

**CONTRACT #3**  
**RFS # 318.65-00363**  
**Edison # 36529**

**Department of Finance and  
Administration  
Health Care Finance and  
Administration  
Bureau of TennCare**

**VENDOR:**  
**Oregon Health & Science  
University, Center for  
Evidence-Based Policy**



STATE OF TENNESSEE  
DEPARTMENT OF FINANCE AND ADMINISTRATION  
DIVISION OF HEALTH CARE FINANCE AND ADMINISTRATION  
BUREAU OF TENNCARE  
310 Great Circle Road  
NASHVILLE, TENNESSEE 37243

June 30, 2015

Mark White, Chairman  
Fiscal Review Committee  
8<sup>th</sup> Floor, Rachel Jackson Bldg.  
Nashville, TN 37243

Attention: Ms. Leni Chick

RE: Contract Amendments for Committee Review (4)

Dear Chairman White:

The Department of Finance and Administration, Division of Health Care Finance and Administration (HCFA), is submitting for consideration by the Fiscal Review Committee the following contract amendments:

- (1) Public Partnerships, LLC (PPL) - Amendment #4 - PPL is the competitively procured contract providing financial administration and supports brokerage functions for the TennCare CHOICES Consumer Direction program. This amendment will better align the state's consumer direction program with national best practice and the true philosophy of consumer direction by transitioning from the current EVV system to PPL's time management system. In order for the State and enrollees to benefit from this transition, the contract is being extended and appropriate funding added to support this extension, based on projected continued growth of the program.
- (2) Policy Studies, Inc. – Amendment #13 - This Contractor provides eligibility determination, application processing, and beneficiary services for the CoverKids Program. The eligibility determination services provided by this Contractor are being extended for a three-month period, continuing from September 30, 2015 through December 31, 2015. During this period all processes, member notifications and data transfer are transitioning to the new competitively procured Eligibility Determination contractor, Automated Health Systems. This extension of eligibility services does not require an extension of the current contract end date of December 31, 2015, nor does it require additional funding.
- (3) Oregon Health & Science University, Center for Evidence-Based Policy (CEBP) – Amendment #1 CEBP is the sole provider of Medicaid focused collaboratives related to the specific areas of diagnostics, devices, programs, procedures and medications, founded to produce evidence reports for its members, and explicitly governed by the members themselves. Because of the CEBP's status as the sole provider of these unique services and the specific expertise and resources provided through this collaboration, contracting with CEBP is considered to be in the best interest of the State. This amendment constitutes a rate change only, but does not require additional funding to be added to cover this rate increase.

June 30, 2015  
Chairman Mark White  
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- (4) McKinsey & Company, Inc. – Amendment #1 - This competitively procured contract is for the provision of consulting services to assist the State of Tennessee with the Implementation of retrospective episode-based payments under the Tennessee Health Care innovation initiative. The language in the RFP and in the resulting contract provides for two separate waves of minimum number of episodes by Calendar year; one is minimum number of episodes if the State is awarded the federal State Innovation Model (SIM) testing grant, and other is minimum episodes if Tennessee is not awarded a SIM Grant. Respondents to the RFP submitted their Cost Proposal based on maximum number of episodes and their score. Tennessee has since received the SIM award and is amending this contract to add the additional SIM dollars per Contract language to insure sufficient funds are available for payment of increased episodes performed throughout the term of this contract.

The Department of Finance and Administration, Division of Health Care Finance and Administration, respectfully submits the above referenced contract amendments for consideration and approval by the Fiscal Review Committee.

Sincerely,



Casey Dungan  
Chief Financial Officer

cc: Darin J. Gordon, Deputy Commissioner  
Alma Chilton, Director of Contracts

Supplemental Documentation Required for  
Fiscal Review Committee

*Contact Name:	Alma Chilton	*Contact Phone:	615-507-6384		
*Presenter's name(s):	Casey Dungan				
Edison Contract Number: <i>(if applicable)</i>	36529	RFS Number: <i>(if applicable)</i>	31865-00363		
*Original or Proposed Contract Begin Date:	July 1, 2013	*Current or Proposed End Date:	June 30, 2016		
Current Request Amendment Number: <i>(if applicable)</i>	1				
Proposed Amendment Effective Date: <i>(if applicable)</i>	September 1, 2015				
*Department Submitting:	Dept. of Finance and Administration				
*Division:	Health Care Finance & Administration				
*Date Submitted:	June 30, 2015				
*Submitted Within Sixty (60) days:	Yes				
<i>If not, explain:</i>					
*Contract Vendor Name:	Oregon Health & Science University Center for Evidence-Based Policy				
*Current or Proposed Maximum Liability:	\$738,846				
*Estimated Total Spend for Commodities:	N/A				
<b>*Current or Proposed Contract Allocation by Fiscal Year: (as Shown on Most Current Fully Executed Contract Summary Sheet)</b>					
FY: 2014	FY:2015	FY:2016	FY:	FY	FY
\$246,806	\$246,806	\$245,234	\$	\$	\$
<b>*Current Total Expenditures by Fiscal Year of Contract: (attach backup documentation from Edison)</b>					
FY: 2014	FY: 2015	FY: 2016	FY:	FY	FY
\$243,657	\$243,657	\$	\$	\$	\$
<b>IF Contract Allocation has been greater than Contract Expenditures, please give the reasons and explain where surplus funds were spent:</b>	N/A				
<b>IF surplus funds have been carried forward, please give the reasons and provide the authority for the carry forward provision:</b>	N/A				
<b>IF Contract Expenditures exceeded Contract Allocation, please give the reasons and explain how funding</b>	N/A				

Supplemental Documentation Required for  
Fiscal Review Committee

was acquired to pay the overage:			
<b>*Contract Funding Source/Amount:</b>			
State:	\$369,423.00	Federal:	\$369,423.00
<i>Interdepartmental:</i>		<i>Other:</i>	
If “ <i>other</i> ” please define:			
If “ <i>interdepartmental</i> ” please define:			
Dates of All Previous Amendments or Revisions: <i>(if applicable)</i>		Brief Description of Actions in Previous Amendments or Revisions: <i>(if applicable)</i>	
N/A			
Method of Original Award: <i>(if applicable)</i>		Sole Source	
*What were the projected costs of the service for the entire term of the contract prior to contract award? How was this cost determined?		\$738,846.00	
*List number of other potential vendors who could provide this good or service; efforts to identify other competitive procurement alternatives; and the reason(s) a sole-source contract is in the best interest of the State.		No other potential vendors. The Oregon Health & Science University, Center for Evidence Based Policy, is the sole provider of the Medicaid focused collaboratives founded to produce evidence reports for its members, and explicitly governed by the members themselves.	

Oregon Health & Science University, Center for Evidence-Based Policy  
Edison Contract ID: 36529  
Vendor #: 0000117089

**CONTRACT EXPENDITURES BY FISCAL YEAR**  
(Payment Detail Attached)

FY 2014	\$243,657.00	
FY 2015	<u>\$243,657.00</u>	(Expenditures through June, 2015)
<b>TOTAL</b>	<u><u>\$487,314.00</u></u>	

Oregon Health & Science University  
Edison Contract ID: 36529  
Vendor ID: 0000117089

### FY 2014 Payments

Fiscal Year	Unit	Voucher ID	Invoice	Pymt Date	Sum Amount
2014	31865	00749919	226507	8/30/2013	\$76,500.00
2014	31865	00809903	227402	12/19/2013	\$22,664.25
2014	31865	00872626	228154	3/27/2014	\$22,664.25
2014	31865	00881770	228365	4/17/2014	\$38,250.00
2014	31865	00912613	226734	5/23/2014	\$22,664.25
2014	31865	00925336	228944	6/27/2014	\$22,664.25
2014	31865	00941785	229139	7/17/2014	\$38,250.00

**Total FY 2014:** **\$243,657.00**

### FY 2015 Payments

Fiscal Year	Unit	Voucher ID	Invoice	Pymt Date	Sum Amount
2015	31865	00954641	229397	8/15/2014	\$22,664.25
2015	31865	00995850	229907	10/23/2014	\$38,250.00
2015	31865	01008423	230151	11/14/2014	\$22,664.25
2015	31865	01044188	230804	1/14/2015	\$38,250.00
2015	31865	01066710	231190	2/26/2015	\$22,664.25
2015	31865	01091680	231694	4/2/2015	\$38,250.00
2015	31865	01111459	232127	5/15/2015	\$22,664.25
2015	31865	01137672	232656	Pending	\$38,250.00

**Total FY 2015:** **\$243,657.00**

# Amendment Request

Route a completed request, as one file in PDF format, via e-mail attachment sent to: [Agsprrs.Agsprsr@tn.gov](mailto:Agsprrs.Agsprsr@tn.gov)

**APPROVED**

**Kevin C. Bartels**  
for Michael F.  
Perry

Digitally signed by Kevin C. Bartels  
for Michael F. Perry  
DN: cn=Kevin C. Bartels for Michael  
F. Perry, o=CPO, ou,  
email=Kevin.C.Bartels@tn.gov, c=US  
Date: 2015.06.29 15:29:04 -05'00'

CHIEF PROCUREMENT OFFICER

DATE

<b>Request Tracking #</b>	<b>31865-00363</b>	
<b>1. Procuring Agency</b>	<b>Department of Finance and Administration Division of Health Care Finance and Administration Bureau of TennCare</b>	
<b>2. Contractor</b>	<b>Oregon Health &amp; Science University, Center for Evidence-Based Policy</b>	
<b>3. Contract #</b>	<b>36529</b>	
<b>4. Proposed Amendment #</b>	<b>1</b>	
<b>5. Edison ID #</b>	<b>36529</b>	
<b>6. Contract Begin Date</b>	<b>July 1, 2013</b>	
<b>7. Current Contract End Date</b> – with ALL options to extend exercised	<b>June 30, 2016</b>	
<b>8. Proposed Contract End Date</b> – with ALL options to extend exercised	<b>June 30, 2016</b>	
<b>9. Current Maximum Contract Cost</b> – with ALL options to extend exercised	<b>\$738,846.00</b>	
<b>10. Proposed Maximum Contract Cost</b> – with ALL options to extend exercised	<b>\$738,846.00</b>	
<b>11. Office for Information Resources Pre-Approval Endorsement Request</b> – information technology service (N/A to THDA)	<b>X Not Applicable</b> <input type="checkbox"/> Attached	
<b>12. eHealth Pre-Approval Endorsement Request</b> – health-related professional, pharmaceutical, laboratory, or imaging	<b>X Not Applicable</b> <input type="checkbox"/> Attached	
<b>13. Human Resources Pre-Approval Endorsement Request</b> – state employee training service	<b>X Not Applicable</b> <input type="checkbox"/> Attached	
<b>14. Explanation Need for the Proposed Amendment</b>	<p>This vendor organizes and administers the Medicaid Evidence-Based Decisions (MED) Project that creates an effective collaboration among Medicaid programs and their state partners for the purpose of making high quality evidence analysis available to support benefit design and coverage decisions made by state programs. They also organize and administer the Drug Effectiveness Review Project (DERP) to obtain and synthesize global evidence on the</p>	

<b>Request Tracking #</b>	<b>31865-00363</b>
<p>comparative effectiveness, safety and effects on subpopulations of drugs between and within classes to support policy makers in using the evidence to inform policy. Each of these two projects within the contracted collaboration have membership dues that are paid on a quarterly basis. This amendment is needed to modify the quarterly membership dues for the DERP program which have been increased. This increase is minimal, and due to underused technical assistance hourly rates currently in the contract, will not require additional funds to be added to this contract.</p>	
<p><b>15. Name &amp; Address of the Contractor's Principal Owner(s)</b>  <i>- NOT required for a TN state education institution</i></p> <p><b>The Contractor is a Government Entity of a State other than Tennessee.</b></p> <p><b>Oregon Health &amp; Science University  Center for Evidence Based Policy  3455 SW US Veterans Hospital Road  Mail Code SN-4N  Portland, Oregon 97239</b></p>	
<p><b>16. Evidence Contractor's Experience &amp; Length Of Experience Providing the Goods or Services</b></p> <p>The Center for Evidence-Based Policy (CEBP) is directly under the Dean of the School of Medicine at Oregon Health and Science University (OHSU). OHSU is a governmental entity of the state of Oregon established in Oregon Revised Statute chapter 353. The Center began operating in 2003 and has executed over 65 intergovernmental agreements covering four contract cycles for the DERP project and three contracting cycles for the MED project with 21 states. CEBT is the unique provider of the mission, structure, products and services of the DERP and MED Projects and organizes and administers the Medicaid Evidence-Based Decisions (MED) Project that creates an effective collaboration among Medicaid programs and their state partners for the purpose of making high quality evidence analysis available to support benefit design and coverage decisions made by state programs.</p>	
<p><b>17. Efforts to Identify Reasonable, Competitive, Procurement Alternatives</b></p> <p>Oregon Health &amp; Science University, Center for Evidence Based Policy, is the sole provider of Medicaid focused collaboratives related to the specific areas of diagnostics, devices, programs, procedures and medications, founded to produce evidence reports for its members, and explicitly governed by the members themselves.</p>	
<p><b>18. Justification</b></p> <p>Oregon Health &amp; Science University, Center for Evidence Based Policy, is the sole provider of Medicaid focused collaboratives related to the specific areas of diagnostics, devices, programs, procedures and medications, founded to produce evidence reports for its members, and explicitly governed by the members themselves. Because of the CEBP's status as the sole provider of these unique services and the specific expertise and resources provided through this collaboration, contracting with CEBP is considered to be in the best interest of the State. This amendment constitutes a rate change only, but does not require additional funding to be added to cover this rate increase.</p>	

Request Tracking #	31865-00363
<b>Agency Head Signature and Date</b> – <i>MUST be signed by the ACTUAL agency head as detailed on the current Signature Certification. Signature by an authorized signatory is acceptable only in documented circumstances</i>	
<i>Larry B. Mantelco</i>	
<i>6/25/2015</i>	



## CONTRACT AMENDMENT COVER SHEET

<b>Agency Tracking #</b> 31865-00363	<b>Edison ID</b> 36529	<b>Contract #</b>	<b>Amendment #</b> 01		
<b>Contractor Legal Entity Name</b> . Oregon Health & Science University, Center for Evidence-Based Policy			<b>Edison Vendor ID</b> 0000117089		
<b>Amendment Purpose &amp; Effect(s)</b> Updates Contract Payment Rates					
<b>Amendment Changes Contract End Date:</b> <input type="checkbox"/> YES <input checked="" type="checkbox"/> NO		<b>End Date:</b> June 30, 2016			
<b>TOTAL Contract Amount INCREASE or DECREASE per this Amendment</b> (zero if N/A):			<b>\$ 0.00</b>		
<b>Funding —</b>					
<b>FY</b>	<b>State</b>	<b>Federal</b>	<b>Interdepartmental</b>	<b>Other</b>	<b>TOTAL Contract Amount</b>
2014	\$123,403.00	\$123,403.00			\$246,806.00
2015	\$123,403.00	\$123,403.00			\$246,806.00
2016	\$122,617.00	\$122,617.00			\$245,234.00
<b>TOTAL:</b>	<b>\$369,423.00</b>	<b>\$369,423.00</b>			<b>\$738,846.00</b>
<b>American Recovery and Reinvestment Act (ARRA) Funding:</b> <input type="checkbox"/> YES <input checked="" type="checkbox"/> NO					
<b>Budget Officer Confirmation:</b> There is a balance in the appropriation from which obligations hereunder are required to be paid that is not already encumbered to pay other obligations.  			<i>OCR USE</i>		
<b>Speed Chart</b> (optional) TN00000063		<b>Account Code</b> (optional) 70807000			

**AMENDMENT #1 TO #36529  
 BETWEEN THE STATE OF TENNESSEE,  
 DEPARTMENT OF FINANCE AND ADMINISTRATION,  
 DIVISION OF HEALTH CARE FINANCE AND ADMINISTRATION  
 BUREAU OF TENNCARE  
 AND  
 OREGON HEALTH & SCIENCE UNIVERSITY  
 CENTER FOR EVIDENCE-BASED POLICY**

This Amendment is made and entered by and between the State of Tennessee, Department of Finance and Administration, Division of Health Care Finance and Administration, Bureau of TennCare, hereinafter referred to as the “State” or “TennCare” and Oregon Health & Science University, Center for Evidence-Based Policy, hereinafter referred to as the “Contractor.” For good and valuable consideration, the sufficiency of which is hereby acknowledged, it is mutually understood and agreed by and between said, undersigned contracting parties that the subject contract is hereby amended as follows:

**1. Contract Section C.3.b is deleted in its entirety and replaced with the following:**

- b. The Contractor shall be compensated for said units, milestones, or increments of service based upon the following payment rates:

<b>Service Description</b>	<b>Amount</b> (per compensable increment)
Medicaid Evidence Based Decision Project (MED) (Contract Sections A.2 – A.6)	\$38,250.00 per quarter *
Drug Effectiveness Review Project (DERP) (Contract Sections A.7 – A.10)	\$22,664.25 per quarter <b>(Effective 9/1/2015 – 6/30/2016)</b> \$23,875.00
Technical Assistance as Requested by the State (MED) (Contract Section A.3.n)	\$175.00 per hour (not to exceed 25 hours)
Technical Assistance as Requested by the State (DERP) (Contract Sections A.7.i.)	\$140.00 per hour ( not to exceed 25 hours)

\* Participation fees are confirmed annually by the MED Governance Committee. Any fee adjustment necessary will be addressed in an amendment.

Required Approvals. The State is not bound by this Amendment until it is signed by the contract parties and approved by appropriate officials in accordance with applicable Tennessee laws and regulations (depending upon the specifics of this contract, said officials may include, but are not limited to, the Commissioner of Finance and Administration, the Commissioner of Human Resources, and the Comptroller of the Treasury).

Amendment Effective Date. The revisions set forth herein shall be effective September 1, 2015. All other terms and conditions of this Contract not expressly amended herein shall remain in full force and effect.

**IN WITNESS WHEREOF,**

**OREGON HEALTH & SCIENCE UNIVERSITY  
CENTER FOR EVIDENCE-BASED POLICY:**

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**CONTRACTOR SIGNATURE**

**DATE**

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**PRINTED NAME AND TITLE OF CONTRACTOR SIGNATORY (above)**

**DEPARTMENT OF FINANCE AND ADMINISTRATION  
DIVISION OF HEALTH CARE FINANCE AND ADMINISTRATION  
BUREAU OF TENNCARE:**

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**LARRY B. MARTIN, COMMISSIONER**

**DATE**



STATE OF TENNESSEE  
DEPARTMENT OF FINANCE AND ADMINISTRATION  
DIVISION OF HEALTH CARE FINANCE AND ADMINISTRATION  
BUREAU OF TENNCARE  
310 Great Circle Road  
NASHVILLE, TENNESSEE 37243

March 28, 2013

Lucian Geise, Director  
Fiscal Review Committee  
8<sup>th</sup> Floor, Rachel Jackson Bldg.  
Nashville, TN 37243

Attention: Ms. Leni Chick

RE: MCO Contract Amendments - (7)  
HP Enterprise Services, LLC (formerly EDS) - Amendment #1  
Oregon Health and Science University – Center for Evidence Based Policy

Dear Mr. Geise:

The Department of Finance and Administration, Division of Health Care Finance and Administration, is submitting for consideration by the Fiscal Review Committee the following Managed Care Organization (MCO) amendments. The MCO contracts provide medical and behavioral health services to TennCare enrollees. The proposed amendment contains the following language updates: (1) Revises requirements around circumstances necessitating member signature on the CHOICES Plan of Care; (2) Adds language regarding ADA requirements; (3) Clarifies Member Material Requirements and adds an Annual Evaluation of MCO Outreach Plans; (4) Adds clarity around CHOICES requirements to secure accurate address/contact information; (5) Adds clarity around emergency plans for CHOICES enrollees; (6) Updates CHOICES Caseload requirements; (7) Updates language to reflect Group 3 CHOICES members are not eligible for MFP; (8) Revises Pay for Performance Language to allow TennCare to choose future benchmarks based on specific MCO needs for improvement; (9) Adds language to facilitate pass-through of pharmacy costs to the pharmacy benefits manager, and (10) Additional contract language clarifications to update references regarding Individuals with Intellectual Disabilities. No funds are required to support the changes in this amendment.

Volunteer State Health Plan (TennCare Select)	FA-02-14632-32
AMERIGROUP Tennessee, Inc.	FA-07-16936-15
UnitedHealthCare Plan of the River Valley, Inc.	FA-07-16937-15
UnitedHealthCare Plan of the River Valley, Inc (West Region)	FA-08-24979-12
Volunteer State Health Plan (West Region)	FA-08-24978-12
UnitedHealthCare Plan of the River Valley, Inc. (East Region)	FA-08-24984-12
Volunteer State Health Plan (East Region)	FA-08-24983-12

Lucian Geise, Director  
March 28, 2013  
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Also submitted for review is amendment #1 to HP Enterprise Services, LLC (formerly EDS). This contract is for the operation, management, and enhancement of the TennCare Management Information Systems. This amendment is to continue system management by execution of term extension, provide new enhancements and projects, and provide funding to support the term extension of the contract. These projects include Service Oriented Architecture infrastructure, in support of Modularity (1 of the 7 new CMS Standards and Conditions for enhanced Federal Financial Participation); Enterprise Provider Portal framework to promote provider self-service and strengthen the framework for provider access security management; extension of ICD-10 deployment project based on revised CMS schedule, and provide supplemental support for extensive system changes related to federal mandates.

Finally, TennCare is requesting approval of a non competitive contract with Oregon Health and Science University, Center for Evidence Based Policy. The Contractor organizes and administers the Medicaid Evidence-Based Decisions (MED) Project and the Drug Effectiveness Review Project (DERP) to create an effective collaboration among Medicaid programs and their state partners for the purpose of making high quality evidence analysis available to support benefit design and coverage decisions made by state programs to align goals and resources that enable states to achieve results and impact policy they may be unable to achieve individually. Oregon Health & Science University, Center for Evidence-Based Policy (CEBP), is the sole provider of Medicaid focused collaboratives, related to the specific areas of diagnostics, devices, programs, procedures, and medications, founded to produce evidence reports for its members and explicitly governed by the members themselves. Because of CEBP's status as the sole provider of these unique services and the specific expertise and resources provided through this collaboration, contracting with CEBP is considered to be in the best interest of the State.

The Department of Finance and Administration, Division of Health Care Finance and Administration, appreciates consideration of these amendments by the Fiscal Review Committee and respectfully requests approval.

Sincerely,



Casey Dungan  
Chief Financial Officer

cc: Darin J. Gordon, Deputy Commissioner  
Alma Chilton, Director of Contracts

Supplemental Documentation Required for  
Fiscal Review Committee

*Contact Name:	Casey Dungan	*Contact Phone:	507-6482		
*Original Contract Number:	N/A	*Original RFS Number:			
Edison Contract Number: <i>(if applicable)</i>	N/A	Edison RFS Number: <i>(if applicable)</i>	31865-00363		
*Original Contract Begin Date:		*Current End Date:			
Current Request Amendment Number: <i>(if applicable)</i>	N/A				
Proposed Amendment Effective Date: <i>(if applicable)</i>	July 1, 2013				
*Department Submitting:	Finance and Administration				
*Division:	Division of Health Care Finance and Administration, Bureau of TennCare				
*Date Submitted:	March 28, 2013				
*Submitted Within Sixty (60) days:	Yes				
<i>If not, explain:</i>					
*Contract Vendor Name:	Oregon Health and Science University, Center for Evidence-Based Policy				
*Current Maximum Liability:	\$738,846.00				
<b>*Current Contract Allocation by Fiscal Year: (as Shown on Most Current Fully Executed Contract Summary Sheet)</b>					
<b>FY: 2014</b>	<b>FY: 2015</b>	<b>FY: 2016</b>	<b>FY:</b>	<b>FY</b>	<b>FY</b>
\$ 246,806.00	\$246,806.00	\$245,234.00	\$	\$	\$
<b>*Current Total Expenditures by Fiscal Year of Contract: (attach backup documentation from STARS or FDAS report)</b>					
<b>FY:</b>	<b>FY:</b>	<b>FY:</b>	<b>FY:</b>	<b>FY</b>	<b>FY</b>
\$	\$	\$	\$	\$	\$
<b>IF</b> Contract Allocation has been greater than Contract Expenditures, please give the reasons and explain where surplus funds were spent:			N/A		
<b>IF</b> surplus funds have been carried forward, please give the reasons and provide the authority for the carry forward provision:			N/A		
<b>IF</b> Contract Expenditures exceeded Contract Allocation, please give the reasons and explain how funding was acquired to pay the overage:			N/A		

Supplemental Documentation Required for  
Fiscal Review Committee

*Contract Funding Source/Amount:	State:	\$369,423.00	Federal:	\$369,423.00
Interdepartmental:			Other:	
If "other" please define:				
Dates of All Previous Amendments or Revisions: <i>(if applicable)</i>		Brief Description of Actions in Previous Amendments or Revisions: <i>(if applicable)</i>		
Method of Original Award: <i>(if applicable)</i>		Non-Competitive		
*What were the projected costs of the service for the entire term of the contract prior to contract award?		\$738,846.00		

## Supplemental Documentation Required for Fiscal Review Committee

For all new non-competitive contracts and any contract amendment that changes Sections A or C.3. of the original or previously amended contract document, provide estimates based on information provided the Department by the vendor for determination of contract maximum liability. Add rows as necessary to provide all information requested.

If it is determined that the question is not applicable to your contract document attach detailed explanation as to why that determination was made.

C.3. Payment Methodology. The Contractor shall be compensated based on the payment rates herein for units of service authorized by the State in a total amount not to exceed the Contract Maximum Liability established in section C.1.

- a. The Contractor's compensation shall be contingent upon the satisfactory completion of units, milestones, or increments of service defined in section A.
- b. The Contractor shall be compensated for said units, milestones, or increments of service based upon the following payment rates:

Service Description	Amount (per compensable increment)
Medicaid Evidence Based Decision Project (MED) (Contract Sections A.2 – A.6)	\$38,250.00 per quarter *
Drug Effectiveness Review Project (DERP) (Contract Sections A.7 – A.10)	\$22,664.25 per quarter
Technical Assistance as Requested by the State (MED) (Contract Section A.3.n)	\$175.00 per hour (not to exceed 25 hours)
Technical Assistance as Requested by the State (DERP) (Contract Sections A.7.i.)	\$140.00 per hour ( not to exceed 25 hours)

\* Participation fees are confirmed annually by the MED Governance Committee. Any fee adjustment necessary will be addressed in an amendment.

**Proposed savings to be realized per fiscal year by entering into this contract. If amendment to an existing contract, please indicate the proposed savings to be realized by the amendment. Add rows as necessary to define all potential savings per deliverable.**

This contract does not realize a direct savings to the State, however, by participating in the collaboration between the Center for Evidence Based Policy and other participating Medicaid agencies and their partners, TennCare will gain valuable decision making data that will assist in equitable distribution of resources for the Medicaid program. The Contractor will provide high quality evidence analysis available to support benefit design and coverage decisions made by state programs, and to align goals and resources to enable states to achieve results and impact policy they may be unable to achieve

Supplemental Documentation Required for  
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<p>individually. Also, by participating in the Drug Effectiveness Review Project, TennCare will gain comparative effectiveness, safety, and effects on subpopulations of drugs between and within classes and to support TennCare in using the evidence to inform policy in local decision making.</p>
<p style="text-align: center;"><b>Comparison of cost per fiscal year of obtaining this service through the proposed contract or amendment vs. other options. List other options available (including other vendors), cost of other options, and source of information for comparison of other options (e.g. catalog, Web site). Add rows as necessary to indicate price differentials between contract deliverables.</b></p>
<p>Oregon Health &amp; Science University, Center for Evidence-Based Policy (CEBP), is the sole provider of Medicaid focused collaboratives, related to the specific areas of diagnostics, devices, programs, procedures, and medications, founded to produce evidence reports for its members and explicitly governed by the members themselves, of which TennCare will be an active participant. Because of CEBP's status as the sole provider of these unique services and the specific expertise and resources provided through this collaboration, contracting with CEBP is considered to be in the best interest of the State.</p>

# Special Contract Request

NOT required for a contract with a federal, Tennessee, or Tennessee local government entity or a grant.  
Route a completed request, as one file in PDF format, via e-mail attachment sent to: agsprs.agsprs@tn.gov.

**APPROVED**

Chief Procurement Officer

<b>Request Tracking #</b>	<b>31865-00363</b>
<b>1. Contracting Agency</b>	Department of Finance And Administration Division of Health Care Finance and Administration Bureau of TennCare
<b>2. Type of Contract</b>	<input checked="" type="checkbox"/> Non-Competitive <input type="checkbox"/> No Cost <input type="checkbox"/> Revenue
<b>3. Requestor Contact Information</b>	Casey Dungan 507-6482
<b>4. Date Requested</b>	March 20, 20113
<b>5. Brief Service Caption</b>	Medicaid focused collaborative services provided through the Medicaid Evidence-Based Decisions (MED) Project and the Drug Effectiveness Review Project (DERP)
<b>6. Proposed Contractor</b>	Oregon Health & Science University, Center for Evidence-Based Policy
<b>7. Proposed Contract Period – with ALL options to extend exercised The proposed contract start date shall follow the approval date of this request.</b>	36 months
<b>8. Maximum Contract Cost – with ALL options to extend exercised</b>	\$ 738,846.00
<b>9. Office for Information Resources Endorsement – information technology (N/A to THDA)</b>	<input checked="" type="checkbox"/> Not Applicable <input type="checkbox"/> Attached
<b>10. eHealth Initiative Support – health-related professional, pharmaceutical, laboratory, or imaging</b>	<input checked="" type="checkbox"/> Not Applicable <input type="checkbox"/> Attached
<b>11. Human Resources Support – state employee training</b>	<input checked="" type="checkbox"/> Not Applicable <input type="checkbox"/> Attached
<b>12. Has the contracting agency procured the subject service before?</b>	
<input checked="" type="checkbox"/> NO <input type="checkbox"/> YES, it was procured by... <input type="checkbox"/> RFP <input type="checkbox"/> Non-Competitive Negotiation <input type="checkbox"/> Another Competitive Method	

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<b>13. Will the State incur any substantial cost as a result of the subject agreement? (For No Cost or Revenue Contracts <u>only</u>)</b>	<input type="checkbox"/> NO <input type="checkbox"/> YES <input checked="" type="checkbox"/> Not Applicable
<b>14. Will the State also contract with other parties interested in entering substantially the same agreement?</b>	<input checked="" type="checkbox"/> NO <input type="checkbox"/> YES
<b>15. Description of Product/Services Contractor Will Provide</b>	
<p>The Contractor shall organize and administer the Medicaid Evidence-Based Decisions (MED) Project to create an effective collaboration among Medicaid programs and their state partners for the purpose of making high quality evidence analysis available to support benefit design and coverage decisions made by state programs, and to align goals and resources to enable states to achieve results and impact policy they may be unable to achieve individually.</p> <p>The Contractor shall also organize and administer the Drug Effectiveness Review Project (DERP) to obtain and synthesize global evidence on the comparative effectiveness, safety, and effects on subpopulations of drugs between and within classes and to support policy makers in using the evidence to inform policy in local decision making.</p>	
<b>16. Is this product/service currently available on a statewide contract?</b> <input checked="" type="checkbox"/> NO <input type="checkbox"/> YES	
If YES, please explain why the current statewide contract is not being used for this procurement.	
<b>17. Summary of State Responsibilities Under Proposed Contract (For No Cost and Revenue Contracts <u>only</u>)</b>	
N/A	
<b>18. Explanation of Need for or Requirement Placed on the State to Acquire the Service</b>	
<p>Participation by the Bureau of TennCare in the Medicaid-focused collaboratives outlined in the Contract, will provide policy-makers the tools and resources to make evidence-based decisions regarding the medical necessity of diagnostics, devices, programs and procedures within the State's Medicaid program, as well as provide comparative effectiveness and safety analysis of drugs in many widely used drug classes. The findings can then be applied to inform public policy relating to the Medicaid program, for the greatest benefit to the State and its citizens.</p>	
<b>19. Proposed Contract Impact on Current State Operations</b>	
<p>The State's participation with other state Medicaid agencies and public entities in the MED Project and DERP will provide valuable resources and information to enable the State to make informed and evidence-based decisions relating to public policy impacting Medicaid services and will provide the opportunity for the State to engage in collaborative problem-solving to accelerate improvements in healthcare outcomes and health system efficiency.</p>	
<b>20. Justification – Specifically explain why the procurement method being requested is required.</b>	
<p>Oregon Health &amp; Science University, Center for Evidence-Based Policy (CEBP), is the sole provider of Medicaid focused collaboratives, related to the specific areas of diagnostics, devices, programs, procedures, and medications, founded to produce evidence reports for its members and explicitly governed by the members themselves. Because of CEBP's status as the sole provider of these unique services and the specific expertise and resources provided through this collaboration, contracting with CEBP is considered to be in the best interest of the State. Therefore, approval is requested for this non-competitive contract.</p>	
<b>21. Contractor Selection Process and Efforts to Identify Reasonable, Competitive, Procurement Alternatives</b>	
<p>Oregon Health &amp; Science University, Center for Evidence-Based Policy (CEBP), is the sole provider of Medicaid focused collaboratives, related to the specific areas of diagnostics, devices, programs, procedures, and medications, founded to produce evidence reports for its members and explicitly governed by the members themselves.</p>	
<b>22. Name &amp; Address of the Contractor's Principal Owner(s)</b>	
– NOT required for a TN state education institution	
The Contractor is a Government Entity of a State other than Tennessee	

<b>Request Tracking #</b>	31865-00363
<p><b>23. Evidence of Contractor's Experience &amp; Length Of Experience Providing the Service</b></p> <p>The Center for Evidence-Based Policy (CEBP) is directly under the Dean of the School of Medicine at Oregon Health and Science University (OHSU). OHSU is a governmental entity of the state of Oregon established in Oregon Revised Statute chapter 353. The Center began operating in 2003 and has executed over 65 intergovernmental agreements covering four contract cycles for the DERP project and three contracting cycles for the MED project with 21 states. CEBP is the unique provider of the mission, structure, products and services of the DERP and MED Projects.</p>	
<p><b>24. Was there an initial government estimate?</b></p>	<p><input checked="" type="checkbox"/> NO      <input type="checkbox"/> YES</p>
<p><b>25. Cost Determination Used-</b> How did agency arrive at the price?</p> <p>The quarterly payments for participation by the State in the MED Project and DERP are based upon the annual membership rates paid by all participants in the projects. The per hour cost for technical assistance services related to the projects was negotiated with the Contractor and is comparable to what is paid by other state agencies participating in the collaboratives.</p>	
<p><b>26. Documentation of Discussions with Contractor-</b> How did agency document discussions with Contractor?</p> <p>Documentation related to discussions between TennCare and OHSU/CEBP is on file.</p>	
<p><b>27. Explanation of Fair and Reasonable Price-</b> Explain why price is fair and reasonable under the circumstances</p> <p>OHSU/CEBP is the unique provider of the mission, structure, products and services of the DERP and MED Projects. The cost associated with the provision of these specific services is fair and reasonable when the Contractor's specific experience and expertise is taken into account, and is the amount paid by all states participating in the project collaboratives.</p>	
<p><b>Agency Head Signature and Date</b> – MUST be signed by the ACTUAL agency head as detailed on the current Signature Certification. Signature by an authorized signatory is acceptable only in documented exigent circumstances</p> <p><i>Michelle Embrey 3/20/13</i></p> <p style="text-align: right;">(1)</p>	



# CONTRACT

(fee-for-service contract with an individual, business, non-profit, or governmental entity of another state)

<b>Begin Date</b> July 1, 2013	<b>End Date</b> June 30, 2016	<b>Agency Tracking #</b> 31865-00363	<b>Edison Record ID</b> 36529
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<b>Contractor Legal Entity Name</b> Oregon Health & Science University, Center for Evidence-Based Policy	<b>Edison Vendor ID</b> 117089
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**Service Caption (one line only)**  
Medicaid Evidence-Based Decisions Project and Drug Effectiveness Review Project (DERP)

<b>Subrecipient or Vendor</b> <input type="checkbox"/> Subrecipient <input checked="" type="checkbox"/> Vendor	<b>CFDA #</b> 93.778 Dept of Health & Human Services/Title XIX
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Funding —					
FY	State	Federal	Interdepartmental	Other	TOTAL Contract Amount
2014	\$123,403.00	\$123,403.00			\$246,806.00
2015	\$123,403.00	\$123,403.00			\$246,806.00
2016	\$122,617.00	\$122,617.00			\$245,234.00
<b>TOTAL:</b>	<b>\$369,423.00</b>	<b>\$369,423.00</b>			<b>\$738,846.00</b>

**American Recovery and Reinvestment Act (ARRA) Funding:**  YES  NO

**Ownership/Control**

African American   
 Asian   
 Hispanic   
 Native American   
 Female  
 Person w/Disability   
 Small Business   
 Government   
 NOT Minority/Disadvantaged  
 Other:

**Selection Method & Process Summary** (mark the correct response to confirm the associated summary)

<input type="checkbox"/> RFP	The procurement process was completed in accordance with the approved RFP document and associated regulations.
<input type="checkbox"/> Competitive Negotiation	The predefined, competitive, impartial, negotiation process was completed in accordance with the associated, approved procedures and evaluation criteria.
<input type="checkbox"/> Alternative Competitive Method	The predefined, competitive, impartial, procurement process was completed in accordance with the associated, approved procedures and evaluation criteria.
<input checked="" type="checkbox"/> Non-Competitive Negotiation	The non-competitive contractor selection was completed as approved, and the procurement process included a negotiation of best possible terms & price.
<input type="checkbox"/> Other	The contractor selection was directed by law, court order, settlement agreement, or resulted from the state making the same agreement with <u>all</u> interested parties or <u>all</u> parties in a predetermined "class."

**Budget Officer Confirmation:** There is a balance in the appropriation from which obligations hereunder are required to be paid that is not already encumbered to pay other obligations.



OCR USE - FA

<b>Speed Chart (optional)</b>	<b>Account Code (optional)</b> 70803000
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**CONTRACT  
BETWEEN THE STATE OF TENNESSEE,  
DEPARTMENT OF FINANCE AND ADMINISTRATION,  
DIVISION OF HEALTH CARE FINANCE AND ADMINISTRATION  
BUREAU OF TENNCARE  
AND  
OREGON HEALTH & SCIENCE UNIVERSITY  
CENTER FOR EVIDENCE-BASED POLICY**

This Contract, by and between the State of Tennessee, Department of Finance and Administration, Division of Health Care Finance and Administration, Bureau of TennCare, hereinafter referred to as the "State" or "TennCare" and Oregon Health & Science University, Center for Evidence-Based Policy, hereinafter referred to as the "Contractor" or "Center" is for the provision of Medicaid Evidence-Based Decisions (MED) Project and Drug Effectiveness Review Project (DERP) services, as further defined in the "SCOPE OF SERVICES."

The Contractor is a Government Entity of a State other than Tennessee  
Contractor Place of Incorporation or Organization: Oregon  
Contractor Edison Registration ID # 0000117089

**A. SCOPE OF SERVICES:**

A.1. The Contractor shall provide all service and deliverables as required, described, and detailed herein and shall meet all service and delivery timelines as specified by this Contract. Applicable terms related to this contract are located in Attachment A.

**Medicaid Evidence-Based Decisions Project**

A.2. The Contractor shall organize and administer the Medicaid Evidence-Based Decisions Project to create an effective collaboration among Medicaid programs and their state partners for the purpose of making high quality evidence analysis available to support benefit design and coverage decisions made by state programs, and to align goals and resources to enable states to achieve results and impact policy they may be unable to achieve individually, including:

- a. The sponsorship, evaluation, dissemination and sharing of independent objective evidence that will enable state Medicaid policy makers and other state health policy decision makers to develop health policy;
- b. Fostering a strong collaborative process to accelerate healthcare outcome improvements through sharing of best practices and problem solving;
- c. Enhancing the opportunity for transparency and decision-making in state coverage policies;
- d. Promoting Value Based Purchasing for Medicaid and other state agencies by utilizing the best available evidence and making it available, as appropriate, in each state to policy makers, purchasers, providers and consumers;
- e. Informing state and national efforts to improve health and clinical outcomes with evidence; and
- f. Maximizing the use of limited state resources through collaborative efforts and best evidence.

A.3. The Contractor shall provide services relevant to the organization and administration of the MED Project as follows:

- a. Organize and staff the governance process of the MED Project in collaboration with the MED Executive Committee.



- b. Execute research contracts/sub-contracts and data use agreements.
- c. Distribute funds, as necessary.
- d. Facilitate agreement between Participating Organizations and internal and external researchers on the details of the research review process including standards for research, communication processes and additional information needs.
- e. Facilitate agreement between Participating Organizations and internal and external consultants and vendors on the details of special projects including standards for work, deliverables, communication processes and additional information needs.
- f. Represent the MED Project in forums designed to explore issues associated with benefit design and coverage decisions.
- g. Communicate MED Project methodology and results with interested organizations.
- h. Organize and manage communication with and among Participating Organizations.
- i. Conduct an orientation session for the State at a location and setting mutually agreed upon by the Contractor and the State.
- j. Organize and staff two (2) conferences annually for Participating Organizations, to include not more than four (4) representatives from the State each year.
- k. Provide telephonic, email and web-based technical assistance.
- l. Organize and coordinate the product dissemination process.
- m. As prioritized by the Governance Committee, provide one (1) annual on-site technical assistance visit to the State. The location, setting, and topics shall be mutually agreed upon by the Contractor and the State.
- n. Provide additional technical assistance to the State as requested to be paid at hourly rate specified in contract Section C.3.b.

A.4. The Contractor shall provide to the State the following services and products for the MED Project.

- a. Web-based Information Clearinghouse to facilitate information sharing among Participating Organizations, including the ability to post and download documents, participate in discussion strings, provide background information and teleconferencing system;
- b. Systematic Evidence Reviews to review or compare effectiveness, safety and effects of various coverage decisions, health care interventions, and/or practice guidelines;
- c. Technology Assessments to assess the comparative evidence on medical devices, durable medical equipment and other treatment adjuncts related to coverage or benefit design decisions;
- d. Clinical Evidence Reports to provide in-depth reviews, scanning/scoping and written reports by clinical evidence specialists in the areas of treatment and benefits design to evaluate the quality and quantity of existing evidence, and points out where evidence is lacking, is of poor quality or of questionable relevance to Participating Organizations;
- e. Policy/Evidence Consultation when a quick response is needed regarding existing evidence, interpreting evidence, and/or policy application/development; and



- f. Project Governance and Administration necessary to administer products and services of the MED Project to support the deliberations of the Governance Committee, communicate with external advocacy organizations and stakeholders, facilitate project communication and strengthen the collaboration among Participating Organizations.
- A.5. The Contractor shall retain as exclusive property all tangible and intangible Work Products (including deliverables). The Contractor shall secure all permissions, consents or licenses required from contractors, sub-contractors and any other third party holding a right, title or interest in the Work Products. The Contractor shall grant to TennCare a perpetual, non-commercial, non-exclusive, royalty-free, irrevocable right in regards to TennCare's use of the Work Products, for its own purpose, produce, reproduce, or distribute the Work Products with proper acknowledgement given to the author(s) and the copyright owner(s). TennCare shall not have the right to change the content of any Work Products and any translation of them shall require the written approval of the owner(s) of the copyright. MED reports and materials are prepared for use by the MED Participants, their respective staff and their constituent decision-making bodies. MED reports and materials are considered proprietary for exclusive use by MED Participants. The MED Governance process provides an opportunity for Participants to request alternative arrangements on an exception basis. Requests for publications by authors of MED reports will be reviewed on a case-by-case basis by the Governance Committee.
- A.6. TennCare agrees to support the MED Project for the term of the contract as follows:
- a. Provide a duly empowered representative to the governance process;
  - b. Attend orientation sessions and Participating Organizations' meetings, with travel expenses for no more than four (4) representative to be covered by annual dues, at no cost to the State;
  - c. Actively participate in decisions related to MED Project governance;
  - d. Participate in determining key research and MED Project issues;
  - f. Identify local decision-making bodies to receive completed MED Project products;
  - g. Review and comment on drafts of MED Project products;
  - h. Participate in design of an information dissemination process;
  - i. In coordination with Executive Committee and MED leadership, represent the MED Project in forums designed to explore issues associated with benefit design and coverage decisions;
  - j. Provide a qualified contracts liaison, and
  - k. Provide MED Project payments as stipulated by Section C.3.b.

#### **Drug Effectiveness Review Project (DERP)**

- A.7. The Contractor shall organize and administer the Drug Effectiveness Review Project (DERP) to obtain and synthesize global evidence on the comparative effectiveness, safety, and effects on subpopulations of drugs between and within classes and to support policy makers in using the evidence to inform policy in local decision making. Organization and administration services shall include the following:
- a. Organize and provide staffing for the DERP governance process;



- b. Execute contracts, as necessary, with subcontractors;
- c. Coordinate and facilitate the evidence development, methodology, and review process including standards for the research, communication processes, and additional information needs;
- d. Coordinate, facilitate and assist with identification of the clinical experts to provide clinical input during development of evidence reports;
- e. Organize and coordinate the product development and dissemination process;
- f. Conduct an orientation session for the State;
- g. Organize, staff, and fund two Participant Organizations' conferences each year including one (1) representative of the State at each;
- h. Provide information regarding the project to interested parties in appropriate formats; and
- i. Provide technical assistance, when requested, regarding local decision-making processes to be paid according to hourly rate specified in contract section C.3.b.

A.8. The Contractor shall provide to the State the following services and products for DERP:

- a. Organization and facilitation to coordinate governance meetings;
- b. Maintenance of the proprietary electronic library that houses all DERP documents;
- c. Production of evidence reports, including reports, reviews, assessments, whether in draft or final form, and any updates thereof of drug classes produced by an EPC detailing research methods, rationale and assumptions and based on the EPC's rigorous, comprehensive syntheses and analyses of the scientific literature on topics relevant to clinical, social science/behavioral, economic and other health care organizations and delivery issues;
- d. Technical assistance including the application of research to policy;
- e. Coordination of project governance and administration necessary to administer products and services of DERP, to support the deliberations of the Governance Committee, communicate with external advocacy organizations and stakeholders, facilitate project communication, and strengthen the collaboration among DERP Participating Organizations.
- f. Other products and services as determined by the Governance Committee.

A.9. The Contractor shall retain as exclusive property all tangible and intangible Work Products (including deliverables). The Contractor shall secure all permissions, consents or licenses required from contractors, sub-contractors and any other third party holding a right, title or interest in the Work Products. The Contractor shall grant to TennCare a perpetual, non-commercial, non-exclusive, royalty-free, irrevocable right in regards to TennCare's use of the Work Products, for its own purpose, produce, reproduce, or distribute the Work Products with proper acknowledgement given to the author(s) and the copyright owner(s). TennCare shall not have the right to change the content of any Work Products and any translation of them shall require the written approval of the owner(s) of the copyright. DERP reports and materials, new and existing, are prepared for use by the DERP Participants, their respective staff and their constituent decision-making bodies. DERP reports and materials are considered proprietary for exclusive use by DERP Participants. The DERP Governance process provides an opportunity for Participants to request alternative arrangements on an exception basis.



A.10. TennCare agrees to support the Drug Effectiveness Review Project for the term of the contract including:

- a. Provide a duly empowered representative to the governance process;
- b. Attend orientation sessions, monthly governance calls and biannual Participants' meetings, with travel expenses for no more than (2) representatives to be covered by annual dues, at no cost to the State;
- c. Participate in the governance process;
- d. Participate in selection of topics to be studied;
- e. Participate in determining key questions for research;
- f. Assist with soliciting clinical advisors/ experts to review DERP reports and provide clinical input;
- g. Participate in design and implementation of update process;
- h. Participate in design and implementation of dissemination process;
- i. Provide feedback regarding draft reports and response to final report;
- j. Provide a qualified DERP contracts liaison, and
- k. Provide DERP payments as stipulated in Contract Section C.3.b.

**B. CONTRACT PERIOD:**

This Contract shall be effective for the period beginning July 1, 2013, and ending on June 30, 2016. The Contractor hereby acknowledges and affirms that the State shall have no obligation for services rendered by the Contractor which were not performed within this specified contract period.

**C. PAYMENT TERMS AND CONDITIONS:**

- C.1. Maximum Liability. In no event shall the maximum liability of the State under this Contract exceed Seven Hundred Thirty-Eight Thousand Eight Hundred Forty-Six Dollars (\$738,846.00). The payment rates in section C.3 shall constitute the entire compensation due the Contractor for all service and Contractor obligations hereunder regardless of the difficulty, materials or equipment required. The payment rates include, but are not limited to, all applicable taxes, fees, overheads, and all other direct and indirect costs incurred or to be incurred by the Contractor.

The Contractor is not entitled to be paid the maximum liability for any period under the Contract or any extensions of the Contract for work not requested by the State. The maximum liability represents available funds for payment to the Contractor and does not guarantee payment of any such funds to the Contractor under this Contract unless the State requests work and the Contractor performs said work. In which case, the Contractor shall be paid in accordance with the payment rates detailed in section C.3. The State is under no obligation to request work from the Contractor in any specific dollar amounts or to request any work at all from the Contractor during any period of this Contract.

- C.2. Compensation Firm. The payment rates and the maximum liability of the State under this Contract are firm for the duration of the Contract and are not subject to escalation for any reason unless amended.



C.3. Payment Methodology. The Contractor shall be compensated based on the payment rates herein for units of service authorized by the State in a total amount not to exceed the Contract Maximum Liability established in section C.1.

- a. The Contractor's compensation shall be contingent upon the satisfactory completion of units, milestones, or increments of service defined in section A.
- b. The Contractor shall be compensated for said units, milestones, or increments of service based upon the following payment rates:

Service Description	Amount (per compensable increment)
Medicaid Evidence Based Decision Project (MED) (Contract Sections A.2 – A.6)	\$38,250.00 per quarter *
Drug Effectiveness Review Project (DERP) (Contract Sections A.7 – A.10)	\$22,664.25 per quarter
Technical Assistance as Requested by the State (MED) (Contract Section A.3.n)	\$175.00 per hour (not to exceed 25 hours)
Technical Assistance as Requested by the State (DERP) (Contract Sections A.7.i.)	\$140.00 per hour ( not to exceed 25 hours)

\* Participation fees are confirmed annually by the MED Governance Committee. Any fee adjustment necessary will be addressed in an amendment.

C.4. Travel Compensation. The Contractor shall not be compensated or reimbursed for travel, meals, or lodging.

C.5. Invoice Requirements. The Contractor shall invoice the State only for completed increments of service and for the amount stipulated in section C.3, above, and present said invoices no more often than monthly, with all necessary supporting documentation, to:

Department of Finance and Administration  
 Division of Health Care Finance and Administration  
 Bureau of TennCare  
 310 Great Circle Road  
 Nashville, TN 37243

- a. Each invoice shall clearly and accurately detail all of the following required information (calculations must be extended and totaled correctly).
  - (1) Invoice Number (assigned by the Contractor)
  - (2) Invoice Date
  - (3) Contract Number (assigned by the State)
  - (4) Customer Account Name: Department of Finance and Administration, Division of Health Care Finance and Administration, Bureau of TennCare
  - (5) Customer Account Number (assigned by the Contractor to the above-referenced Customer)
  - (6) Contractor Name
  - (7) Contractor Tennessee Edison Registration ID Number Referenced in Preamble of this Contract
  - (8) Contractor Contact for Invoice Questions (name, phone, and/or fax)
  - (9) Contractor Remittance Address
  - (10) Description of Delivered Service



(11) Complete Itemization of Charges, which shall detail the following:

- i. Service or Milestone Description (including name & title as applicable) of each service invoiced
- ii. Number of Completed Units, Increments, Hours, or Days as applicable, of each service invoiced
- iii. Applicable Payment Rate (as stipulated in Section C.3.) of each service invoiced
- iv. Amount Due by Service
- v. Total Amount Due for the invoice period

b. The Contractor understands and agrees that an invoice under this Contract shall:

- (1) include only charges for service described in Contract Section A and in accordance with payment terms and conditions set forth in Contract Section C;
- (2) only be submitted for completed service and shall not include any charge for future work;
- (3) not include sales tax or shipping charges; and
- (4) initiate the timeframe for payment (and any discounts) only when the State is in receipt of the invoice, and the invoice meets the minimum requirements of this section C.5.

C.6. Payment of Invoice. A payment by the State shall not prejudice the State's right to object to or question any payment, invoice, or matter in relation thereto. A payment by the State shall not be construed as acceptance of any part of the work or service provided or as approval of any amount invoiced.

C.7. Invoice Reductions. The Contractor's invoice shall be subject to reduction for amounts included in any invoice or payment theretofore made which are determined by the State, on the basis of audits conducted in accordance with the terms of this Contract, not to constitute proper remuneration for compensable services.

C.8. Deductions. The State reserves the right to deduct from amounts, which are or shall become due and payable to the Contractor under this or any contract between the Contractor and the State of Tennessee any amounts, which are or shall become due and payable to the State of Tennessee by the Contractor.

C.9. Prerequisite Documentation. The Contractor shall not invoice the State under this Contract until the State has received the following documentation properly completed.

- a. The Contractor shall complete, sign, and present to the State an "Authorization Agreement for Automatic Deposit (ACH Credits) Form" provided by the State. By doing so, the Contractor acknowledges and agrees that, once said form is received by the State, all payments to the Contractor, under this or any other contract the Contractor has with the State of Tennessee shall be made by Automated Clearing House (ACH).
- b. The Contractor shall complete, sign, and present to the State a "Substitute W-9 Form" provided by the State. The taxpayer identification number detailed by said form must agree with the Contractor's Federal Employer Identification Number or Tennessee Edison Registration ID referenced in this Contract.

**D. STANDARD TERMS AND CONDITIONS:**

D.1. Required Approvals. The State is not bound by this Contract until it is signed by the contract parties and approved by appropriate officials in accordance with applicable Tennessee laws and regulations (depending upon the specifics of this contract, said officials may include, but are not limited to, the Commissioner of Finance and Administration, the Commissioner of Human Resources, and the Comptroller of the Treasury).



- D.2. Modification and Amendment. This Contract may be modified only by a written amendment signed by all parties hereto and approved by both the officials who approved the base contract and, depending upon the specifics of the contract as amended, any additional officials required by Tennessee laws and regulations (said officials may include, but are not limited to, the Commissioner of Finance and Administration, the Commissioner of Human Resources, and the Comptroller of the Treasury).
- D.3. Termination for Convenience. The State may terminate this Contract without cause for any reason. Said termination shall not be deemed a breach of contract by the State. The State shall give the Contractor at least thirty (30) days written notice before the effective termination date. The Contractor shall be entitled to compensation for satisfactory, authorized service completed as of the termination date, but in no event shall the State be liable to the Contractor for compensation for any service which has not been rendered. Upon such termination, the Contractor shall have no right to any actual general, special, incidental, consequential, or any other damages whatsoever of any description or amount.
- D.4. Termination for Cause. If the Contractor fails to properly perform its obligations under this Contract in a timely or proper manner, or if the Contractor violates any terms of this Contract, the State shall have the right to immediately terminate the Contract and withhold payments in excess of fair compensation for completed services. Notwithstanding the above, the Contractor shall not be relieved of liability to the State for damages sustained by virtue of any breach of this Contract by the Contractor.
- D.5. Subcontracting. The Contractor shall not assign this Contract or enter into a subcontract for any of the services performed under this Contract without obtaining the prior written approval of the State. If such subcontracts are approved by the State, each shall contain, at a minimum, sections of this Contract below pertaining to "Conflicts of Interest," "Nondiscrimination," and "Records" (as identified by the section headings). Notwithstanding any use of approved subcontractors, the Contractor shall be the prime contractor and shall be responsible for all work performed.
- D.6. Conflicts of Interest. The Contractor warrants that no part of the total Contract Amount shall be paid directly or indirectly to an employee or official of the State of Tennessee as wages, compensation, or gifts in exchange for acting as an officer, agent, employee, subcontractor, or consultant to the Contractor in connection with any work contemplated or performed relative to this Contract.

The Contractor acknowledges, understands, and agrees that this Contract shall be null and void if the Contractor is, or within the past six months has been, an employee of the State of Tennessee or if the Contractor is an entity in which a controlling interest is held by an individual who is, or within the past six months has been, an employee of the State of Tennessee.

- D.7. Nondiscrimination. The Contractor hereby agrees, warrants, certifies, and assures that no person shall be excluded from participation in, be denied benefits of, or be otherwise subjected to discrimination in the performance of this Contract or in the employment practices of the Contractor on the grounds of handicap or disability, age, race, color, religion, sex, national origin, or any other classification protected by Federal, Tennessee State constitutional, or statutory law. The Contractor shall, upon request, show proof of such nondiscrimination and shall post in conspicuous places, available to all employees and applicants, notices of nondiscrimination.
- D.8. Prohibition of Illegal Immigrants. The requirements of *Tennessee Code Annotated*, Section 12-4-124, *et seq.*, addressing the use of illegal immigrants in the performance of any Contract to supply goods or services to the state of Tennessee, shall be a material provision of this Contract, a breach of which shall be grounds for monetary and other penalties, up to and including termination of this Contract.
- a. The Contractor hereby attests, warrants, certifies, and assures that the Contractor shall not knowingly utilize the services of an illegal immigrant in the performance of this Contract and shall not knowingly utilize the services of any subcontractor who will utilize the services of an illegal immigrant in the performance of this Contract. The Contractor



shall reaffirm this attestation, in writing, by submitting to the State a completed and signed copy of the document at Attachment B, hereto, semi-annually during the period of this Contract. Such attestations shall be maintained by the Contractor and made available to state officials upon request.

- b. Prior to the use of any subcontractor in the performance of this Contract, and semi-annually thereafter, during the period of this Contract, the Contractor shall obtain and retain a current, written attestation that the subcontractor shall not knowingly utilize the services of an illegal immigrant to perform work relative to this Contract and shall not knowingly utilize the services of any subcontractor who will utilize the services of an illegal immigrant to perform work relative to this Contract. Attestations obtained from such subcontractors shall be maintained by the Contractor and made available to state officials upon request.
  - c. The Contractor shall maintain records for all personnel used in the performance of this Contract. Said records shall be subject to review and random inspection at any reasonable time upon reasonable notice by the State.
  - d. The Contractor understands and agrees that failure to comply with this section will be subject to the sanctions of *Tennessee Code Annotated, Section 12-4-124, et seq.* for acts or omissions occurring after its effective date. This law requires the Commissioner of Finance and Administration to prohibit a contractor from contracting with, or submitting an offer, proposal, or bid to contract with the State of Tennessee to supply goods or services for a period of one year after a contractor is discovered to have knowingly used the services of illegal immigrants during the performance of this Contract.
  - e. For purposes of this Contract, "illegal immigrant" shall be defined as any person who is not either a United States citizen, a Lawful Permanent Resident, or a person whose physical presence in the United States is authorized or allowed by the federal Department of Homeland Security and who, under federal immigration laws and/or regulations, is authorized to be employed in the U.S. or is otherwise authorized to provide services under the Contract.
- D.9. Records. The Contractor shall maintain documentation for all charges under this Contract. The books, records, and documents of the Contractor, insofar as they relate to work performed or money received under this Contract, shall be maintained for a period of three (3) full years from the date of the final payment and shall be subject to audit at any reasonable time and upon reasonable notice by the State, the Comptroller of the Treasury, or their duly appointed representatives. The financial statements shall be prepared in accordance with generally accepted accounting principles.
- D.10. Monitoring. The Contractor's activities conducted and records maintained pursuant to this Contract shall be subject to monitoring and evaluation by the State, the Comptroller of the Treasury, or their duly appointed representatives.
- D.11. Progress Reports. The Contractor shall submit brief, periodic, progress reports to the State as requested.
- D.12. Strict Performance. Failure by any party to this Contract to insist in any one or more cases upon the strict performance of any of the terms, covenants, conditions, or provisions of this Contract shall not be construed as a waiver or relinquishment of any such term, covenant, condition, or provision. No term or condition of this Contract shall be held to be waived, modified, or deleted except by a written amendment signed by the parties hereto.
- D.13. Independent Contractor. The parties hereto, in the performance of this Contract, shall not act as employees, partners, joint venturers, or associates of one another. It is expressly acknowledged by the parties hereto that such parties are independent contracting entities and that nothing in this Contract shall be construed to create an employer/employee relationship or to allow either to exercise control or direction over the manner or method by which the other transacts its business



affairs or provides its usual services. The employees or agents of one party shall not be deemed or construed to be the employees or agents of the other party for any purpose whatsoever.

The Contractor, being an independent contractor and not an employee of the State, agrees to carry adequate public liability and other appropriate forms of insurance, including adequate public liability and other appropriate forms of insurance on the Contractor's employees, and to pay all applicable taxes incident to this Contract.

- D.14. State Liability. The State shall have no liability except as specifically provided in this Contract.
- D.15. Force Majeure. The obligations of the parties to this Contract are subject to prevention by causes beyond the parties' control that could not be avoided by the exercise of due care including, but not limited to, natural disasters, riots, wars, epidemics, or any other similar cause.
- D.16. State and Federal Compliance. The Contractor shall comply with all applicable State and Federal laws and regulations in the performance of this Contract.
- D.17. Governing Law. This Contract shall be governed by and construed in accordance with the laws of the State of Tennessee. The Contractor agrees that it will be subject to the exclusive jurisdiction of the courts of the State of Tennessee in actions that may arise under this Contract. The Contractor acknowledges and agrees that any rights or claims against the State of Tennessee or its employees hereunder, and any remedies arising therefrom, shall be subject to and limited to those rights and remedies, if any, available under *Tennessee Code Annotated*, Sections 9-8-101 through 9-8-407.
- D.18. Completeness. This Contract is complete and contains the entire understanding between the parties relating to the subject matter contained herein, including all the terms and conditions of the parties' agreement. This Contract supersedes any and all prior understandings, representations, negotiations, and agreements between the parties relating hereto, whether written or oral.
- D.19. Severability. If any terms and conditions of this Contract are held to be invalid or unenforceable as a matter of law, the other terms and conditions hereof shall not be affected thereby and shall remain in full force and effect. To this end, the terms and conditions of this Contract are declared severable.
- D.20. Headings. Section headings of this Contract are for reference purposes only and shall not be construed as part of this Contract.

**E. SPECIAL TERMS AND CONDITIONS:**

- E.1. Conflicting Terms and Conditions. Should any of these special terms and conditions conflict with any other terms and conditions of this Contract, these special terms and conditions shall control.
- E.2. Communications and Contacts. All instructions, notices, consents, demands, or other communications required or contemplated by this Contract shall be in writing and shall be made by certified, first class mail, return receipt requested and postage prepaid, by overnight courier service with an asset tracking system, or by EMAIL or facsimile transmission with recipient confirmation. Any such communications, regardless of method of transmission, shall be addressed to the respective party at the appropriate mailing address, facsimile number, or EMAIL address as set forth below or to that of such other party or address, as may be hereafter specified by written notice.

The State:

Deputy Commissioner  
Department of Finance and Administration  
Division of Health Care Finance and Administration  
Bureau of TennCare  
310 Great Circle Road



Nashville TN 37243  
Telephone # (615) 507-6443  
FAX # (615) 253-5607

The Contractor:

Stephanie Betteridge  
Oregon Health & Sciences University  
Center for Evidence Based Policy  
3455 SW US Veterans Hospital Road  
Mail Code SN-4N  
Portland, OR 97239  
[betterid@ohsu.edu](mailto:betterid@ohsu.edu)  
Telephone # (503) 492-5821  
FAX # (503) 494-3807

All instructions, notices, consents, demands, or other communications shall be considered effectively given upon receipt or recipient confirmation as may be required.

- E.3. Subject to Funds Availability. The Contract is subject to the appropriation and availability of State and/or Federal funds. In the event that the funds are not appropriated or are otherwise unavailable, the State reserves the right to terminate the Contract upon written notice to the Contractor. Said termination shall not be deemed a breach of Contract by the State. Upon receipt of the written notice, the Contractor shall cease all work associated with the Contract. Should such an event occur, the Contractor shall be entitled to compensation for all satisfactory and authorized services completed as of the termination date. Upon such termination, the Contractor shall have no right to recover from the State any actual, general, special, incidental, consequential, or any other damages whatsoever of any description or amount.
- E.4. Tennessee Consolidated Retirement System. The Contractor acknowledges and understands that, subject to statutory exceptions contained in *Tennessee Code Annotated*, Section 8-36-801, *et. seq.*, the law governing the Tennessee Consolidated Retirement System (TCRS), provides that if a retired member of TCRS, or of any superseded system administered by TCRS, or of any local retirement fund established pursuant to *Tennessee Code Annotated*, Title 8, Chapter 35, Part 3 accepts state employment, the member's retirement allowance is suspended during the period of the employment. Accordingly and notwithstanding any provision of this Contract to the contrary, the Contractor agrees that if it is later determined that the true nature of the working relationship between the Contractor and the State under this Contract is that of "employee/employer" and not that of an independent contractor, the Contractor, if a retired member of TCRS, may be required to repay to TCRS the amount of retirement benefits the Contractor received from TCRS during the period of this Contract.
- E.5. Lobbying. The Contractor certifies, to the best of its knowledge and belief, that:
- a. No federally appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of an agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any federal contract, grant, loan, or cooperative agreement.
  - b. If any funds other than federally appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this contract, grant, loan, or cooperative agreement, the Contractor shall complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions.



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

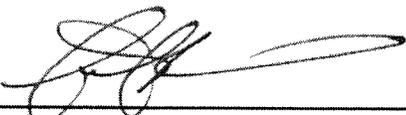
This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into and is a prerequisite for making or entering into this transaction imposed by section 1352, title 31, *U.S. Code*.

- E.6. Debarment and Suspension. The Contractor certifies, to the best of its knowledge and belief, that it, its current and future principals, its current and future subcontractors and their principals:
- a. are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from covered transactions by any federal or state department or agency;
  - b. have not within a three (3) year period preceding this Contract been convicted of, or had a civil judgment rendered against them from commission of fraud, or a criminal offence in connection with obtaining, attempting to obtain, or performing a public (federal, state, or local) transaction or grant under a public transaction; violation of federal or state antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification, or destruction of records, making false statements, or receiving stolen property;
  - c. are not presently indicted or otherwise criminally or civilly charged by a government entity (federal, state, or local) with commission of any of the offenses detailed in section b. of this certification; and
  - d. have not within a three (3) year period preceding this Contract had one or more public transactions (federal, state, or local) terminated for cause or default.

The Contractor shall provide immediate written notice to the State if at any time it learns that there was an earlier failure to disclose information or that due to changed circumstances, its principals or the principals of its subcontractors are excluded or disqualified.

IN WITNESS WHEREOF,

OREGON HEALTH & SCIENCE UNIVERSITY  
CENTER FOR EVIDENCE-BASED POLICY:

 <hr/> CONTRACTOR SIGNATURE	4-23-13 <hr/> DATE
Timothy L. Runner      MANAGER, RESEARCH GRANTS & <hr/> PRINTED NAME AND TITLE OF CONTRACTOR SIGNATORY (above)	

*Contractors*

DEPARTMENT OF FINANCE AND ADMINISTRATION  
DIVISION OF HEALTH CARE FINANCE AND ADMINISTRATION  
BUREAU OF TENNCARE:



*Mark A. Emkes/cs*

*4/25/2013*

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**MARK A. EMKES, COMMISSIONER**

**DATE**



## ATTACHMENT A

### DEFINITIONS

1. **Coordinating EPC** - the Evidence-based Practice Centers (EPC) designated by the Contractor by written agreement to coordinate those EPCs who will conduct drug class reviews and who will produce Evidence Reports. The coordinating EPC will subcontract with other EPCs as necessary to conduct research. The coordinating EPC will monitor the subcontractor for compliance with the terms of the contract including timelines and quality assurance standards.
2. **Drug Effectiveness Review Project (DERP)** – obtaining and synthesizing global evidence on the comparative effectiveness, safety, and effects on subpopulations of drugs between and within classes in support of policy makers using the evidence to inform policy in local decision making.
3. **EPC** - those Evidence-based Practice Centers designated by the Agency for Healthcare Research and Quality (“AHRQ”) for the development of evidence reports on topics relevant to clinical, social, science/behavioral, economic and other health care organization and delivery issues, particularly those that are common, expensive and or significant.
4. **Governance Committee** - a committee of representatives from each Participating Organization that advises the Contractor and the Project.
5. **Medicaid Evidence-Based Decisions (MED) Project** – collaboration among Medicaid programs and their state partners for the purpose of making high quality evidence analysis available to support benefit design and coverage decisions made by state programs, and to align goals and resources to enable states to achieve results and impact policy they may be unable to achieve individually
6. **Participating Organizations/Participant** - include the State and other organizations and entities that have entered into Project agreements with the Contractor.
7. **Value Based Purchasing** - A payment reform under which hospitals and other providers are provided bonuses based upon their performance against quality measures



ATTACHMENT B

ATTESTATION RE PERSONNEL USED IN CONTRACT PERFORMANCE

SUBJECT CONTRACT NUMBER:	36529
CONTRACTOR LEGAL ENTITY NAME:	Oregon Health & Science
FEDERAL EMPLOYER IDENTIFICATION NUMBER: (or Social Security Number)	University #117089

The Contractor, identified above, does hereby attest, certify, warrant, and assure that the Contractor shall not knowingly utilize the services of an illegal immigrant in the performance of this Contract and shall not knowingly utilize the services of any subcontractor who will utilize the services of an illegal immigrant in the performance of this Contract.

CONTRACTOR SIGNATURE

NOTICE: This attestation MUST be signed by an individual empowered to contractually bind the Contractor. If said individual is not the chief executive or president, this document shall attach evidence showing the individual's authority to contractually bind the Contractor.

TIM RINNER

Manager, Research Grants & Contracts

PRINTED NAME AND TITLE OF SIGNATORY

4-25-13

DATE OF ATTESTATION