly reconcile and pay clean hospital/community-based provider claims within forty-five (45) days of the Contractor's receipt of the claim may be grounds for financial penalties (see Chapter V, Section Q - Performance Guarantees) and/or contract termination. All provider claims forty-five (45) days or more in arrears shall be reported to the DOC.

Pharmacy claims may be processed by the Contractor's pharmacy vendor.

O. INMATE TRANSFERS BETWEEN VERMONT DOC FACILITIES AND OUT-OF-STATE FACILITIES

a. Transfers between Vermont DOC Facilities

The protocol for preparation of clinical information for inmate transfers between Vermont DOC facilities includes:

- Preparation of the medical record inserted into a plain brown folder placed in a sealed envelope with the inmate's name and the phrase "CONFIDENTIAL – MEDICAL/ MENTAL HEALTH INFORMATION"

- A supply of all prescription medications ranging from one (1) to seven (7) days or whatever quantity remains on the inmate's prescription card

These materials are to be provided by the sending facility to the DOC transport team at the time of the inmate's transfer.

b. Transfers Out-Of-State

The protocol for preparation of clinical information for inmate transfers between the Vermont DOC and another state's facility includes:

- Assembly of a photo-copy of the medical and mental health records which include all records for a minimum of one (1) year from the data of the out-of-state (OOS) medical clearance (i.e., a medical clearance date of 10/25/04 will include all medical and mental health records from 10/25/03). Diagnostic and laboratory results for up to five (5) years are also to be sent with the health records. The following health care record documents must be included:

  - problem list
  - current history and physical
  - all information related to conditions currently under treatment
  - relevant labs and data
  - chronic care clinic notes and notes relating to specific conditions
  - copy of immunization record
  - TB test results writing in millimeter
  - mental health care information including mental health evaluation, treatment plan, and notes related to any ongoing clinical care

- Contractor shall retain the original health care record documents, but make a copy to be inserted into a plain brown folder placed in a sealed envelope with the inmate's name and the phrase "CONFIDENTIAL – MEDICAL/MENTAL HEALTH INFORMATION." The records designated for OOS will be organized in a multi-part medical chart folder by the "sending facility" (a sending facility is defined as the Vermont DOC facility where the inmate was lodged at the time the medical clearance was performed.) Each Vermont DOC facility health center that performs OOS transfers will be provided with such folders (available for re-order from the DOC Central Office).

- The photocopied medical record assembled into the folder must physically accompany the inmate upon his transfer out-of-state. OOS health records will be logged out to the OOS transport agency using a chain of custody form that will be completed at the staging facility by the Nurse Manager or his/her designee.

- A supply of all prescription medications ranging from four (4) to seven (7) days, depending upon the State's agreement with the receiving State's facility.

P. MORTALITY REVIEWS

The Contractor shall coordinate with DOC in the acquisition and submission of all relevant information concerning the death of any inmate within ten (10) working days of the death, unless extenuating circumstances require law enforcement investigation. This shall include preparation of mortality reviews and other requirements mandated by NCCHC standards, state policies, and state and federal laws. Should a law enforcement investigation be required, the DOC shall extend the timeframe for completion of the mortality review, notifying Contractor of the revised mortality review due date. Failure to meet these mandates may result in a penalty of $ 1,000.00 per incident.

Q. PERFORMANCE GUARANTEES

All medical services shall be delivered in compliance with standards set forth by the NCCHC. At such time as these standards are updated, it is understood the standards promulgated under these performance guarantees will be adjusted to ensure that Vermont DOC facilities remain in compliance with NCCHC standards, and retain NCCHC accreditation.

Contractor is obliged to self-report all performance shortfalls that would trigger a penalty. Reports are due to the DOC within fifteen (15) business days after month-end close. Contractor may send a formal request to the DOC requesting that a penalty be reconsidered or reduced due to extenuating circumstances. Should Contractor choose to submit such a request, the DOC will render a decision within five (5) business days of receipt of Contractor's request.

Should the DOC elect to waive a penalty for any given period, such waiver does not preclude the DOC from exercising its rights to enforce a penalty in the future.

a. NCCHC Accreditation

Contractor is required to maintain NCCHC accreditation for every current and future facility in the State system. If certification accreditation by the NCCHC is lost at any time, a $500 penalty per day/per non-accredited facility will be assessed against the vendor until the non-accredited facility(ies) receives either a provisional accreditation or is fully accredited. If the NCCHC issues a provisional accreditation, the $500 per day/per facility will be waived up to one hundred and eighty (180) days. The beginning and ending dates of the penalty will be governed by any written communication from the NCCHC. Any date within any calendar month will serve as the beginning and end dates and each inclusive month of non-accreditation will be assessed the penalty.

b. Access to Dental Services

- Failure by the Contractor to adequately control the size of the waiting list for dental services may result in a financial penalty up to $100 per inmate/facility/month over acceptable waiting list thresholds. The acceptable threshold for the waiting list is $\leq$ 10 inmates per facility per month. This penalty may be assessed if there are more than 10 instances of inmates/facility/month lacking access to routine (within 28 days) or urgent care (within 24 hours).

Inmates with dental emergencies (i.e. facial fractures, uncontrolled bleeding, and infections not responsive to antibiotics) shall receive immediate medical care, which may include emergency transportation to a hospital, outpatient or inpatient facility.

c. Operational and Financial Reports

Failure by the Contractor to provide required operational and financial reports within prescribed time periods may result in a penalty of either $500 or $250 per report per month for each month that any report is not received timely according to the schedule in Attachment K. DOC will determine and notify the contractor of the potential penalty value assigned to each required report. The DOC, at its sole discretion, may permit additional time for the submission of required reports under extenuating circumstances beyond the Contractor's control.

d. Pharmaceutical Drug Availability

Failure to provide prescription drugs to inmates in accordance with contract standards may result in a penalty.

For purposes of this performance guarantee, the following standards shall be applied:

- Ongoing treatment plans – Within twelve (12) hours of the date and time the medication is scheduled to be dispensed;
- Newly ordered prescriptions - Within forty-eight (48) hours from Monday through Friday, and within seventy-two (72) hours from Saturday through Sunday of a provider's non-"stat" order; and,
- "Stat" order – Contractor shall provide "stat" orders within one (1) hour of receipt of a "stat" order for in stock medications and within two(2) hours for non stocked medications.

Failure to provide DOC inmates with medications based on the above time-standards may result in a penalty of $500 per occurrence. The Contractor shall self-report each instance of non-compliance.

e. Staffing Standards and Coverage

It shall be the Contractor's final responsibility to fill all posts in accordance with the staffing standards and coverage schedules per Attachment G. Failure by the Contractor to fill these posts with permanent employees within sixty (60) days after a post has become vacant (as scheduled in the Staffing Matrix), shall require contractor to notify the DOC Health Services Contract monitor of the ongoing vacancy, the steps being taken to fill it, interim plans for covering the vacancy and an anticipated target date for successful recruitment into the position. Failure by the contractor to implement the recruitment strategy as agreed upon by both parties shall result in a penalty of $500/day for each day that the strategy fails to be implemented.

Failure by the Contractor to fill a given post with a permanent employee for more than 120 days shall require Contractor and DOC to reconsider the utility of the existing staffing matrix and to revise it if indicated without amending the entire contract. Failure by the contractor to maintain a statewide average of 75% permanent position occupancy rate OR a site average of 50% permanent positions occupancy rate shall also require Contractor and DOC to reconsider the utility of the existing staffing matrix and to consider an amendment to the contract.

Contractor must also ensure that no shift is left uncovered. Attachment H reflects the minimum staffing required by facility, by shift, by type of clinical staff for Contractor to avoid a penalty under this provision. Contractor may, at its discretion and cost, fill clinical positions with lower or higher practice level professionals without penalty provided that clinical staff are not asked to operate outside of their scope of practice to cover a shift. Failure by the Contractor to cover a shift will result in a penalty of $1,000 for each uncovered shift or prorated portion thereof.

f. Sick Call Timeliness

Contractor shall provide sick call services, in compliance with NCCHC standards, to allow the health care staff to provide same-day response to urgent inmate requests for health care services. Contractor may be charged for each sick call request outstanding for more than forty-eight (48) hours of the request during a week day (Monday through Friday) Contractor shall make a good faith effort to meet the forty-eight (48) hour standard from Saturday to Sunday, but consistent with the NCCHC standards for sick call response times, Contractor will be held to a maximum of seventy-two (72) hours from Saturday to Sunday before a penalty will be taken. A $50 penalty for outstanding sick calls, as defined above, may be charged for each instance greater than five (5) instances per facility/month or more than thirty (30) per month in aggregate for the system.

g. Hospital/Community Provider Clean Claims Payment

All payments to hospitals and other community providers should be made within forty-five (45) days of the Contractor's receipt of a clean claim. Failure to promptly reconcile and pay hospital/community provider

claims shall be grounds for penalties or contract termination. All clean claims forty-five (45) days or more in arrears shall be reported to the DOC, and may be assessed twenty (20) percent of the adjudicated claim amount. Notwithstanding the foregoing , the penalty provision for failure to pay hospital/community provider clean claims with the forty-five (45) day time period described above is contingent on the DOC paying Contractor on a timely basis in accordance with the provisions of Attachment B. As a result, Contractor shall not be subject to penalty provisions under this paragraph g. in the event the DOC is in arrears on all or any part of its payment obligations to Contractor.

h. Access to Specialty Services

Under no circumstances shall Contractor limit or delay access to specialty services for inmates identified as requiring this care. If the DOC believes that the Contractor is not providing specialty services in a timely fashion, the DOC Health Services Director and the Contractor's Medical Director shall review and resolve all disputes. By the same token, excessive utilization of off-site specialty services shall also be cause for review. Excessive utilization shall be defined as >25% utilization. During the transition period, both parties shall agree on the baseline targets based on the preceding 9 months of data.
Failure to reach resolution of utilization management disputes may result in a penalty of $2500 semi-annually and ultimately may be grounds for termination.

i. Mortality Review Timeliness

The Contractor shall coordinate with the State in the acquisition and submission of all relevant information concerning the death of any inmate within ten (10) working days of the death, unless extenuating circumstances require law enforcement investigation. This shall include preparation of mortality reviews and other requirements mandated by NCCHC standards, state policies, and state and federal laws. Should a law enforcement investigation be required, the DOC shall extend the timeframe for completion of the mortality review, notifying Contractor of the revised mortality review due date. Should Contractor fail to acquire and submit information before or on the due date, or meet NCCHC standards, state policies, state and federal laws governing mortality reviews, a penalty of up to $1,000 per occurrence may be taken.

At the discretion of the Vermont DOC, performance guarantee penalties may be waived. Should the DOC elect to waive a penalty, such waiver does not preclude the DOC from exercising its rights to enforce a penalty in the future.

ATTACHMENT B
CONTRACT FOR SERVICES
PAYMENT PROVISIONS

For the services provided under the Agreement, the Contractor shall be compensated by the State as follows:

1) Base Compensation. The State will pay Contractor annual base compensation (the "Base Compensation") in the amount of $11,500,000 for the first year of the Agreement which shall commence on January 29, 2007 and continue through January 31, 2008. The Base Compensation is comprised of the following: (i) the annual Actual Costs (defined below) of providing health care services which have been initially budgeted by the parties as $10,147,293 (the "Budgeted Costs") and (ii) an annual fixed management fee of $1,352,707 (the "Management Fee"). The Base Compensation shall be paid in equal monthly installments of $958,333.33. Contractor will invoice the State thirty (30) days before the first day of the month in which services are rendered The State agrees to pay Contractor on or before the first (1st) day of the month for which services will be rendered. In the event the Agreement should commence or terminate on a date other than the first or last day of any calendar month, the Base Compensation will be prorated accordingly for the shortened month.

For purposes of this Agreement, the term "Actual Costs" means all costs and expenses associated with providing the services described under the Agreement (with the exception of those costs billed separately by Contractor in accordance with Section 6 below), consistent with the Contractor's current accounting practices, and as further specified in Exhibit A ("Actual Costs"). For the purposes of the Quarterly Reconciliations (defined below), Actual Costs shall mean those costs incurred as recorded in the books and records of the Contractor inclusive of customary expense accruals required under generally accepted accounting principles as applied by the Contractor. The Final Reconciliation (defined below) of the Actual Costs versus Budgeted Costs shall take into account all prior Quarterly Reconciliations and all expense accruals from those Quarterly Reconciliations will be adjusted to actual amounts paid. In the case of Contractor's allocations for such matters as self-insurance plans, the cost included in the Final Reconciliation will be consistent with the Contractor's allocation of overall plan expenses between all of its client contracts participating in the respective plans.

2) Increases to Base Compensation in Subsequent Years. The Budgeted Cost and Management Fee shall be increased by eight percent (8%) in each subsequent year the Agreement remains in effect.

3) Cost Sharing Arrangement. For each contract year, the parties will share in costs and savings, as applicable, in accordance with the provisions of this paragraph. The first $2,500,000 in Actual Costs in excess of Budgeted Costs will be divided between the parties, with the State responsible for 80% of the excess Actual Costs and the Contractor responsible for the remaining 20%. The State will be responsible for all Actual Costs in excess of the first $2,500,000 over Budgeted Costs. For the first $2,500,000 in Actual Costs less than the Budgeted Costs, 80% of the savings shall be refunded to the State and the Contractor shall retain 20% of the savings. The State will be refunded 100% of the savings in excess of the first $2,500,000 in Actual Costs less than Budgeted Costs.

In the event this Agreement should terminate prior to the end of a twelve (12)-month contract period, the Budgeted Costs and the $2,500,000 Cost Sharing component will be prorated accordingly based on the fractional portion of the total twelve (12)-month contract period during which the Contractor actually provided services.

4) Reconciliation of Costs. The parties shall perform an interim reconciliation of the Actual Costs incurred versus the Budgeted Costs as of March 31, 2007 with interim reconciliations occurring quarterly thereafter during the term of the Agreement and an additional interim reconciliation for each contract year occurring for the period from the end of the previous quarter to the end of the contract year (collectively the "Quarterly Reconciliations"). Such Quarterly Reconciliations will be provided to the State within thirty (30) days after the

end of each quarter. Quarterly Reconciliations adjustments will be in the form of a credit memo to the State or an additional invoice to the State payable within thirty (30) of receipt of invoice. Each Quarterly Reconciliation of the Actual Costs incurred versus Budgeted Costs shall be determined by comparing the Actual Costs incurred, as accumulated on a contract year-to-date basis, to the pro-rated portion of the Budgeted Costs.

In addition to the Quarterly Reconciliations, the Contractor will provide a final reconciliation (the "Final Reconciliation") of the Actual Costs versus Budgeted Costs within 150 days after the end of each annual contract year. Yearly reimbursement adjustments from the Final Reconciliation will be in the form of a credit memo to the State or an additional invoice to the State payable within thirty (30) of receipt of invoice. The parties recognize that Contractor will make every reasonable effort to control the timeliness of the submission of claims from third party providers, but there may be instances in which claims are received by Contractor after the 150th day of the final reconciliation period. In such instances, notwithstanding anything in this paragraph to the contrary, State agrees that it will pay such claims to the extent the State is responsible under the provisions of this Attachment B.

Contractor shall provide a monthly report of services performed and the Actual Costs incurred to support the calculation of the reconciliation. The first monthly report shall cover the period of January 29, 2007 through February 28, 2007 with subsequent monthly reports each covering a calendar month. The monthly report will also include payments already made by the State to the Contractor, and any difference between Actual and Budgeted Costs. Contractor's monthly documentation will be submitted in a format that provides both a cumulative contract year-to-date report and a monthly report.

5) Additional Quarterly Adjustments. The Quarterly Reconciliation process shall also include adjustments for the following items:

a) Deductions for performance and staffing penalties – Contractor shall report monthly any deficiencies or occurrences that might result in a penalty provided for in the Agreement's staffing, shift and performance guarantees. See Chapter V, Section Q of the Agreement – Performance Guarantees. The State shall independently evaluate Contractor's service delivery for any deficiencies or occurrences that might result in a penalty and, within thirty (30) days of receipt of the monthly report from Contractor, the State shall issue a written assessment of penalties. The State shall discuss all proposed performance penalties with the Contractor in advance of its written assessment of penalties. On a quarterly basis, the Contractor shall issue a credit memo in an amount equal to the penalties assessed over the previous three (3) month period. The parties shall resolve any dispute regarding the assessment of any performance or staffing penalties in accordance with the dispute resolution provisions specified in Miscellaneous Provisions, 8d – Dispute Resolution, below. Such deductions for penalties do not impact the Actual Costs incurred by the Contractor.

b) Changes in VHAP Policy. Contractor's price proposal incorporated projected VHAP program payment of certain inpatient expenses currently covered under the program. In the event of a change in federal and/or state policy and inmate participation in the VHAP program is substantially altered, the Parties agree to negotiate in good faith a contract amendment responding to the changing fiscal environment in accordance with the provisions of Section 8(a) below.

c) All adjustments will be fully documented and discussed with Contractor prior to the issuance of an adjusted payment by the State.

6) Compensation for Additional Services**.** In addition to the Base Compensation payable to Contractor, the State shall reimburse the Contractor separately for the following medications, testing and services provided to Department of Corrections' staff:

Contract Period	Hep B Vaccine	Diptheria/Tetanus Vaccine	TB Testing
Year 1	$59.70 per vaccine	$17.92 per vaccine	$1.48 per test
Year 2	$65.07 per vaccine	$19.53 per vaccine	$1.61 per test
Year 3	$70.93 per vaccine	$21.29 per vaccine	$1.76 per test

Contract Period	Incapacitated Persons Price per Encounter
Year 1	$30.09 per encounter
Year 2	$31.60 per encounter
Year 3	$33.18 per encounter

Contractor shall invoice the State separately for the goods and services rendered under this Section. Contractor shall submit an invoice on the tenth (10th) day of the month for services provided in the previous month and the State shall reimburse Contractor within thirty (30) days of receipt of the invoice.

7) Performance Payments. The Contractor will submit a quarterly invoice to the State for all incentive bonuses attained in accordance with the provisions of Attachment J. The State will pay the Contractor within thirty (30) days receipt of the incentive bonus invoice.

8) Miscellaneous Provisions.

a) Change in Scope of Services. The parties agree that should there be any change in or modification of inmate distribution, standards of care, scope of services, VHAP laws, regulations or policy or the number of facilities that results in material costs or savings to the Contractor, the costs or savings related to such changes or modifications are not covered in this Agreement, and shall be negotiated in good faith between the parties. Any such adjustments shall be fully documented and attached to the Agreement in the form of amendments. If the parties are unable to agree upon an appropriate compensation adjustment resulting from a change in scope of services, the parties shall resolve such dispute in accordance with the dispute resolution provisions specified in Section d below.

b) Submission of Invoices. Contractor shall submit all invoices to:
Vermont Department of Corrections
103 South Main Street
Waterbury, VT 05671-1001

c) Late Payments. The State shall pay Contractor late payment fees on all invoices hereunder that are more than thirty (30) days past due except for payments previously disputed in writing. Late payment fees shall begin to accrue thirty (30) days after the date the original payment was due at a rate of one and one-half percent (1.5 %) per month until the payment is made in full. The State shall bear the costs of any legal or collection fees and expenses incurred by Contractor in attempting to enforce the State's payment obligations hereunder.

d) Dispute Resolution. For any and all claim, controversy or dispute (collectively "dispute") arising under this Agreement or the breach thereof, the parties shall work together in good faith to resolve the dispute. In the event the parties cannot resolve their dispute, either party shall have the right to request mediation ("Mediation Request") by a neutral and/or disinterested third-party (the "Mediator") who shall, at a minimum, be an attorney licensed to practice law in the State of Vermont at the time of such request.

The parties agree to share equally the cost of the mediation. After the request by a party is made for mediation, no party may initiate litigation until such time as the dispute is deemed "irreconcilable" as described below. In the event the parties must mediate any aspect of this contract, they will agree to terms and conditions of such mediation at the appropriate time and in consultation with the mediator.

Within 15 working days of the receipt of any Mediation Request, the parties shall agree upon a Mediator. Upon reaching an agreement upon a Mediator, the parties shall then participate in and complete mediation before the Mediator within 90 days thereafter. If the parties (1) are unable to agree upon a Mediator within this designated timeframe, (2) do not complete mediation within the designated timeframe, or (3) are unable to reach a mutual resolution of the dispute during the course of mediation, then the dispute shall be deemed as "irreconcilable" at that time.

9) Modifications. The parties agree that the nature of the services to be provided by the Contractor may warrant adjustments or modifications to the scope of services to be provided by the Contractor over the term of the contract, and that in the event such adjustments have a material affect on the cost of services, the parties will negotiate such adjustments in good faith. Any such adjustments shall be fully documented and attached to the contract in the form of amendments. Such changes will not require revision of the entire contract.

STATE OF VERMONT
CONTRACT FOR SERVICES

ATTACHMENT C

CUSTOMARY STATE CONTRACT PROVISIONS

l. **Entire Agreement.** This contract 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 contract will be governed by the laws of the State of Vermont.

3. **Appropriations.** If this contract extends into more than one fiscal year of the state (July l to June 30), and if appropriations are insufficient to support this contract, the State may cancel at the end of the fiscal year, or otherwise upon the expiration of existing appropriations authority.

4. **No Employee Benefits for Contractors.** The Contractor understands that the State will not provide any individual retirement benefits, group life insurance, group health and dental insurance, vacation and sick leave, workers compensation or other benefits or services available to State employees, nor will the State withhold any federal or state taxes except as required under applicable tax laws, which shall be determined in advance of execution of the contract. The Contractor 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 Contractor, and information as to contract income will be provided by the State of Vermont to the Internal Revenue Service and the Vermont Department of Taxes.

5. **Independence, Liability.** The Contractor will act in an independent capacity and not as officers or employees of the State. The Contractor shall indemnify, defend and hold harmless the State and its officers and employees from liability and any claims, suits, judgments, and damages arising as a result of the Contractor's acts and/or omissions in the performance of this contract. The Contractor 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 contract (see also Attachment I).

6. **Insurance.** Before commencing work on this contract the Contractor must provide certificates of insurance to show that the following minimum coverage are in effect. The Contractor must notify the State no more than 10 days after receiving cancellation notice of any required insurance policy. It is the responsibility of the Contractor to maintain current certificates of insurance on file with the State through the term of the contract. Failure to maintain the required insurance shall constitute a material breach of this contract.

   Workers Compensation: With respect to all operations performed, the Contractor 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 contract, the Contractor shall carry general liability insurance having all major divisions of coverage including, but not limited to:

   Premises - Operations
   Independent Contractors' Protective
   Products and Completed Operations
   Personal Injury Liability
   Contractual Liability

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

   $ l,000,000 Per Occurrence
   $ l,000,000 General Aggregate
   $ l,000,000 Products/Completed Operations Aggregate
   $ 50,000 Fire Legal Liability

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

Professional Liability: Before commencing work on this contract and throughout the term of this contract, the Contractor shall procure and maintain professional liability insurance for any and all services performed under this contract, with minimum coverage of $1,000,000 per occurrence and $3,000,000 in aggregate.

No warranty is made that the coverage and limits listed herein are adequate to cover and protect the interests of the Contractor for the Contractor's operations. These are solely minimums that have been set to protect the interests of the State.

7. **Reliance by the State on Representations:** All payments by the State under this contract will be made in reliance upon the accuracy of all prior representations by the Contractor, including but not limited to bills, invoices, progress reports and other proofs of work.

8. **Records Available for Audit.** The Contractor 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 contract 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 contract.

9. **Fair Employment Practices and Americans with Disabilities Act:** Contractor agrees to comply with the requirement of Title 2l V.S.A. Chapter 5, Subchapter 6, relating to fair employment practices, to the full extent applicable. Contractor shall also ensure, to the full extent required by the Americans with Disabilities Act of l990, that qualified individuals with disabilities receive equitable access to the services, programs, and activities provided by the Contractor under this contract. Contractor further agrees to include this provision in all subcontracts.

l0. **Set Off:** The State may set off any sums which the Contractor owes the State against any sums due the Contractor under this contract; 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.

ll. **Taxes Due to the State.**

a. Contractor 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. Contractor certifies under the pains and penalties of perjury that, as of the date the contract is signed, the Contractor 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. Contractor understands that final payment under this contract may be withheld if the Commissioner of Taxes determines that the Contractor 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. Contractor also understands the State may set off taxes (and related penalties, interest and fees) due to the State of Vermont, but only if the Contractor has failed to make an appeal within the time allowed by law, or an appeal has been taken and finally determined and the Contractor has no further legal resource to contest the amounts due.

l2. **Child Support.** (Applicable if Contractor is a natural person, not a corporation or partnership.) Contractor states that, as of the date the contract 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.

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

l3. **Subcontractors.** The Contractor shall not assign or subcontract the performance of this agreement or any portion thereof to any other contractor without the prior written approval of the State. Contractor also agrees to include in all subcontract agreements a tax certification in accordance with paragraph ll above.

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

l4. **No Gifts or Gratuities.** Contractor shall not give title or possession of any thing of substantial value (including property, currency, travel and/or education programs) to any officer or employee of the State during the term of this contract.

l5. **Copies.** All written reports prepared under this contract will be printed using both sides of the paper.

l6. **Access to Information.** The Contractor agrees to comply with the requirements of AHS Rule No. 96-23 concerning access to information. The Contractor shall require all of its employees performing services under this contract to sign the AHS affirmation of understanding or an equivalent statement.

17. **Suspension and Debarment.** Non-federal entities are prohibited by Executive Orders 12549 and 12689 from contracting with or making sub-awards under covered transactions to parties that are suspended or debarred or whose principals are suspended or debarred. Covered transactions include procurement contracts for goods or services equal to or in excess of $25,000 and all non-procurement transactions (sub-awards to sub-recipients). By signing this contract, current Contractor certifies as applicable, that the contracting organization and its principals are not suspended or debarred by GSA from federal procurement and non-procurement programs.

18. **Health Insurance Portability & Accountability Act (HIPAA).** The confidentiality of any health care information acquired by or provided to the independent contractor shall be maintained in compliance with any applicable state or federal laws or regulations.

19. **Abuse Registry.** The Contractor agrees not to employ any individual, or use any volunteer, to provide for the care, custody, treatment, or supervision of 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 childcare license or registration from the Division of Child Development, Department for Children and Families, the Contractor shall also check the Central Child Abuse Registry. (See 33 V.S.A. §4919 & 33 V.S.A. §6911).

20. **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.

21. **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 sub-grantees receiving federal funds must assure that persons 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.

Rev. AHS -06/16/05

ATTACHMENT D
CONTRACT FOR SERVICES
MODIFICATION OF MAXIMUM INSURANCE REQUIREMENTS

The requirements contained in Attachment C, Section 6 are hereby modified:

No modifications.

Type of Insurance Coverage:

Modifications:

Reasons for Modifications:

Approval:

_____

Assistant Attorney General

Date: _____

ATTACHMENT E

BUSINESS ASSOCIATE agreement (revised 03/28/2006)

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, OFFICE, OR DIVISION OF DEPARTMENT OF CORRECTIONS **("COVERED ENTITY") AND ("BUSINESS ASSOCIATE") AS OF ("EFFECTIVE DATE"). THIS AGREEMENT SUPPLEMENTS AND IS MADE A PART OF THE CONTRACT TO WHICH IT IS AN ATTACHMENT.**

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").

The parties agree as follows:

1. **Definitions**. All capitalized terms in this Agreement have the meanings identified in this Agreement, 45 CFR Part 160, or 45 CFR Part 164.

The term "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.

The term "Individual" includes a person who qualifies as a personal representative in accordance with 45 CFR 164.502(g). All references to "PHI" mean Protected Health Information. All references to "Electronic PHI" mean Electronic Protected Health Information.

2. **Permitted and Required Uses/Disclosures of PHI**.

2.1 Except as limited in this Agreement, Business Associate may use or disclose PHI to perform Services provided that any use or disclosure would not violate the minimum necessary policies and procedures of Covered Entity. 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.

2.2 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 (including subcontractors) in accordance with Sections 6 and 14 or (b) as otherwise permitted by Section 3.

3. **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 (a) Business Associate obtains reasonable written assurances via a written contract 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 (b) the person promptly notifies Business Associate (who in turn will promptly notify Covered Entity) in writing of any instances of which it is aware in which the confidentiality of the PHI has been breached. Uses and disclosures of PHI for the purposes identified in this Section 3 must be of the minimum amount of PHI necessary to accomplish such purposes.

4. **Safeguards**. Business Associate shall implement and use appropriate safeguards to prevent the use or disclosure of PHI other than as provided for by this Agreement. Business Associate shall identify in writing upon request from Covered Entity all of the safeguards that it uses to prevent impermissible uses or disclosures of PHI.

5. **Reporting**. Business Associate shall report in writing to Covered Entity any use or disclosure of PHI in violation of this Agreement by Business Associate or its agents including its subcontractors. Business Associate shall provide this written report promptly after it becomes aware of such use or disclosure. Business Associate shall provide Covered Entity with the information necessary for Covered Entity to investigate the impermissible use or disclosure. Consistent with 45 CFR 164.502(j)(1) Business Associate may use PHI to report violations of law to federal and state authorities.

6. **Agreements by Third Parties**. Business Associate shall ensure that any agent (including a subcontractor) to whom it provides PHI received from Covered Entity or created or received by Business Associate on behalf of Covered Entity agrees in a written contract to the same restrictions and conditions that apply through this Agreement to Business Associate with respect to such PHI. For example, the written contract must include those restrictions and conditions set forth in Section 12. Business Associate must enter into the written contract before any use or disclosure of PHI by such agent. The written contract must identify Covered Entity as a direct and intended third party beneficiary with the right to enforce any breach of the contract concerning the use or disclosure of PHI. Business Associate shall provide a copy of the written contract to Covered Entity upon request. Business Associate may not make any disclosure of PHI to any agent without the prior written consent of Covered Entity.

7. **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. Business Associate shall promptly forward to Covered Entity for handling any request for access to PHI that Business Associate directly receives from an Individual.

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

9. **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. Business Associate shall promptly forward to Covered Entity for handling any accounting request that Business Associate directly receives from an Individual.

10. **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 (without regard to the attorney-client or other applicable legal privileges) 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.

11. **Termination.**

11.1 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 15.11.

11.2 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 this Contract without liability or penalty if Business Associate does not cure the breach within the time specified by Covered Entity; or (b) immediately terminate this Contract 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 this Contract, nor does it lessen Business Associate's responsibility for such breach or its duty to cure such breach.

12. Return/Destruction of PHI.

12.1 Business Associate in connection with the expiration or termination of this Contract shall return or destroy all PHI received from Covered Entity or created or received by Business Associate on behalf of Covered Entity pursuant to this Contract 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.

12.2 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.

13. Notice/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 information security awareness training regarding the use, confidentiality, and security of PHI.

14. Security Rule Obligations. The following provisions of this Section 14 apply to the extent that Business Associate creates, receives, maintains or transmits Electronic PHI on behalf of Covered Entity.

14.1 Business Associate shall implement and use administrative, physical, and technical safeguards that reasonably and appropriately protect the Confidentiality, Integrity and Availability of 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.

14.2 Business Associate shall ensure that any agent (including a subcontractor) to whom it provides Electronic PHI agrees in a written contract 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 contract before any use or disclosure of Electronic PHI by such agent. The written contract must identify Covered Entity as a direct and intended third party beneficiary with the right to enforce any breach of the contract concerning the use or disclosure of Electronic PHI. Business Associate shall provide a copy of the written contract to Covered Entity upon request. Business Associate may not make any disclosure of Electronic PHI to any agent without the prior written consent of Covered Entity.

14.3 Business Associate shall report in writing to Covered Entity any Security Incident pertaining to such Electronic PHI (whether involving Business Associate or an agent, including a subcontractor). Business Associate shall provide this written report promptly after it becomes aware of any such Security Incident. Business Associate shall provide Covered Entity with the information necessary for Covered Entity to investigate any such Security Incident.

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

15. Miscellaneous.

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

15.2 Any reference to "promptly" in this Agreement shall mean no more than seven (7) business days after the circumstance or event at issue has transpired. A reference in this Agreement to a section in the Privacy Rule or Security Rule means the section as in effect or as amended or renumbered.

15.3 Business Associate shall mitigate, to the extent practicable, any harmful effect that is known to it of a use or disclosure of PHI in violation of any provision of this Agreement.

15.4 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.

15.5 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.

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

15.7 This Agreement may be amended or modified, and any right under this Agreement may be waived, only by a writing signed by an authorized representative of each party.

15.8 Nothing express or implied in this Agreement is intended to confer upon any person other than the parties hereto any rights, remedies, obligations or liabilities whatsoever. Notwithstanding the foregoing, the Covered Entity in this Agreement is the Agency of Human Services operating by and through its Department of Corrections**.** Covered Entity and Business Associate agree that the term "Covered Entity" as used in this Agreement also means any other Department, Division or Office of the Agency of Human Services to the extent that such other Department, Division, or Office has a relationship with Business Associate that pursuant to the Privacy or Security Rules would require entry into an agreement of this type.

15.9 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.

15.10 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 under this Contract 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.

15.11 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 12.2 and (b) the obligation of Business Associate to provide an accounting of disclosures as set forth in Section 9 survives the expiration or termination of this Agreement with respect to accounting requests, if any, made after such expiration or termination.

15.12 This Agreement constitutes the entire agreement of the parties with respect to its subject matter, superseding all prior oral and written agreements between the parties in such respect.

ATTACHMENT F
CONTRACT FOR SERVICES
Agency of Human Services Rule # 96-23
Final Adopted Rule for
Access to Information

Definition.

"Agency" means the Agency of Human Services or any of the offices, departments or programs that comprise the Agency.

"AHS" means the Vermont Agency of Human Services.

"Client" means an individual or family who is voluntarily served by a department, office, program, Contractor or grantee of the Agency of Human Services.

"Contractor" means an individual or entity with whom the Agency or any of its departments, offices, or programs has a contract to provide personal services.

"Employee" means any person who works in a full-time, part-time, temporary or contractual position for the Agency or any of its departments, offices, or programs.

1.6 "Grantee" means an individual or entity with whom the Agency or any part thereof has a grant to provide personal services.

1.7 "Program" means a set of services, (such as determining and processing ANFC benefits, verifying and setting up delivery for WIC foods) for which the Agency bears fiscal responsibility.

1.8 "Administrative Obligations" means activities pursuant to federal or state laws or regulations (such as verification of eligibility, verification of service delivery, detention of fraud, monitoring of quality assurance, audit of expenditure reports) which provide for accountability in the use of public funds.

Basic Principles

Presumption of Confidentiality

All information specific to, and identifying of, individuals and families is presumed to be confidential and subject to these standards. Employees shall not disclose the information unless a specific exception to the presumption applies or the disclosure is authorized by the client, a court or as otherwise authorized by law or rule.

Existing Statutes

These rules are not intended to expand or diminish current provisions in law relating to disclosure of confidential information.

Information Collection

Employees shall collect and record only that information needed to fulfill the goal of serving the client and meeting administrative or legal obligations.

Informing Clients

At the initial meeting with each client, or within two weeks, employees shall review and offer to provide the rules for access to information to the client.

Permissible Disclosures

Client consent

No information about a client shall be released without prior consent from the client, unless directly connected with the administration of a program or necessary for compliance with federal or state laws or regulations.

Sharing "Non-identifiable" Information

Information that does not identify a client may be used for statistical research, forecasting program needs, or other such purposes.

Public Information

Information defined as public by 1 VSA & 317 or other applicable statute is available to the public. The procedures in the public records statute shall be followed before public information is released.

Information Sharing for Administrative Purposes

Employees may share information which is necessary to satisfy the Agency's administrative obligations. Departments will develop written agreements limiting the kinds of information to be shared when programs are jointly administered by different Departments. No information shall be released to a person or entity that is out of state, unless directly connected with the administration of a program or necessary for compliance with federal or state laws or regulations.

Disclosure Without Consent in Limited Circumstances

Employees must release sufficient information to comply with mandatory reporting requirements for cases involving the abuse, neglect, or exploitation of children and persons who are elderly or who have disabilities. Information may be released without consent when Vermont law creates a duty to warn identified individuals of potential harm to their person or property, in response to court orders, or to investigate or report criminal activity as required by federal or state law or regulation. Only information relevant to the situation shall be disclosed. The employee shall document the date, purpose and content of the report, the name, address and affiliation of the person to whom the information was released, and shall notify the client that the information was disclosed.

AHS Rule 96-23

Procedures Related to Consent

Obtaining Informed Consent

Prior to releasing confidential information the Agency shall obtain the client's informed consent. This includes providing information about consent in a language and format understandable to the client. Reasonable accommodations shall be made for special needs based on the individual or family's education, culture, or disability. Employees shall inform clients that granting consent is not a pre-requisite for receiving services, and shall explain that they may apply for services separately.

Consent of Minors to Release of Information

Employees shall obtain the consent of a minor client to release information concerning treatment for which parental consent is not required.

Format for Consent to Share Information

Consent for the sharing or release of information shall ordinarily be in writing. If an emergency situation requires granting of verbal consent, written consent shall be obtained at the next office visit or within thirty days, whichever comes sooner. Required information will include:

1. Names of the people about whom information may be shared.
2. A checklist of the kinds of information to be shared.
3. A checklist of the departments within the Agency to receive the information.
4. A statement or date covering expiration of consent.
5. A statement about procedures for revoking consent.
6. Signature of individuals covered by the consent, or their parents or guardians.
7. Signature of the individual explaining the consent process with their position and job title.
8. A space to provide individualized instructions.

A copy of the consent form shall be provided to all signatories.

Client Access to Records

Unless prohibited by federal or state law or regulation, clients shall be permitted to view and obtain copies of their records. Each department within the Agency shall have written procedures which permit clients to verify personal information they have provided for accuracy and completeness and for placing amendments to the information in their files. Employees shall take reasonable steps to present records in a form accessible to the client, including but not limited to large type format or verbal review. A fee not to exceed the actual cost of copying may be charged for records exceeding 10 pages. This fee shall be waived if it would prohibit access.

AHS Rule 96-23

Procedures to Protect Confidentiality

Staff Training

All AHS employees and all AHS volunteers and interns, shall be instructed in these rules. AHS shall train their Contractors and grantees who shall, in turn, provide the same instruction for their employees, interns, and volunteers.

Response to Requests for Information

An employee shall not respond to requests from outside the Agency for information about clients even to acknowledge that the person is a client, unless authorized. If a client has consented to or requests that information be released, the employee shall comply with the request.

Designated Individual

Each agency or department shall appoint one or more trained staff members to be responsible for responding to all requests for client information when there is no written consent to release, and no statutory or administrative authority permitting release of the requested information. These individuals shall be specially trained in maintaining confidentiality. A list of the designated individuals for each department and office shall be maintained in the Attorney General's Office, Human Services Division.

Affirmation of Understanding

Employees shall sign an affirmation that they will comply with these rules. This affirmation shall be part of their personnel files. Supervisors shall review this affirmation during annual evaluations. Violation of these rules shall result in disciplinary action.

Written Agreements with Grantees or Contractors

The following assurance, or one similar to it, will be included in all AHS grants/contracts signed after these rules have been approved:

[Grantee/Contractor] agrees to comply with the requirements of AHS Rule No. 96-23 concerning access to information. The Contractor shall require all of its employees to sign the AHS Affirmation of Understanding or an equivalent statement.

Client Referrals

When referring a client to another agency for services, if the referral does not meet the criteria for permissible disclosures under Section 3.4, the initial agency shall obtain the consent of the client for the referral and alert the receiving agency that confidential client information accompanies the referral.

Documentation of Disclosure

Requests for disclosures of client information shall be maintained in the client's file if the request does not meet the definition of a permissible disclosure under Section 3.4. Employees shall document in writing any information actually disclosed, along with the name of the person/agency to whom it was disclosed and the date of the disclosure. When permissible disclosures are made under Section 3.4, documentation may be limited to the name of the department/agency/program to whom the disclosure was made.

Information Systems

Computerized Information

When developing a computerized data system, the Agency shall:

1. Develop security procedures consistent with the rule;
2. Instruct staff in the security procedures;
3. Inform clients if a computerized system is being used;
4. Establish written agreements with participating agencies outlining procedures for sharing and protecting information.
5. Develop security procedures in relation to the transmission of information.

Security Procedures

The Agency shall develop a protocol which is consistent with the requirements of this rule to safeguard confidential client information. Contractors and grantees shall also develop a protocol or shall adopt the protocol of the Agency. The protocol shall be designed to safeguard written information, data in computer systems, and verbal exchange of information. The protocol shall prohibit unauthorized access to records and include an appropriate disciplinary process for violations of the security rules.

Procedures

Written procedures for implementing these rules shall be used as the basis for employee instruction and shall be available for review in the Agency Central Office.

AGENCY OF HUMAN SERVICES
103 South Main Street
Waterbury, Vermont 05676

AFFIRMATION OF UNDERSTANDING STATEMENT

As a Contractor for the State of Vermont, I affirm that I have read the Agency of Human Services (AHS) Rule No. 96-23 concerning Access to Information, and that I agree to comply with the requirements of AHS Rule No. 96-23.

I shall require all of my employees performing services under this contract, to sign an affirmation of understanding statement. Employee statements need not be sent to the State. However, they shall remain in Contractor's personnel records. The State can request copies of such documents if necessary.

_____ _____

Name of Company (Print or type) **Date**

_____

Authorized Signature

_____

Title

ATTACHMENT G Staffing Matrix

A. CORRECTIONAL FACILITIES SUMMARY – HOURS PER WEEK PER POSITION

A. Correctional Facilities Summary – Hours Per Week Per position

	CALEDONIA	CHITTENDEN	DALE	MV	NORTHERN	NORTHEAST	NORTHWEST	SOUTHEAST	SOUTHERN	REG OFFICE	TOTALS
Physicians	2	10	6	8	16	6	16	8	20		92
Physician Assistant	4	20	8	8	0	0	12	0	0		52
Nurse Practitioner	0	0	0	0	16	12	0	12	24		64
Registered Nurse	40	80	96	40	112	40	40	40	376		864
LPN	0	**208**	**128**	168	192	224	224	152	320		1616
Nurses Aide	0	112	0	0	0	0	0	0	112		224
Dentist	0	18	0	0	30	0	18	0	30		96
Dental Assistant	0	18	0	0	30	0	18	0	30		96
Dental Hygienist	0	0	0	0	**0**	0	0	0	0		0
Medical Secretary/	0	0	0	0	0	0	0	0	80		80
Administrative Assistant											0
Other	0	0	0	0	0	0	0	0	0		0
Program Manager	0	40	24	**30**	40	40	40	24	40		278
Vermont Reg Med Director	0	0	0	0	0	0	0	0	0	20	20
District Manager										80	80
Regional Administrator										40	40
Regional Administrative Assistant										40	40
Contract Accounting Manager										40	40
PROG MANG/OOS										10	10

3692

Caledonia, VT # 220

POSITION	Mon	Tue	Wed	Thu	Fri	Sat	Sun	TBS*	Hrs/ Wk
RN	8	8	8	8	8				40
PA/NP								4	4
Sub-Contracted Physician								2	2
									0
									0
TOTAL HOURS-Day									***46***
									0
									0
TOTAL HOURS-Evening									***0***
									0
									0
TOTAL HOURS-Night									***0***
TOTAL HOURS per week									**46**

****TBS= To be scheduled***

Chittenden, VT # 221

POSITION		Tue	Wed	Thu	Fri	Sat	Sun	TBS*	Hrs/ Wk
DAY SHIFT									
Program Manager		8	8	8	8				40
Sub-contracted Physician								10	10
PA/NP								20	20
Dentist			6		6				18
Dential Assistant			6		6				18
RN		8	8	8	8				40
LPN	16	16	16	16	16	8	8		96
LNA	8	8	8	8	8	8	8		56
									0
									0
									0
TOTAL HOURS-Day									***298***
EVENING SHIFT									
RN / LPN	8	8	8	8	8				40
LPN	8	8	8	8	8	8	8		56
LNA	8	8	8	8	8	8	8		56
									0
									0
TOTAL HOURS-Evening									***152***
NIGHT SHIFT									
LPN	8	8	8	8	8	8	8		56
									0
									0
TOTAL HOUR-Night									***56***
TOTAL HOURS per week									**506**

****TBS= To be scheduled***

Dale, VT # 222

POSITION	Mon	Tue	Wed	Thu	Fri	Sat	Sun	TBS*	Hrs/ Wk
DAY SHIFT									
Program Manager	5	5	5	4	5				24
Sub-contracted Physician								6	6
PA								8	8
RN	8	8	8	8	8				40
LPN	8	8	8	8	8	16	16		72
									0
									0
									0
TOTAL HOURS-Day									***150***
EVENING SHIFT									
RN / LPN	8	8	8	8	8	8	8		56
LPN									0
LPN coverage only if medical									0
housing in use**									0
TOTAL HOURS-Evening									***56***
NIGHT SHIFT									
LPN	8	8	8	8	8	8	8		56
									0
TOTAL HOURS-Night									***56***
TOTAL HOURS per week									**262**

****TBS= To be scheduled***

** to be billed as pass through

Marble Valley, VT # 223

POSITION	Mon	Tue	Wed	Thu	Fri	Sat	Sun	TBS*	Hrs/ Wk
DAY SHIFT									
Program Manager	6	6	6	6	6				30
Sub-contracted Physician								8	8
PA/NP								8	8
RN	8	8	8	8	8				40
LPN	8	8	8	8	8	8	8		56
									0
									0
									0
TOTAL HOURS-Day									***142***
EVENING SHIFT									
LPN	8	8	8	8	8	8	8		56
									0
									0
TOTAL HOURS-Evening									***56***
NIGHT SHIFT									
LPN	8	8	8	8	8	8	8		56
									0
									0
TOTAL HOURS-Night									***56***
TOTAL HOURS per week									**254**

****TBS= To be scheduled***

Northeast Regional, VT # 224

POSITION	Mon	Tue	Wed	Thu	Fri	Sat	Sun	TBS*	Hrs/ Wk
DAY SHIFT									
Program Manager	8	8	8	8	8				40
Sub-contracted Physician								6	6
PA/NP								12	12
RN	8	8	8	8	8				40
LPN	8	8	8	8	8	8	8		56
									0
									0
									0
									0
TOTAL HOURS-Day									***154***
EVENING SHIFT									
LPN	16	16	16	16	16	16	16		112
									0
									0
TOTAL HOURS-Evening									***112***
NIGHT SHIFT									
LPN	8	8	8	8	8	8	8		56
									0
									0
TOTAL HOURS-Night									***56***
TOTAL HOURS per week									***322***

****TBS= To be scheduled***

Northern State, VT #225

POSITION	Mon	Tue	Wed	Thu	Fri	Sat	Sun	TBS*	Hrs/ Wk
DAY SHIFT									
Program Manager	8	8	8	8	8				40
Sub-contracted Physician								16	16
PA/NP								16	16
Dentist	6	6	6	6	6				30
Dental Assistant	6	6	6	6	6				30
Administrative Assistant									0
RN	8	8	8	8	8	8	8		56
LPN	16	8	16	8	16	8	8		80
									0
									0
									0
TOTAL HOURS-Day									***268***
EVENING SHIFT									
RN / LPN	8	8	8	8	8	8	8		56
LPN	8	8	8	8	8	8	8		56
									0
									0
									0
TOTAL HOURS-Evening									***112***
NIGHT SHIFT									
LPN	8	8	8	8	8	8	8		56
									0
									0
TOTAL HOURS-Night									***56***
TOTAL HOURS per week									**436**

****TBS= To be scheduled***

Northwest State, VT #226

POSITION	Mon	Tue	Wed	Thu	Fri	Sat	Sun	TBS*	Hrs/ Wk
DAY SHIFT									
Program Manager	8	8	8	8	8				40
Sub-contracted Physician								16	16
PA								12	12
Dentist	6		6		6				18
Dental Assistant	6		6		6				18
RN	8	8	8	8	8				40
LPN	8	8	8	8	8	8	8		56
									0
									0
TOTAL HOURS-Day									***200***
EVENING SHIFT									
LPN	16	16	16	16	16	16	16		112
									0
									0
TOTAL HOURS-Evening									***112***
NIGHT SHIFT									
LPN	8	8	8	8	8	8	8		56
									0
									0
TOTAL HOURS-Night									***56***
TOTAL HOURS per week									**368**

****TBS= To be scheduled***

Southeast State, VT #227

POSITION	Mon	Tue	Wed	Thu	Fri	Sat	Sun	TBS*	Hrs/ Wk
DAY SHIFT									
Program Manager	8		8		8				24
Medical Director								8	8
PA/NP								12	12
RN	8	8	8	8	8				40
LPN	8		8		8	8	8		40
									0
									0
									0
TOTAL HOURS-Day									***124***
EVENING SHIFT									
LPN	8	8	8	8	8	8	8		56
									0
									0
TOTAL HOURS-Evening									***56***
NIGHT SHIFT									
LPN	8	8	8	8	8	8	8		56
									0
									0
TOTAL HOURS-Night									***56***
TOTAL HOURS per week									**236**

****TBS= To be scheduled***

Southern State, VT #228

POSITION	Mon	Tue	Wed	Thu	Fri	Sat	Sun	TBS*	Hrs/ Wk
DAY SHIFT									
Program Manager	8	8	8	8	8				40
Sub-contracted Physician								20	20
Sub-contracted Dentist								30	30
PA/NP	8		8		8				24
Dental Assistant	6	6	6	6	6				30
Medical Records Clerk	16	16	16	16	16				80
RN	24	24	24	24	24	16	16		152
LPN	16	16	16	16	16	16	16		112
Clinic Coordinator	8	8	8	8	8				40
LNA	8	8	8	8	8	8	8		56
									0
									0
									0
TOTAL HOURS-Day									***584***
EVENING SHIFT									
RN / LPN	16	16	16	16	16	16	16		112
LPN	16	16	16	16	16	16	16		112
LNA	8	8	8	8	8	8	8		56
									0
									0
TOTAL HOURS-Evening									***280***
NIGHT SHIFT									
RN / LPN	16	16	16	16	16	16	16		112
LPN	8	8	8	8	8	8	8		56
									0
									0
TOTAL HOURS-Night									***168***
TOTAL HOURS per week									**1032**

****TBS= To be scheduled***

NOTE: Must have RN 24/7 due to infirmary coverage

Vermont Regional Office #229

POSITION	Mon	Tue	Wed	Thu	Fri	Sat	Sun	TBS*	Hrs/ Wk
DAY SHIFT									
Medical Director	4	4	4	4	4				20
District Manager	16	16	16	16	16				80
Regional Administrator	8	8	8	8	8				40
Administrative Assistant	8	8	8	8	8				40
Contract Accounting Manager**	8	8	8	8	8				40
Program Manager								10	10
									0
TOTAL HOURS-Day									***230***
EVENING SHIFT									
									0
									0
									0
TOTAL HOURS-Evening									***0***
NIGHT SHIFT									
									0
									0
TOTAL HOURS-Night									***0***
TOTAL HOURS per week									**230**

TBS= To be scheduled

***** To be added for Cost Plus option only***

TOTAL VERMONT DOC ***3692***

ATTACHMENT H

Staffing Coverage Standards

Shift	Caledonia		Chittenden		Dale		Marble Valley		Northern State		Northeast Regional		Northwest State		Southeast State		Southern State	
	Title	Hours/ Week	Title	Hours/ Week	Title	Hours/ Week	Title	Hours /Week	Title	Hours /Week	Title	Hours/ Week	Title	Hours/ Week	Title	Hours/ Week	Title	Hours/ Week
Day	PA	4	PA/NP	20	PA/NP	8	PA/NP	8	PA/NP	16	PA/NP	12	PA/NP	12	PA/NP	12	PA/NP	24
	RN	40	RN	40	RN	40	RN	40	RN	56	RN	40	RN	40	RN	40	**RN**	**96**
																	RN-Infirm	56
			LPN	96	LPN	72	LPN	56	LPN	80	LPN	56	LPN	56	LPN	40	**LPN**	**112**
			LNA	56													LNA	56
																	Clin Coor	40
Evening			RN	40	LPN	56			RN	56							**RN**	**56**
																	RN-Infirm	56
			LPN	56			LPN	56	LPN	56	LPN	112	LPN	112	LPN	56	LPN	112
			LNA	56													LNA	56
Night					LPN	56											**RN**	**56**
																	RN-Infirm	56
			LPN	56			LPN	56	LPN	56	LPN	56	LPN	56	LPN	56	LPN	56

The intent of Attachment H is to provide a summary of staffing minimums required to avoid possible penalty under Attachment A, Chapter 5, section Q. Contractor will be in compliance with this Attachment H if only one (1) of two (2) scheduled individuals is present for the shift. For those shifts listing an RN position, an RN shall be the preferred coverage, but an LPN may be used by the Contractor without penalty if an RN is not available. Southern State will continue to have RN coverage 24/7 at the infirmary. Should Contractor be unable to fill all positions as scheduled in this Attachment H, a performance penalty may be incurred in accordance with the provisions of Attachment A, Chapter 5, Section Q.

Attachment I
Independence, Liability, Hold Harmless Clause

According to Attachment C, Paragraph 5, Independence, Liability: "The Contractor will act in an independent capacity and not as officers or employees of the State. The Contractor shall indemnify, defend and hold harmless the State and its officers and employees from liability and any claims, suits, judgments and damages, which arise as a result of the Contractor's acts and/or omissions in the performance of services under this contract."

Attachment C, Paragraph 5 of this contract pertaining to defense and indemnification is intended by the parties to include (i) defense of all claims, and/or lawsuits, including but not limited to actions for damages and/or for declaratory or injunctive relief, to the extent that they contain allegations that arise as a result of the Contractor's negligence in the performance of services under this contract and/or intentional misconduct in the performance of services under this contract (intentional misconduct to include, without limitation, any intentional violation of law or duty of care to any inmate) whether or not the Contractor, an employee of the Contractor, or a subcontractor of the Contractor is a named party to the action and (ii) indemnification to the extent that any such claim or lawsuit results in a final determination, and/or settlement, that liability arose as a result of the Contractor's negligence in the performance of services under this contract and/or intentional misconduct in the performance of services under this contract (intentional misconduct to include, without limitation, any intentional violation of law or duty of care to any inmate) whether or not the Contractor, an employee of the Contractor, or a subcontractor of the Contractor is a named party to the action. The parties do not intend Paragraph 5 to include liability or defense for allegations that arise as a result of the acts (including intentional misconduct), omissions, policies, procedures or any other conduct attributable to the State, its agents, officers or employees.

If the Office of the Attorney General or other representative of the State tenders, in writing, a claim and/or lawsuit to Contractor for defense and indemnification in accordance with the aforementioned paragraph, the Contractor shall respond, in writing, to the Attorney General or State within ten (10) business days of such tender. In the event a response to the claim or suit is required prior to the expiration of the ten (10) business days period of time, including but not limited to court action, the Contractor will be so notified. The Contractor's response to the Attorney General's or State's tendering of any such claim or lawsuit shall include an acknowledgment of receipt of the claim and/or lawsuit, a response on whether Contractor will accept or decline the tendering of any such claim and/or lawsuit and, if accepted, the identity of counsel retained to defend any such claim and/or lawsuit. in the event the Contractor does not comply with any aspect of this provision, and such non-compliance also constitutes a material violation of this provision, as so determined either judicially or by mutual agreement of the parties, the Contractor shall be responsible for any and all costs and/or fees that were reasonably-incurred by the Attorney General's Office and/or the State as a direct consequence of such non-compliance.

The Contractor agrees to cooperate with the Office of the Attorney General and the State in the investigation and handling of any claim and/or lawsuits filed by inmate(s), and/or other person(s) and/or entity or entities in connection with the Contractor's performance of services under this contract. The Office of the Attorney General and the State will monitor the defense of all claims and/or lawsuits and the Contractor and defense counsel shall cooperate fully with such monitoring. The Office of the Attorney General and the State retain the right to participate, at their own expense, in the defense and/or trial of any claim and/or lawsuit where the Contractor is providing the defense and indemnification of such claim and/or lawsuit. The Office of the Attorney General and the State shall have the right to approve all proposed settlements of such claims and/or lawsuits, which are being made against the State and/or State employees. In the event the Office of the Attorney General or the State withholds such approval to settle any such claim and/or lawsuit then, the Contractor shall proceed with the defense of the claim and/or lawsuit but, under those circumstances, the Contractor's liability and indemnification obligations shall be limited to the amount of the proposed settlement.

Attachment J -- Performance Initiatives

Performance Initiatives
Contractor agrees to identify, measure, and report specific metrics on a quarterly basis related to the management of chronic care conditions. Two (2) chronic care conditions shall be selected by the parties at any given time as performance initiatives. The initial two (2) chronic care performance initiatives shall be diabetes and depression and will be implemented sequentially. The diabetes chronic care initiative shall commence on April 1, 2007; the depression chronic care initiative shall commence on October 1, 2007.

Diabetes Chronic Care Initiative
The minimal parameters of the diabetes chronic care initiative are as follows:
1) All diabetic inmates will be enrolled in the diabetes chronic care initiative at their first chronic care visit.
2) At least seven (7) measures will be used to track glycemic control, the prevention of end organ damage and patient education. These measures are subject to modification as agreed to by the Contractor's Regional Medical Director and DOC HSD.
3) Unless otherwise excluded for reasons specified in the Diabetic Performance Initiative table set forth below, all diabetics in continuous care for each ninety (90) day period of quarterly review shall be included for the purpose of this performance.

Depression Chronic Care Initiative
During the transition period of this contract, Contractor's Regional Medical Director and DOC HSD will develop the measures, benchmarks and weighted incentive bonuses for the depression initiative.

Incentive Bonuses
State and Contractor agree that Contractor will receive a quarterly bonus according to successful attainment of agreed upon performance and clinical outcome benchmarks as agreed to by the parties. For the diabetic chronic care initiative, the quarterly bonus structure is outlined in the table below. For the diabetes and depressions chronic care initiatives, 75% of the incentive bonus will be awarded to performance measures; 25% of the incentive bonus will be awarded to clinical outcomes.

The maximum allowable incentive for the diabetes chronic care initiative is $100,000.00 per annum; the maximum allowable incentive for the depression chronic care initiative is $50,000.00 per annum.

The total allowable incentive under this contract is $150,000.00 per annum. Incentive bonuses shall be paid quarterly within the time periods prescribed in Attachment B.

The parties agree that the terms and conditions of this Attachment J, including the initiatives and their respective measures, benchmarks and incentive bonuses, may be modified from time to time as agreed upon in writing by the parties. Such changes to this Attachment J shall not require formal amendment of the contract.

Diabetes Performance Incentive Table

MEASURE	PERFORMANCE BENCHMARK	PERFORMANCE BONUS $18750 Q	OUTCOME BENCHMARK	CLINICAL BONUS $6250 Q
Check HgA1c every 3 months[4]	≥80% tested: 100% 60- 79% tested: 50% 51 - 59% tested: 25% ≤50% tested: no bonus	5000 2500 1250 0	≥10% improvement: 100% 5 to 9% improve: 50% ≤5% improve: no bonus	2500 1250 0
Check lipids annually[5]	≥80% tested: 100% 60 to 79% tested: 50% 51 to 59% tested: 25% ≤50% tested: no bonus	5000 2500 1250 0	reduce LDL ≥20%: 100% reduce LDL 10-19%: 50% reduce LDL ≤10%: no bonus	2500 1250 0
Check blood pressure every 3 months	≥90% tested: 100% 80-90% tested: 50% 70-79% tested: 25% ≤70% tested: no bonus	3750 1875 950 0	≥70% BP ≤130/80: 100% 50-70% BP ≤130/80: 50% ≤50% BP≤130/80: no bonus	1250 625 0
Foot exam/ sensate testing annually[6]	≥70% tested: 100% 60 to 69% tested: 50% 50 to 59% tested: 25% ≤50% tested: no bonus	2000 1000 500 0	None	
Dilated eye exam annually[7]	≥70% tested: 100% 60 to 69% tested: 50% 50 to 59% tested: 25% ≤50% tested: no bonus	2000 1000 500 0	None	
Patient routinely checks own finger stick blood sugars	≥40% test: 100% 30 to 40% test; 50% 10 to 29% test: 25% ≤10% test: no bonus	500 250 125 0	None	
Patient routinely gives own insulin injection	≥20% self inj: 100% 5 to 20% self inj: 50% ≤5% self inj: no bonus	500 250 0	None	

[4] The following categories of inmates shall be excluded from the HgA1c Outcome Benchmark calculation: (i) those inmates whose HgA1c is in the normal range of seven percent (7%) or less during the quarter prior to the quarter being measured; and (ii) those inmates prone to hypoglycemia.

[5] The Lipids Testing Performance Benchmark shall be measured quarterly and shall include only those inmates who are due to be tested during the quarter being measured. Similarly, the Lipids Outcome Benchmark calculation shall include only those inmates whose lipids were tested during the quarter being measured. The Lipids Outcome Benchmark calculation shall exclude any inmates whose LDLs were less than 100 during the quarter prior to the quarter being measured.

[6] The Foot Exam Performance Benchmark shall be measured quarterly and shall include only those inmates who are due to be tested during the quarter being measured.

[7] The Dilated Eye Performance Benchmark shall be measured quarterly and shall include only those inmates who are due to be tested during the quarter being measured.

ATTACHMENT K Reports

REPORT / FORM	FREQUENCY	DUE DATE	SCHEDULED RESPONSE FROM CLIENT	INFORMATION / DESCRIPTION
OPERATIONS REPORTS				
Monthly Utilization Data Report	Monthly	15th day after end of month	None Needed	Report of utilization data from work performed at each site
Monthly Pharmacy Utilization Report	Monthly	15th day after end of month	None Needed	Provides total number of patients on medications and total number of scripts by facility;
Monthly Grievance Report	Monthly	15th day after end of month	None Needed	Provides total number and type of grievances reported by facility
Performance Guarantee Report	Monthly	15th day after end of month	Final Report of Fines assessed by the 30th of day of the month in which the PG's were reported	Self Report of Performance for Sick Call, Medication Administration and Dental Appointments
FINANCE REPORTS				
Staffing Reconciliation	Monthly	45 days after month end	DOC review & sign-off complete 15 days after receipt	Summarizes staffing requirements and actual staffing levels; includes estimated staffing penalties and explanations.
Report of Services Performed and Actual Costs Incurred	Monthly	45 calendar days after end of month	N/A	Summary of wages, fringe benefits, and OTPS expenses; includes monthly comparison to budget and YTD with comparison to budget;
Quarterly Reconciliation with Supporting Detail	Quarterly	50 calendar days after end of quarter	Review, agreement and resolution of balance within 30 days	Summary of monthly reports with expense detail reports;
Final Reconciliation	Annual	150 days after the end of each contract year	Review, agreement and resolution of balance within 30 days	Summary of annual actual costs versus budget costs

STATE OF VERMONT CONTRACT SUMMARY AND CERTIOFICATION – Form AA-14

I. CONTRACT INFORMATION:

Contract # 10962
Amendment # _____

Agency/Department: AHS/Department of Corrections
Business Unit: Correctional Services – Central (03520)
Contractor: Prison Health Services, Inc.
Address: 105 Westpark Drive, Suite 200, Brentwood, TN 37027
Federal ID or SS#: 23-2108853

Vendor No: Dr. Wheary PHS Contract file Accounting AHS

Starting Date: **1/29/2007** Ending Date: **1/31/2009 with two options to renew for an additional one (1) year term by the state.**

Summary of contract or amendment: Inmate health services.

II. FINANCIAL INFORMATION

Maximum $ payable under contract: $24,304,367.00 Maximum units under contract: _____ If Renewal:[Prior Contract #]

This Amendment-$ Change: $_____ Cum. Amendments- $ Change: $_____ Cum % Change: _____%

Unit change: _____ Prior $ max: $ _____ Prior units: _____

Rate: $ see attachment B Prior Rate: $_____

Source of Funds: **General Fund** 100% **Federal** _____% Code _____ **Other Fund:** _____% Code_____

Appropriation(s) Dept Id #: 3480004010 _____; _____

III. SUITABILITY OF PERSONAL SERVICES CONTRACT

X Yes ☐ No Does this contractor meet all 3 parts of the "ABC" definition of independent contractor? (See Bulletin 3.5) If not, please indicate why this work is being arranged through a contract.

☐ Yes X No Is agency liable for income tax withholding or FICA?

☐ Yes X No Should contractor be paid on the state payroll?

IV. PUBLIC COMPETITION:

The agency has taken reasonable steps to control the price of the contract and to allow qualified businesses to compete for the work authorized by this contract. The agency has done this through:

X Standard bid or RFP ☐ Simplified bid ☐ Sole Sourced ☐ Qualification Based Selection

V. TYPE OF CONTRACT:

X Personal Service ☐ Construction ☐ Architectural/Engineering ☐ Commodity ☐ Privatization**

***Requires DHR review*

VI. CONFLICT OF INTEREST:

I certify that no person able to control or influence award of this contract had a pecuniary interest in its award or performance, either personally or through a member of his or her household, family, or business:

☐ Yes X No Is there an "appearance" of a conflict of interest so that a reasonable person may conclude that this contractor was selected for improper reasons? (If yes, explain)

VII. PRIOR APPROVALS REQUIRED OR REQUESTED

X Yes ☐ No Contract must be approved by the Attorney General under 3 VSA §311(a)(10).

X Yes ☐ No I request the Attorney General to review this contract as to form;
No, already performed by in-house AAG or counsel: _____ (Initial)

☐ Yes X No Contract must be approved by the CIO/Commissioner of DII; for IT hardware/software/services and Telecommunications over $150,000

☐ Yes X No Contract must be approved by the CMO; for Marketing services over $15,000

X Yes ☐ No Contract must be approved by the Secretary of Administration.

VIII. AGENCY/DEPARTMENT HEAD CERTIFICATION; APPROVAL

I have made reasonable inquiry as to the accuracy of the above information:

1/23/07 _____ _____ _____ 1/23/07.

Date Agency or Department Head Date Approval by Agency Secretary (if required)

1/23/07 _____ _____ _____

Date Approval by Attorney General Date **Reviewed By Comm. DHR or DHR AAG

_____ _____ _____ _____ 1.24.07 _____

Date CIO (initial) Date CMO (initial) Date Approval by Secretary of Administration

REC'D JAN 23 2007

STATE OF VERMONT Contract # 10962
STANDARD CONTRACT FOR PERSONAL SERVICES Change #

1. Parties This is a contract for personal services between the State of Vermont, Department of Corrections (hereafter called "State"), and Prison Health Services, Inc. , with principal place of business in Brentwood, TN, (hereafter called "Contractor"). Contractor's form of business organization is a corporation. Contractor is required by law to have a Business Account Number from the Vermont Department of Taxes. Account Number is F-26619.

2. Subject Matter The subject matter of this contract is personal services generally on the subject of health care. Detailed services to be provided by the Contractor are described in Attachment A.

3. Maximum Amount In consideration of the services to be performed by Contractor, the State agrees to pay Contractor in accordance with the payment provisions specified in Attachment B a sum not to exceed $___.

4. Contract Term The period of Contractor's performance shall begin on **1/29/2007** and end on **1/31/2009 with two options to renew for an additional one (1) year term by the state.**

5. Prior Approvals If approval by the Attorney General's Office or the Secretary of Administration is required, (under current law, bulletins, and interpretations), neither this contract nor any amendment to it is binding until it has been approved by either or both such persons.
X Yes ☐ No Approval by the Attorney General's Office required.
X Yes ☐ No Approval by the Secretary of Administration required.

6. Amendment No changes, modifications, or amendments in the terms and conditions of this contract shall be effective unless reduced to writing, numbered and signed by the duly authorized representative of the State and Contractor.

7. Cancellation This contract may be cancelled by either party for cause by giving written notice at least 30 days in advance.
7a. Termination without cause- should either party wish to terminate this contract without cause or default, the following provisions apply:

a) the contractor may elect to terminate the contract without penalty so long as the State is provided written notice of termination 180 days priors to the effective date of termination.
b) should the contractor wish to terminate the contract with less than 180 days of notice, Contractor will face a penalty of $5,555.55 per day for each day less than 180 days. In no circumstance will the Contractor be allowed to terminate the contract with less than 90 days of notice.
c) notwithstanding provisions a & b, the State reserves the right to terminate the contract without penalty with 30 days of notice to the Contractor.

8. Attachments This contract consists of 80 pages including the following attachments which are incorporated herein:

Attachment A - Specifications of Work to be Performed
Attachment B - Payment Provisions
Attachment C - "Customary State Provisions", Revised 06/16/05
Attachment D – Modifications of Maximum Insurance Requirements
Attachment E – Business Associate Agreement (Revised 03/28/06)
Attachment F – Final Adopted Rule for Access to Information
Attachment G – Staffing Matrix
Attachment H – Staffing Coverage Standards
Attachment I – Independence, Liability, Harmless Clause
Attachment J – Performance Initiative
Attachment K - Reports

WE THE UNDERSIGNED PARTIES AGREE TO BE BOUND BY THIS CONTRACT.

by the STATE OF VERMONT
Date: 1/26/07
Signature: _____
Name: Robert D. Hofmann, Commissioner
Agency: AHS/Corrections

by the CONTRACTOR
Date: 1/25/07
Signature: _____
Richard Hallworth
Name: Prison Health Services, Inc.
Address: 105 Westpark Drive, Suite 200
Brentwood, TN 37027
Fed. ID/SS#: 23-210885

APPROVED AS TO FORM:
Attorney General: _____ Date: 1/23/07