



STATE OF TENNESSEE
DEPARTMENT OF FINANCE AND ADMINISTRATION
BENEFITS ADMINISTRATION

312 Rosa L. Parks Avenue
Suite 1900 William R. Snodgrass Tennessee Tower
Nashville, Tennessee 37243-1102
Phone (615) 741-3590 or (800) 253-9981
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Stuart C. McWhorter
COMMISSIONER

Laurie Lee
EXECUTIVE DIRECTOR

MEMORANDUM

TO: Krista Lee Carsner, Executive
Director Fiscal Review Committee
Members

FROM: Laurie Lee, Benefits Administration

DATE: May 22, 2019

SUBJECT: Amendment Three to the Voluntary Dental Preferred Provider Organization (DPPO) Program

Benefits Administration (BA) submits for consideration by the Fiscal Review Committee Amendment Three to the Dental Preferred Provider Organization (DPPO) Program (Edison #47501). Our current Contractor for this program is Metropolitan Life Insurance Company (MetLife). The contract is a two-year service contract with the option of three one-year extensions. Through this amendment, we are requesting to exercise the final one-year extension of the contract with a proposed end date of December 31, 2020 and an increase of \$39,000,000 to the maximum liability. In addition, BA recommends no premium increase for 2020.

This program is a member-pay-all product in which all the premiums collected pay for the program and are reflected in the maximum liability. No state dollars are used to pay premiums for this program. The increase in the maximum liability represents the estimated amount members will pay in premiums for 2020.

Through a competitive bid process, MetLife was awarded this contract for two years with the possibility of three one-year extensions. The contract has been before Fiscal Review Committee for amendments one and two.

Enrollment in the DPPO includes:

Subscribers	61,746
Dependents	60,003
Total Members	121,749

On a semi-annual basis, BA requires all of our vendors to 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. MetLife has provided this attestation on time and throughout the life of this contract.

Enclosed in the Fiscal Review packet you will also find a supplemental report on any liquidated damages assessed by BA for the life of the contract (see page 13 and 14). A total of \$40,400 has been assessed due to performance guarantees.

The original contract is included for review. BA submits the above referenced contract amendment for consideration and approval by the Fiscal Review Committee.

Supplemental Documentation Required for
Fiscal Review Committee

*Contact Name:	Seannalyn Brandmeir, Procurement and Contracting Manager	*Contact Phone:	615-532-4598		
*Presenter's name(s):	Laurie Lee, Executive Director; Bob Smith, Director of Voluntary Benefits; Christa Martin, Director of Financial Management and Program Integrity; Seannalyn Brandmeir, Procurement and Contracting Manager				
Edison Contract Number: <i>(if applicable)</i>	47501	RFS Number: <i>(if applicable)</i>	31786-00127		
*Original or Proposed Contract Begin Date:	10/1/2015	*Current or Proposed End Date:	Original: 12/31/2019 Proposed: 12/31/2020		
Current Request Amendment Number: <i>(if applicable)</i>	Three				
Proposed Amendment Effective Date: <i>(if applicable)</i>	September 1, 2019				
*Department Submitting:	Finance and Administration				
*Division:	Benefits Administration				
*Date Submitted:	May 22, 2019				
*Submitted Within Sixty (60) days: <i>If not, explain:</i>	Yes				
*Contract Vendor Name:	Metropolitan Life Insurance Company				
*Current or Proposed Maximum Liability:	Current: \$123,000,000 Proposed: \$162,000,000				
*Estimated Total Spend for Commodities:					
*Current or Proposed Contract Allocation by Fiscal Year: (as Shown on Most Current Fully Executed Contract Summary Sheet)					
FY: 2016	FY: 2017	FY: 2018	FY: 2019	FY: 2020	FY: 2021
\$ 14,800,000	\$29,600,000	\$30,600,000	\$33,000,000	\$35,500,000	\$18,500,000
*Current Total Expenditures by Fiscal Year of Contract: (attach backup documentation from Edison)					
FY: 2016	FY: 2017	FY: 2018	FY:2019	FY: 2020	FY
\$ 14,746,497.10	\$ 29,563,099.94	\$30,532,640.71	\$24,233,682.13	\$	\$
IF Contract Allocation has been greater than Contract Expenditures, please give the reasons and explain where surplus funds were spent:	n/a				
IF surplus funds have been carried forward, please give the reasons and provide the authority for the carry forward provision:	n/a				
IF Contract Expenditures exceeded Contract Allocation, please give the	n/a				

Supplemental Documentation Required for
Fiscal Review Committee

reasons and explain how funding was acquired to pay the overage:			
*Contract Funding Source/Amount:			
State:		Federal:	
<i>Interdepartmental:</i>		<i>Other:</i>	\$162,000,000
If “ <i>other</i> ” please define:		Paid through plan member premiums	
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>	
Amendment One - 8/1/2017		Increase in premium rate; one-year extension	
Amendment Two - 9/1/2018		Increase in premium rate; one-year extension	
Method of Original Award: <i>(if applicable)</i>		RFP	
*What were the projected costs of the service for the entire term of the contract prior to contract award? How was this cost determined?		Estimated maximum liability of \$40 to \$50 million for the first two years. The previous contract had a maximum liability of \$133,915,000.00	
*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.		In 2015, we listed 14 potential bidders for the RFP and resulting contract.	

Metropolitan Life Insurance Company

Preferred Dental Contract

Edison Contract # 47501

Vendor Number 190862

Reports Pulled: 4/2/2019

Fiscal Year	Expenditures
FY 2016	14,746,497.10
FY 2017	29,563,099.94
FY 2018	30,532,640.71
YTD FY 2019	24,233,682.13
Total Expenditures	99,075,919.88

Metropolitan Life Insurance Company

Preferred Dental Contract

Edison Contract # 47501

Vendor Number 190862

Reports Pulled: 4/2/2019

TN_PU_CN021 - Payments Against a Contract

Payments against a Contract		6										
Unit	Sum Merchandise Amt	Edison Contract ID	Vendor ID	Vendor Name	Type	PO ID	Voucher ID	Invoice	Date	Fiscal Year		
31786	2,463,518.77	000000000000000000047501	0000190862	MetLife	DFA	0000001311	00005875	MetLife 0116	2/2/2016	2016		
31786	2,457,559.35	000000000000000000047501	0000190862	MetLife	DFA	0000001311	00005895	MetLife 0216	2/9/2016	2016		
31786	2,457,663.06	000000000000000000047501	0000190862	MetLife	DFA	0000001311	00005958	MetLife 0316	3/9/2016	2016		
31786	2,459,752.57	000000000000000000047501	0000190862	MetLife	DFA	0000001311	00006041	MetLife 0416	4/11/2016	2016		
31786	2,454,016.24	000000000000000000047501	0000190862	MetLife	DFA	0000001311	00006095	MetLife 0516	5/12/2016	2016		
31786	2,453,987.11	000000000000000000047501	0000190862	MetLife	DFA	0000001311	00006149	MetLife 0616	6/8/2016	2016		
FY 2016		14,746,497.10										

Payments against a Contract		12										
Unit	Sum Merchandise Amt	Edison Contract ID	Vendor ID	Vendor Name	Type	PO ID	Voucher ID	Invoice	Date	Fiscal Year		
31786	2,455,863.55	000000000000000000047501	0000190862	MetLife	DFA	0000001370	00006220	MetLife 0716	7/15/2016	2017		
31786	2,448,175.26	000000000000000000047501	0000190862	MetLife	DFA	0000001370	00006267	MetLife 0816	8/9/2016	2017		
31786	2,452,708.69	000000000000000000047501	0000190862	MetLife	DFA	0000001370	00006325	Met Life Dental 0916	9/12/2016	2017		
31786	2,465,749.51	000000000000000000047501	0000190862	MetLife	DFA	0000001370	00006372	MetLife 1016	10/12/2016	2017		
31786	2,462,187.39	000000000000000000047501	0000190862	MetLife	DFA	0000001370	00006446	MetLife Dental 1116	11/8/2016	2017		
31786	2,461,072.15	000000000000000000047501	0000190862	MetLife	DFA	0000001370	00006494	MetLife Dental 1216	12/12/2016	2017		
31786	2,465,530.90	000000000000000000047501	0000190862	MetLife	DFA	0000001421	00006543	MetLife 0117	1/13/2017	2017		
31786	2,472,169.67	000000000000000000047501	0000190862	MetLife	DFA	0000001421	00006592	MetLife 0217	2/9/2017	2017		
31786	2,467,689.79	000000000000000000047501	0000190862	MetLife	DFA	0000001421	00006650	MetLife 0317	3/9/2017	2017		
31786	2,471,076.70	000000000000000000047501	0000190862	MetLife	DFA	0000001421	00006731	MetLife 0417	4/11/2017	2017		
31786	2,472,425.76	000000000000000000047501	0000190862	MetLife	DFA	0000001421	00006825	MetLife 0517	5/8/2017	2017		
31786	2,468,450.57	000000000000000000047501	0000190862	MetLife	DFA	0000001421	00006890	MetLife 0617	6/9/2017	2017		
FY 2017		29,563,099.94										

Payments against a Contract		12									
Unit	Sum Merchandise Amt	Edison Contract ID	Vendor ID	Vendor Name	Type	PO ID	Voucher ID	Invoice	Date	Fiscal Year	
31786	2,461,344.35	000000000000000000047501	0000190862	Metlife	DFA	0000001477	00006958	MetLife 0717	7/13/2017	2018	
31786	2,458,138.94	000000000000000000047501	0000190862	Metlife Group Bene	DFA	0000001477	00007025	MetLife 0817	8/9/2017	2018	
31786	2,476,807.82	000000000000000000047501	0000190862	Metlife Group Bene	DFA	0000001477	00007069	MetLife 0917	9/12/2017	2018	
31786	2,472,947.07	000000000000000000047501	0000190862	Metlife Group Bene	DFA	0000001477	00007109	MetLife 1017	10/11/2017	2018	
31786	2,477,514.84	000000000000000000047501	0000190862	Metlife Group Bene	DFA	0000001477	00007166	MetLife 1117	11/8/2017	2018	
31786	2,482,770.60	000000000000000000047501	0000190862	Metlife Group Bene	DFA	0000001477	00007221	MetLife 1217	12/11/2017	2018	

31786	2,616,808.56	00000000000000000047501	0000190862	Metlife Group Benε DFA	0000001517	00007272	MetLife 0118	1/12/2018	2018
31786	2,618,345.26	00000000000000000047501	0000190862	Metlife Group Benε DFA	0000001517	00007314	MetLife 0218	2/9/2018	2018
31786	2,619,411.84	00000000000000000047501	0000190862	Metlife Group Benε DFA	0000001517	00007369	MetLife 0318	3/8/2018	2018
31786	2,618,382.18	00000000000000000047501	0000190862	Metlife Group Benε DFA	0000001517	00007454	MetLife 0418	4/11/2018	2018
31786	2,613,365.81	00000000000000000047501	0000190862	Metlife Group Benε DFA	0000001517	00007511	MetLife 0518	5/9/2018	2018
31786	2,616,803.44	00000000000000000047501	0000190862	Metlife Group Benε DFA	0000001517	00007564	MetLife 0618	6/11/2018	2018

YTD FY 2018

30,532,640.71

Payments against a Contract ⁹										
Unit	Sum Merchandise Amt	Edison Contract ID	Vendor ID	Vendor Name	Type	PO ID	Voucher ID	Invoice	Date	Fiscal Year
31786	2,614,956.99	00000000000000000047501	0000190862	Metlife Group Benε DFA		0000001548	00007646	MetLife 0718	7/13/2018	2019
31786	2,622,379.74	00000000000000000047501	0000190862	Metlife Group Benε DFA		0000001548	00007703	MetLife 0818	8/9/2018	2019
31786	2,632,674.28	00000000000000000047501	0000190862	Metlife Group Benε DFA		0000001548	00007748	MetLife 0918	9/14/2018	2019
31786	2,636,311.68	00000000000000000047501	0000190862	Metlife Group Benε DFA		0000001548	00007801	Met Life 1018	10/10/2018	2019
31786	2,635,529.44	00000000000000000047501	0000190862	Metlife Group Benε DFA		0000001548	00007866	Met Life 1118	11/9/2018	2019
31786	2,640,551.41	00000000000000000047501	0000190862	Metlife Group Benε DFA		0000001548	00007911	MetLife 1218	12/11/2018	2019
31786	2,814,720.75	00000000000000000047501	0000190862	Metlife Group Benε DFA		0000001582	00007955	MetLife 0119	1/10/2019	2019
31786	2,819,521.75	00000000000000000047501	0000190862	Metlife Group Benε DFA		0000001582	00008013	Met Life 0219	2/8/2019	2019
31786	2,817,036.09	00000000000000000047501	0000190862	Metlife Group Benε DFA		0000001582	00008097	MetLife 0319	3/14/2019	2019

YTD FY 2019

24,233,682.13

Metropolitan Life Insurance Company

Preferred Dental Contract

Edison Contract #

47501

Vendor Number

190862

Reports Pulled:

4/2/2019

TN_PU_CN026 - Payments not on a contract

Payments Not On Contract	0								
Unit	Sum Merchandise Amt	Edison Contract ID	Vendor ID	Vendor Name	PO_ID	D.VOUCHER_ID	Year		

31786	0000001517	Compl	Valid	6	0000190862	Metropolitan Life Insurance Company	952,551.57	952,551.57	00000000000000000000000047501	1
31786	0000001517	Compl	Valid	7	0000190862	Metropolitan Life Insurance Company	1,793,594.69	1,793,594.69	00000000000000000000000047501	1
31786	0000001517	Compl	Valid	8	0000190862	Metropolitan Life Insurance Company	1,330,953.83	1,330,953.83	00000000000000000000000047501	1
31786	0000001517	Compl	Valid	9	0000190862	Metropolitan Life Insurance Company	107,906.18	107,906.18	00000000000000000000000047501	1
31786	0000001548	Compl	Valid	1	0000190862	Metropolitan Life Insurance Company	17,566.12	17,566.12	00000000000000000000000047501	1
31786	0000001548	Compl	Valid	2	0000190862	Metropolitan Life Insurance Company	5,950.09	5,950.09	00000000000000000000000047501	1
31786	0000001548	Compl	Valid	3	0000190862	Metropolitan Life Insurance Company	546.88	546.88	00000000000000000000000047501	1
31786	0000001548	Compl	Valid	4	0000190862	Metropolitan Life Insurance Company	9,203,291.42	9,203,291.42	00000000000000000000000047501	1
31786	0000001548	Compl	Valid	5	0000190862	Metropolitan Life Insurance Company	2,236,095.54	2,236,095.54	00000000000000000000000047501	1
31786	0000001548	Compl	Valid	6	0000190862	Metropolitan Life Insurance Company	978,704.90	978,704.90	00000000000000000000000047501	1
31786	0000001548	Compl	Valid	7	0000190862	Metropolitan Life Insurance Company	1,875,823.09	1,875,823.09	00000000000000000000000047501	1
31786	0000001548	Compl	Valid	8	0000190862	Metropolitan Life Insurance Company	1,355,129.90	1,355,129.90	00000000000000000000000047501	1
31786	0000001548	Compl	Valid	9	0000190862	Metropolitan Life Insurance Company	109,295.60	109,295.60	00000000000000000000000047501	1
31786	0000001582	Dispatched	Valid	1	0000190862	Metropolitan Life Insurance Company	23,000.00	6,865.10	00000000000000000000000047501	1
31786	0000001582	Dispatched	Valid	2	0000190862	Metropolitan Life Insurance Company	10,000.00	3,192.43	00000000000000000000000047501	1
31786	0000001582	Dispatched	Valid	3	0000190862	Metropolitan Life Insurance Company	1,000.00	370.93	00000000000000000000000047501	1
31786	0000001582	Dispatched	Valid	4	0000190862	Metropolitan Life Insurance Company	10,847,000.00	4,966,125.40	00000000000000000000000047501	1
31786	0000001582	Dispatched	Valid	5	0000190862	Metropolitan Life Insurance Company	2,621,000.00	1,201,703.48	00000000000000000000000047501	1
31786	0000001582	Dispatched	Valid	6	0000190862	Metropolitan Life Insurance Company	1,162,000.00	547,292.92	00000000000000000000000047501	1
31786	0000001582	Dispatched	Valid	7	0000190862	Metropolitan Life Insurance Company	2,214,000.00	976,115.30	00000000000000000000000047501	1
31786	0000001582	Dispatched	Valid	8	0000190862	Metropolitan Life Insurance Company	1,604,000.00	695,255.63	00000000000000000000000047501	1
31786	0000001582	Dispatched	Valid	9	0000190862	Metropolitan Life Insurance Company	131,000.00	54,357.40	00000000000000000000000047501	1

109,237,641.29
(99,075,919.88)

99,075,919.88

Remaining on PO 1582 10,161,721.41

Metropolitan Life Insurance Company

Preferred Dental Contract

Edison Contract # 47501
Vendor Number 190862
Reports Pulled: 4/2/2019

Total Contract Amount 123,000,000.00 (from Contract Amendment 2)

Payments 99,075,919.88 (from Summary Spreadsheet)

Remaining Balance 23,924,080.12

Remaining Amt Edison 13,762,358.71

Difference 10,161,721.41

Reconciliation (PO 1582):

Total Blanket PO Amount 18,613,000.00

Expended on Blanket PO 8,451,278.59

Total Remaining on Blanket PO 10,161,721.41

Difference explained if zero 0.00

Metropolitan Life Insurance Company

Preferred Dental Contract

Edison Contract # 47501

Vendor Number 190862

Reports Pulled: 4/2/2019

New contract amt	162,000,000
Current contract	<u>123,000,000</u>
Contract increase	<u>39,000,000</u>

New Contract Amt FY	Amount
2016	14,800,000
2017	29,600,000
2018	30,600,000
2019	33,000,000
2020	35,500,000
2021	<u>18,500,000</u>
	<u>162,000,000</u>

METLIFE DENTAL ASSESSMENTS

Vendor	LD Number	Year Assessed	Quarter	Amount Assessed	Guarantee	Assessment
Metlife	1	2016	IMP	\$37,000.00	Program Start-Up (See Contract Section A.15.e): Member ID cards and Certificate of Coverage mailed to members 31 Days late and provide State employees with access to update authority to the Contractor's eligibility system. System not tested and ready until 1/6/2016.	One thousand dollars (\$1,000.00) for each day beyond the deadline that any service deliverable is not completed.
Metlife	10	2016	1Q	\$300.00	Manage Reporting: All reports shall be delivered as specified in Section A.14. unless otherwise directed by the state. Three weekly file transmission statistical reports were late. Due 1/16, rec'd 2/10; Due 1/23, rec'd 2/10; and Due 1/30, rec'd 2/10.	One hundred (\$100) for each report not delivered within the time frame specified in the contract.
Metlife	10	2016	2Q	\$100.00	Manage Reporting: All reports shall be delivered as specified in Section A.14. unless otherwise directed by the state. The Monthly Call Center Report for May was late. Due 6/15, rec'd 6/30	One hundred (\$100) for each report not delivered within the time frame specified in the contract.
Metlife	3	2017	1Q	\$2,900.00	Enrollment Posting: One hundred percent (100%) of electronically transmitted enrollment updates, including the resolution of any errors identified during processing, shall be processed within four (4) business days of receipt of the weekly file as required in Contract Section A.11.e. Two school systems loaded five (5) days late. Two local government agencies loaded four (4) days late.	One hundred dollars (\$100) per day for the first (1st) and second (2nd) business days out of compliance, five hundred dollars (\$500) per business day thereafter.

METLIFE DENTAL ASSESSMENTS

<p>Metlife</p>	<p>10</p>	<p>2017</p>	<p>4Q</p>	<p>\$100.00</p>	<p>Manage Reporting: All reports shall be delivered as specified in Section A.14. unless otherwise directed by the state. November Call Center Report late. Monthly reports are due on the 15th of each month, the November report was received on the 16th.</p>	<p>One hundred (\$100) for each report not delivered within the time frame specified in the contract.</p>
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\$40,400.00

Amendment Request

This request form is not required for amendments to grant contracts. Route a completed request, as one file in PDF format, via e-mail attachment sent to: Agsprs.Agsprs@tn.gov

APPROVED	
CHIEF PROCUREMENT OFFICER	DATE

Agency request tracking #	31786-00127	
1. Procuring Agency	Benefits Administration	
2. Contractor	Metropolitan Life Insurance Company	
3. Edison contract ID #	47501	
4. Proposed amendment #	Three	
5. Contract's Original Effective Date	10/1/2015	
6. Current end date	12/31/2019	
7. Proposed end date	12/31/2020	
8. Current Maximum Liability or Estimated Liability	\$123,000,000.00	
9. Proposed Maximum Liability or Estimated Liability	\$162,000,000.00	
10. Strategic Technology Solutions Pre-Approval Endorsement Request <i>– information technology service (N/A to THDA)</i>	<input checked="" type="checkbox"/> Not Applicable <input type="checkbox"/> Attached	
11. eHealth Pre-Approval Endorsement Request <i>– health-related professional, pharmaceutical, laboratory, or imaging</i>	<input checked="" type="checkbox"/> Not Applicable <input type="checkbox"/> Attached	
12. Human Resources Pre-Approval Endorsement Request <i>– state employee training service</i>	<input checked="" type="checkbox"/> Not Applicable <input type="checkbox"/> Attached	
13. Explain why the proposed amendment is needed One-year extension of the contract		
14. If the amendment involves a change in Scope, describe efforts to identify reasonable, competitive, procurement alternatives to amending the contract. n/a		

Agency request tracking #	31786-00127
Signature of Agency head or authorized designee, title of signatory, and date (the authorized designee may sign his or her own name if indicated on the Signature Certification and Authorization document)	



CONTRACT AMENDMENT COVER SHEET

Agency Tracking # 31786-00127	Edison ID 47501	Contract # 47501	Amendment # 3		
Contractor Legal Entity Name Metropolitan Life Insurance Company			Edison Vendor ID 190862		
Amendment Purpose & Effect(s) One-Year extension of the contract					
Amendment Changes Contract End Date: <input checked="" type="checkbox"/> YES <input type="checkbox"/> NO			End Date: 12/31/2020		
TOTAL Contract Amount INCREASE or DECREASE per this Amendment (zero if N/A):			\$ 39,000,000		
Funding —					
FY	State	Federal	Interdepartmental	Other	TOTAL Contract Amount
2016			\$14,800,000		\$14,800,000
2017			\$29,600,000		\$29,600,000
2018			\$30,600,000		\$30,600,000
2019			\$33,000,000		\$33,000,000
2020			\$35,500,000		\$35,500,000
2021			\$18,500,000		\$18,500,000
TOTAL:					\$162,000,000.00
American Recovery and Reinvestment Act (ARRA) Funding: <input type="checkbox"/> YES <input checked="" type="checkbox"/> NO					
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.				<i>CPO USE</i>	
Speed Chart (optional)		Account Code (optional)			

**AMENDMENT THREE
OF CONTRACT 47501**

This Amendment is made and entered by and between the State of Tennessee, State Insurance Committee, Local Education Insurance Committee, and Local Government Insurance Committee, hereinafter referred to as the ‘State’ and Metropolitan Life Insurance Company, 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:

B. TERM OF CONTRACT:

B.1. This Contract shall be effective on October 1, 2015, and extend for a period of sixty-three (63) months after the Effective Date ("Term"). The State shall have no obligation for goods or services provided by the Contractor prior to the Effective Date.

C. PAYMENT TERMS AND CONDITIONS:

C.1. Maximum Liability. In no event shall the maximum liability of the State under this Contract exceed One Hundred Sixty Two Million Dollars (\$162,000,000.00) ("Maximum Liability"). This Contract does not grant the Contractor any exclusive rights. The State does not guarantee that it will buy any minimum quantity of goods or services under this Contract. Subject to the terms and conditions of this Contract, the Contractor will only be paid for goods or services provided under this Contract after a purchase order is issued to Contractor by the State or as otherwise specified by this Contract.

C.3. Payment Methodology. The Contractor shall be compensated based on the level of coverage in the Dental Preferred Provider Organization (DPPO) Insurance Program elected by Subscribers and the premium rates presented below, 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 provision of goods or services defined in Section A *Pro Forma* Contract.
- b. The Contractor shall be compensated based upon the following payment methodology:

(1) For service performed from January 1, 2016, through December 31, 2020, the following rates shall apply:

Four Tiered Guaranteed Monthly Premiums for Active Subscribers	Calendar Year 2016 1/1/2016 - 12/31/2016	Calendar Year 2017 1/1/2017 - 12/31/2017	Calendar Year 2018 1/1/2018 - 12/31/2018	Calendar Year 2019 1/1/2019 - 12/31/2019	Calendar Year 2020 1/1/2020 - 12/31/2020
Employee	\$21.51 /Active Subscriber	\$22.37 /Active Subscriber	\$23.18 /Active Subscriber	\$23.64/Active Subscriber	\$23.64/Active Subscriber
Employee + Spouse	\$40.69/Active Subscriber	\$42.32 /Active Subscriber	\$43.84 /Active Subscriber	\$44.72/Active Subscriber	\$44.72/Active Subscriber
Employee + Child(ren)	\$49.46/Active Subscriber	\$51.44 /Active Subscriber	\$53.29 /Active Subscriber	\$54.36/Active Subscriber	\$54.36/Active Subscriber
Employee + Spouse + Child(ren)	\$79.62/Active Subscriber	\$82.80 /Active Subscriber	\$85.78 /Active Subscriber	\$87.50/Active Subscriber	\$87.50/Active Subscriber

Four Tiered Guaranteed Monthly Premiums for Retiree Subscribers	Calendar Year 2016 1/1/2016 - 12/31/2016	Calendar Year 2017 1/1/2017 - 12/31/2017	Calendar Year 2018 1/1/2018 - 12/31/2018	Calendar Year 2019 1/1/2019 - 12/31/2019	Calendar Year 2020 1/1/2020 - 12/31/2020
Retiree	\$27.77/Retiree Subscriber	\$28.88 /Retiree Subscriber	\$29.92 /Retiree Subscriber	\$30.52/Retiree Subscriber	\$30.52/Retiree Subscriber
Retiree + Spouse	\$52.54/Retiree Subscriber	\$54.64 /Retiree Subscriber	\$56.61 /Retiree Subscriber	\$57.74/Retiree Subscriber	\$57.74/Retiree Subscriber
Retiree + Child(ren)	\$63.86/Retiree Subscriber	\$66.41 /Retiree Subscriber	\$68.80 /Retiree Subscriber	\$70.18/Retiree Subscriber	\$70.18/Retiree Subscriber
Retiree + Spouse + Child(ren)	\$102.80/Retiree Subscriber	\$106.91/Retiree Subscriber	\$110.76 /Retiree Subscriber	\$112.98/Retiree Subscriber	\$112.98/Retiree Subscriber

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, 2019. All other terms and conditions of this Contract not expressly amended herein shall remain in full force and effect.

IN WITNESS WHEREOF,

METROPOLITAN LIFE INSURANCE COMPANY:

SIGNATURE

DATE

PRINTED NAME AND TITLE OF SIGNATORY (above)

**STATE INSURANCE COMMITTEE,
LOCAL EDUCATION INSURANCE COMMITTEE,
LOCAL GOVERNMENT INSURANCE COMMITTEE:**

STUART C. MCWHORTER, CHAIRMAN

DATE



CONTRACT AMENDMENT COVER SHEET

Agency Tracking # 31786-00127	Edison ID 47501	Contract # 47501	Amendment # 2
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Contractor Legal Entity Name Metropolitan Life Insurance Company	Edison Vendor ID 190862
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Amendment Purpose & Effect(s)
Monthly premium rate increase; one year extension of the contract; increase in maximum liability

Amendment Changes Contract End Date: <input checked="" type="checkbox"/> YES <input type="checkbox"/> NO	End Date: 12/31/2019
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TOTAL Contract Amount INCREASE or DECREASE per this Amendment (zero if N/A): **\$ 32,701,000.00**

Funding —					
FY	State	Federal	Interdepartmental	Other	TOTAL Contract Amount
2016			\$14,800,000		\$14,800,000
2017			\$29,600,000		\$29,600,000
2018			\$30,600,000		\$30,600,000
2019			\$31,800,000		\$31,800,000
2020			\$16,200,000		\$16,200,000
TOTAL:					\$123,000,000.00

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

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.

Veronica Coleman Ivh

Digitally signed by Veronica Coleman Ivh
DN: cn=Veronica Coleman Ivh,
o=Finance & Administration, ou=Office
of Business and Finance,
email=lisa.vonhaeger@tn.gov, c=US
Date: 2018.06.26 12:23:44 -05'00'

CPO USE

Speed Chart (optional)	Account Code (optional)
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**AMENDMENT TWO
OF CONTRACT 47501**

This Amendment is made and entered by and between the State of Tennessee, State Insurance Committee, Local Education Insurance Committee, and Local Government Insurance Committee, hereinafter referred to as the "State" and Metropolitan Life Insurance Company, 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:

B. TERM OF CONTRACT:

- B.1. This Contract shall be effective on October 1, 2015, and extend for a period of fifty-one (51) months after the Effective Date ("Term"). The State shall have no obligation for goods or services provided by the Contractor prior to the Effective Date.
- B.2. **Renewal Options.** This contract may be renewed upon satisfactory completion of the Term. The State reserves the right to execute up to three (3) renewal options under the same terms and conditions for a period not to exceed twelve (12) months each by the State, at the State's sole option. In no event, however, shall the maximum Term, including all renewals or extensions, exceed a total of sixty - six (66) months.

C. PAYMENT TERMS AND CONDITIONS:

- C.1. **Maximum Liability.** In no event shall the maximum liability of the State under this Contract exceed One Hundred Twenty Three Million Dollars (\$123,000,000.00) ("Maximum Liability"). This Contract does not grant the Contractor any exclusive rights. The State does not guarantee that it will buy any minimum quantity of goods or services under this Contract. Subject to the terms and conditions of this Contract, the Contractor will only be paid for goods or services provided under this Contract after a purchase order is issued to Contractor by the State or as otherwise specified by this Contract.
- C.3. **Payment Methodology.** The Contractor shall be compensated based on the level of coverage in the Dental Preferred Provider Organization (DPPO) Insurance Program elected by Subscribers and the premium rates presented below, 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 provision of goods or services defined in Section A *Pro Forma* Contract.
 - b. The Contractor shall be compensated based upon the following payment methodology:
 - (1) For service performed from January 1, 2016, through December 31, 2019, the following rates shall apply:

Four Tiered Guaranteed Monthly Premiums for Active Subscribers	Calendar Year 2016 1/1/2016- 12/31/2016	Calendar Year 2017 1/1/2017 -12/31/2017	Calendar Year 2018 1/1/2018-12/31/2018	Calendar Year 2019 1/1/2019 - 12/31/2019
Employee	\$21.51 /Active Subscriber	\$22.37 /Active Subscriber	\$23.18 /Active Subscriber	\$23.64/Active Subscriber
Employee + Spouse	\$40.69/Active Subscriber	\$42.32 /Active Subscriber	\$43.84 /Active Subscriber	\$44.72/Active Subscriber
Employee + Child(ren)	\$49.46/Active Subscriber	\$51.44 /Active Subscriber	\$53.29 /Active Subscriber	\$54.36/Active Subscriber

Employee + Spouse + Child(ren)	\$79.62/Active Subscriber	\$82.80 /Active Subscriber	\$85.78 /Active Subscriber	\$87.50/Active Subscriber
Four Tiered Guaranteed Monthly Premiums for Retiree Subscribers	Calendar Year 2016 1/1/2016 - 12/31/2016	Calendar Year 2017 1/1/2017 - 12/31/2017	Calendar Year 2018 1/1/2018 - 12/31/2018	Calendar Year 2019 1/1/2019 - 12/31/2019
Retiree	\$27.77/Retiree Subscriber	\$28.88 /Retiree Subscriber	\$29.92 /Retiree Subscriber	\$30.52/Retiree Subscriber
Retiree + Spouse	\$52.54/Retiree Subscriber	\$54.64 /Retiree Subscriber	\$56.61 /Retiree Subscriber	\$57.74/Retiree Subscriber
Retiree + Child(ren)	\$63.86/Retiree Subscriber	\$66.41 /Retiree Subscriber	\$68.80 /Retiree Subscriber	\$70.18/Retiree Subscriber
Retiree + Spouse + Child(ren)	\$102.80/Retiree Subscriber	\$106.91/Retiree Subscriber	\$110.76 /Retiree Subscriber	\$112.98/Retiree Subscriber

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, 2018. All other terms and conditions of this Contract not expressly amended herein shall remain in full force and effect.

IN WITNESS WHEREOF,

METROPOLITAN LIFE INSURANCE COMPANY:

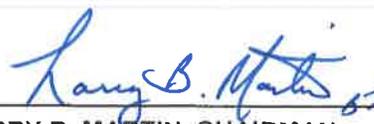
 6/22/18

 SIGNATURE DATE

Michael McDermott Vice-President

 PRINTED NAME AND TITLE OF SIGNATORY (above)

STATE INSURANCE COMMITTEE,
 LOCAL EDUCATION INSURANCE COMMITTEE,
 LOCAL GOVERNMENT INSURANCE COMMITTEE:

 6-26-18

 LARRY B. MARTIN, CHAIRMAN DATE



CONTRACT AMENDMENT COVER SHEET

Agency Tracking # 31786-00127	Edison ID 47501	Contract # 47501	Amendment # 1
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Contractor Legal Entity Name Metropolitan Life Insurance Company	Edison Vendor ID 190862
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Amendment Purpose & Effect(s)
Rate increase and extension of the contract

Amendment Changes Contract End Date: YES NO End Date: 12/31/2018

TOTAL Contract Amount INCREASE or DECREASE per this Amendment (zero if N/A): **\$ 28,299,000.00**

Funding —					
FY	State	Federal	Interdepartmental	Other	TOTAL Contract Amount
2016			\$15,500,000		\$15,500,000
2017			\$31,000,000		\$31,000,000
2018			\$28,507,000		\$28,507,000
2019			\$15,292,000		\$15,292,000

TOTAL: **\$90,299,000.00**

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

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.

Veronica Cleman 8/24/17

CPO USE

Speed Chart (optional)	Account Code (optional)
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**AMENDMENT ONE OF
CONTRACT 47501**

This Amendment is made and entered by and between the State of Tennessee, State Insurance Committee, Local Education Insurance Committee, and Local Government Insurance Committee, hereinafter referred to as the "State" and Metropolitan Life Insurance Company, 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:

B. TERM OF CONTRACT:

- B.1. This Contract shall be effective on October 1, 2015, and extend for a period of thirty-nine (39) months after the Effective Date ("Term"). The State shall have no obligation for goods or services provided by the Contractor prior to the Effective Date.
- B.2. **Renewal Options.** This contract may be renewed upon satisfactory completion of the Term. The State reserves the right to execute up to three (3) renewal options under the same terms and conditions for a period not to exceed twelve (12) months each by the State, at the State's sole option. In no event, however, shall the maximum Term, including all renewals or extensions, exceed a total of sixty - six (66) months.

C. PAYMENT TERMS AND CONDITIONS:

C.1. Maximum Liability. In no event shall the maximum liability of the State under this Contract exceed Ninety Million Two Hundred Ninety Nine Thousand dollars (\$90,299,000.00) ("Maximum Liability"). This Contract does not grant the Contractor any exclusive rights. The State does not guarantee that it will buy any minimum quantity of goods or services under this Contract. Subject to the terms and conditions of this Contract, the Contractor will only be paid for goods or services provided under this Contract after a purchase order is issued to Contractor by the State or as otherwise specified by this Contract.

C.3. Payment Methodology. The Contractor shall be compensated based on the level of coverage in the Dental Preferred Provider Organization (DPPO) Insurance Program elected by Subscribers and the premium rates presented below, 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 provision of goods or services defined in Section A *Pro Forma* Contract.
- b. The Contractor shall be compensated based upon the following payment methodology:

(1) For service performed from January 1, 2016, through December 31, 2018, the following rates shall apply:

Four Tiered Guaranteed Monthly Premiums for Active Subscribers	Calendar Year 2016 1/1/2016 - 12/31/2016	Calendar Year 2017 1/1/2017 - 12/31/2017	Calendar Year 2018 1/1/2018 - 12/31/2018
Employee	\$21.51 /Active Subscriber	\$22.37 /Active Subscriber	\$23.18 /Active Subscriber
Employee + Spouse	\$40.69/Active Subscriber	\$42.32 /Active Subscriber	\$43.84 /Active Subscriber
Employee + Child(ren)	\$49.46/Active Subscriber	\$51.44 /Active Subscriber	\$53.29 /Active Subscriber

Employee + Spouse + Child(ren)	\$79.62/Active Subscriber	\$82.80 /Active Subscriber	\$85.78 /Active Subscriber
Four Tiered Guaranteed Monthly Premiums for Retiree Subscribers	Calendar Year 2016 1/1/2016 - 12/31/2016	Calendar Year 2017 1/1/2017 - 12/31/2017	Calendar Year 2018 1/1/2018 - 12/31/2018
Retiree	\$27.77/Retiree Subscriber	\$28.88 /Retiree Subscriber	\$29.92 /Retiree Subscriber
Retiree + Spouse	\$52.54/Retiree Subscriber	\$54.64 /Retiree Subscriber	\$56.61 /Retiree Subscriber
Retiree + Child(ren)	\$63.86/Retiree Subscriber	\$66.41 /Retiree Subscriber	\$68.80 /Retiree Subscriber
Retiree + Spouse + Child(ren)	\$102.80/Retiree Subscriber	\$106.91/Retiree Subscriber	\$110.76 /Retiree Subscriber

D. 31 Iran Divestment Act. The requirements of Tenn. Code Ann. § 12-12-101 et seq., addressing contracting with persons as defined at T.C.A. §12-12-103(5) that engage in investment activities in Iran, shall be a material provision of this Contract. The Contractor certifies, under penalty of perjury, that to the best of its knowledge and belief that it is not on the list created pursuant to Tenn. Code Ann. § 12-12-106.

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 August 1, 2017. All other terms and conditions of this Contract not expressly amended herein shall remain in full force and effect.

IN WITNESS WHEREOF,

METROPOLITAN LIFE INSURANCE COMPANY:



June 22, 2017

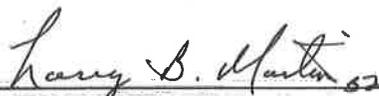
SIGNATURE

DATE

Michael McDermott, Vice President

PRINTED NAME AND TITLE OF SIGNATORY (above)

STATE INSURANCE COMMITTEE,
LOCAL EDUCATION INSURANCE COMMITTEE,
LOCAL GOVERNMENT INSURANCE COMMITTEE:



LARRY B. MARTIN, CHAIRMAN

6-26-17

DATE



CONTRACT

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

Begin Date 10/01/2015	End Date 12/31/2017	Agency Tracking # 31786-00127	Edison Record ID 47501
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Contractor Legal Entity Name Metropolitan Life Insurance Company	Edison Vendor ID 190862
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Goods or Services Caption (one line only)
Dental Preferred Provider Organization

Contractor <input checked="" type="checkbox"/> Contractor	CFDA #
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Funding —					
FY	State	Federal	Interdepartmental	Other	TOTAL Contract Amount
2016			\$15,500,000.00		\$15,500,000.00
2017			\$31,000,000.00		\$31,000,000.00
2018			\$15,500,000.00		\$15,500,000.00
TOTAL:			\$62,000,000.00		\$62,000,000.00

Contractor Ownership Characteristics:

- Minority Business Enterprise (MBE): African American, Asian American, Hispanic American, Native American
- Woman Business Enterprise (WBE)
- Tennessee Service Disabled Veteran Enterprise (SDVBE)
- Tennessee Small Business Enterprise (SBE): \$10,000,000.00 averaged over a three (3) year period or employs no more than ninety-nine (99) employees.
- Other: Not Minority/Disadvantaged

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

- Competitive Selection RFP
- Other

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.

Felenceo M. Hill
Digitally signed by Felenceo Hill
Date: 2015.12.03 12:14:55 -06'00'

Speed Chart (optional)	Account Code (optional) 79007000 <i>CM</i>
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**CONTRACT
BETWEEN THE STATE OF TENNESSEE,
INSURANCE COMMITTEES,
AND
METROPOLITAN LIFE INSURANCE COMPANY**

This Contract, by and between the State of Tennessee, Insurance Committees (State, Local Education, and Local Government); hereinafter referred to as the "State" and Metropolitan Life Insurance Company, hereinafter referred to as the "Contractor," is for the provision of a voluntary Dental Preferred Provider Organization (DPPO) insurance program (Program), as further defined in the "SCOPE OF SERVICES."

The Contractor is a For-Profit Corporation.
Contractor Place of Incorporation or Organization: New York
Contractor Edison Registration ID # 190682

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.
- a. The Contractor agrees to provide and administer a fully insured voluntary Dental Preferred Provider Organization (DPPO) insurance program (Program) option to eligible employees of State agencies, as well as Local Education and Local Government agencies electing to participate in the State's group dental insurance plan; retirees receiving a benefit from the Tennessee Consolidated Retirement System (TCRS) or who participated in a Higher Education optional retirement plan (ORP); and dependents of employees and retirees who elect to participate in the Dental Preferred Provider Organization Program option (hereinafter, enrolled employees/retirees shall be referred to as "Subscribers" and all participants collectively shall be referred to as "Members"). The DPPO option shall be delivered in accordance with the provisions of this Contract, including Contract Attachment D - DPPO Insurance Benefits, and the *Certificate of Coverage* created under Contract Section A.16.a. of this contract which shall be incorporated hereto by reference. The insurance coverage for the Program shall range from January 1, 2016 through December 31, 2017, unless the contract is extended for additional year(s). It shall be the responsibility of the Contractor to process all claims incurred on or before the end of this contract, including any extended years. No compensation, beyond that specified in this Contract, shall be paid for completion of this task as it is recognized to be part of the Contractor's responsibilities.
 - b. The Contractor shall accept confirmation from the State of the in-force status of each Member's coverage and confirm the eligibility of each claimant as claims are submitted, on the basis of enrollment information maintained electronically in the State's computer system (currently known as "Edison") and provided electronically to the Contractor for housing in the Contractor's computer system. The Contractor shall receive claims filed by either Members or the providers and shall process said claims in a timely and accurate manner.
 - c. The Contractor shall provide coverage to eligible Members who elect the DPPO option; participation in said option shall be for the entire Plan Year unless the Member's coverage has been terminated.
 - d. The Contractor shall allow for COBRA continuation coverage for eligible Members.
 - e. The Contractor shall provide customary corporate office services and functions including but not limited to call center, claims payment, administration and accounting.
 - f. The Contractor shall provide advice and assistance with regard to questions as raised by the State, Members, employees, and retirees.



- g. The Contractor shall provide advice, assistance and information with regard to applicable Federal and State laws, court holdings and regulations affecting group dental insurance, and other Program related matters as needed.
- h. The Contractor shall accept all current Members' coverage transferred from the prior contract, without any break or lapse in coverage. Months enrolled under prior contract shall count toward any Member waiting periods in this contract.
- i. The total amount for each procedure code proposed by the Contractor in RFP #31786-00127, Attachment 6.3., Table A will serve as the Members' guaranteed maximum allowable charges (MAC) for these procedure codes for calendar year 2016. The proposed MAC submitted on the Respondent's completed Table A is included in this contract by reference. The dental procedure codes in the RFP Attachment 6.3, Table A are not all inclusive of the covered procedures under this contract.
 - (1) The Contractor shall guarantee no increase in the amounts in the Maximum Allowable Charge (MAC) proposed in the RFP Attachment 6.3, Table A for calendar year 2016.
 - (2) The Contractor shall prepare a Maximum Allowable Charge (MAC) table which shall consist of all dental procedure codes covered under this Contract and provide a copy of the table to the State.
 - (3) The Contractor may reduce at any time the MAC amounts for any and all dental procedure codes covered under this contract.
 - (4) The Contractor may add to the MAC table additional dental procedure codes upon State approval should the Contractor determine that it would be to the advantage of Members to cover the specific procedures.
 - (5) The Contractor may not remove dental procedure codes from the MAC table without approval from the State.
 - (6) Any revised MAC table shall be incorporated into this contract by reference and the Contractor shall provide a copy of the current table to the State when the schedule is modified.
 - (7) The Contractor may increase amounts in the MAC table after calendar year 2016.
- j. The Contractor shall furnish information to each claimant regarding the payment or rejection of claims.

A.2. Dental Provider Network

- a. The Contractor shall establish and administer a Tennessee statewide and national network of dental providers who have agreed to accept the Contractor's Maximum Allowable Charges for services provided to Members participating in the DPPO option. The Contractor further agrees to secure under contract, participation by General Dentist and Dental Specialists (i.e. Oral Surgeons, Orthodontists, Endodontists, Periodontist and Pedodontists) as needed and necessary to continuously provide adequate distribution, and reasonable access, and acceptable provider turnover rates as defined in Contract Attachment B – Liquidated Damages, Item # 13 and 14. The State shall review network accessibility and shall inform the Contractor, in writing, of any deficiencies it identifies which deny reasonable access to dental care. The Contractor shall respond to the State, in writing, as to the action it intends to take to correct said deficiencies.
- b. The Contractor shall maintain the capability to respond to inquiries from Members concerning provider participation and network providers' availability to accept new patients, by specialty by county. Such capabilities shall be available via a Member toll-free Call Center (see Contract Section A.4.) and the Contractor's website (see Contract Section A.8) which includes dental provider search capability available to all Members.
- c. The Contractor shall contract only with dentists who are duly licensed by the state in which they are providing dental services. In addition, the Contractor shall require that all providers maintain all licenses and accreditations in existence at the time of selection as a network



provider and in order to continue their status as a network provider. The Contractor shall perform on a continuous basis appropriate provider credentialing that assures the quality of network providers. Re-credentialing of network providers must be performed at least every three (3) years.

- d. The Contractor shall maintain communication with providers to ensure a high degree of continuity in the provider base and ensure that the providers are familiar with the DPPO benefits and procedural requirements. There shall be provisions to allow for on-site visits to the provider's office by the Contractor's staff, in addition to telephone and written contact for the purpose of monitoring provider conformance with program standards and quality requirements.
- e. The Contractor shall notify all network providers of and enforce, through the Contractor's provider contract, compliance with all provisions of the DPPO Benefits Program and the applicable *Certificate of Coverage* by the date specified in contract section A.15.e.7. unless otherwise directed by the State.
- f. The Contractor shall require all network providers to file claims, associated with their services, directly with the Contractor on behalf of Members.
- g. The Contractor shall have a process in place to address the transfer of Member records from terminating providers to new network providers. This process shall include at a minimum the transfer of the appropriate patient dental record, including the most recent x-rays if appropriate, covering the prior twenty-four (24) month period in hard copy or electronic format. Such cost of transfer shall not be borne by the Member or State.

A.3. Staffing

- a. The Contractor shall provide and maintain qualified personnel and staffing to provide the deliverables and services in accordance with this Contract.
- b. The Contractor shall ensure that all staff, including the Contractor's employees, independent contractors, consultants, and subcontractors, performing services under this contract, have the experience and qualifications to perform the applicable services.
- c. The Contractor shall designate an Account Manager and a back-up with overall responsibility for the State Program. The Account Manager shall serve as the single point of contact for the State and have overall responsibility for the Contractor's functions under the Contract. The Account Manager shall have the authority to make decisions and resolve problems on behalf of the Contractor with the State and shall remain dedicated to the work of the Contract for the duration of the Contract.
- d. In addition to the Account Manager, the Contractor shall designate a Customer Service Manager, who shall manage the Call Center operations and staff and shall remain dedicated to the work of the Contract for the duration of the Contract.
- e. The Contractor shall also designate an Information Systems Project Coordinator who shall be responsible for implementation of the systems requirements for administering the Program and interfaces with the State.
- f. All key Contractor project staff shall attend a project kick-off meeting at the State of Tennessee offices in Nashville, TN within the first thirty (30) days after the Contract Award Date.
- g. The Contractor shall train its representatives/operators and other staff regarding the provisions of the State's Program. The Contractor's staff shall successfully complete the training program prior to assuming their duties. The Contractor shall conduct regular staff refresher training to address Program, process, and policy training.



- h. For work under this Contract, the Contractor shall employ no employees or contract with subcontractors that are on the U.S. Department of Health and Human Services' Office of Inspector General (OIG) exclusions list unless the Contractor receives prior, written approval from the State.
- i. The Contractor agrees that, prior to the execution of the Contract, it will provide the State with a list of the subcontractors that will be utilized in connection with this Contract and will provide reasonable advance notice of any additional subcontractors that may be used. The State may approve or disapprove the Contractor's Subcontractors or its staff assigned to this Contract if the State is not satisfied with the service delivered by the subcontractor or its staff. Should the State disapprove of any particular subcontractor, the Contractor will work with the State in good faith to procure a reasonable alternative subcontractor. The State may also direct the Contractor to replace staff members providing core services and/or interacting regularly with the State as it deems necessary and appropriate. The decision of the State on these matters shall not be subject to appeal.
- j. Key personnel commitments made by the Contractor shall not be changed unless prior approval is received from the State. For these purposes, such commitments shall include any named individuals in the proposal and the levels of effort proposed. The Contractor shall notify the State at least fifteen (15) days in advance of proposed changes and shall submit justification (including proposed substitutions) in sufficient detail to the State to evaluate the impact upon the Contract.
- k. The Contractor shall survey State staff named by the State annually to determine the State's satisfaction with the Account Team and report the results of the survey to the State (see Contract Attachment C – Reporting Requirements #8).

A.4. Call Center

- a. The Contractor shall maintain a Call Center and provide a dedicated toll-free line, by the date specified in A.15.e.10. for the exclusive purpose of responding to Member inquiries. The Contractor shall provide advice and assistance to Members regarding issues such as, but not limited to, benefits, claims status, and the network.
- b. Call Center Requirements
 - (1) The Contractor shall operate a Call Center that uses a designated toll-free number as the "front-end" entry point for callers. The Contractor's Call Center shall have designated representatives/operators to respond to inquiries from Members.
 - (2) The Contractor's call center and staff shall be located in the continental United States.
 - (3) The Contractor's Call Center shall accept calls, at a minimum, from 7:00 a.m. to 4:30 p.m. Central Time (CT), Monday through Friday.
 - (4) The Contractor's Call Center shall be equipped with TDD (Telecommunication Device for the Deaf) or TTY (Teletype) in order to serve the hearing impaired population.
- c. Call Center Processes
 - (1) The Contractor's call center shall maintain a monthly average rate of thirty (30) seconds or less for the Average Speed of Answer (ASA)
 - (2) The Contractor's call center shall maintain a monthly average rate of ninety-two percent (92%) for First Call Resolution.



- d. The Contractor shall provide call center statistics related to the performance standards above to the State on a weekly basis during the thirty (30) days prior to the go-live date through sixty (60) days after the go-live date. After sixty (60) days from the go-live date, the call center statistics report shall be submitted to the State only on a monthly basis. (See Contract Attachment C – Reporting Requirements #7)
- e. The Contractor's call center shall have call management systems and communications infrastructure that can manage the potential call volume and achieve the performance standards described in this Contract.
- f. The Contractor's call management systems shall be scalable and flexible so they can be adapted as needed, within negotiated timeframes where applicable, in response to Program, benefit, or enrollment changes.
- g. The Contractor's call management systems shall be equipped with caller identification. In addition, the Contractor's call center shall adopt caller identification for itself.
- h. The Contractor's call management system shall record and index all calls such that the Contractor can easily retrieve recordings of individual calls based on the phone number of the caller, the caller's name, the date/time of the call and the staff member who handled the call. The Contractor shall be able to provide a full recording of each call upon the State's request. The Contractor shall archive the recordings for one year from the date of each call.
- i. The Contractor may use an automated interactive voice response (IVR) system for managing inbound calls, provided that the caller always has the ability to leave the IVR system and wait in the queue in order to speak directly with a live-voice call center staff member rather than continuing through additional prompts.
- j. The Contractor shall have the ability to make outbound calls without interrupting the ability of callers to continue to access the call center.
- k. The call management system shall enable the logging of all calls, including:
 - (1) The caller's identifying information (e.g., Edison employee ID);
 - (2) The call date and time;
 - (3) The reason for the call;
 - (4) The member services representative that handled the call;
 - (5) The length of call; and
 - (6) The resolution of the call and if unresolved, the action taken and follow up steps required.
- l. Additionally, the call management systems shall maintain a history of correspondence and call transactions for performance management, quality management and audit purposes. This history shall contain the actual information, a date/time stamp that corresponds to when the transaction took place, the origin of the transaction (e.g., the State and /or one of its authorized representatives or the Member), and the member services representative that processed the transaction. Related correspondence and calls shall be indexed and properly recorded such that they can be treated in reporting and analysis as part of a distinct transaction.



A.5. Member Communications/Materials

- a. The Contractor shall, in consultation with and following written approval by the State, develop and disseminate Member information and communication materials (hereinafter referred to as Member materials). Member materials shall include, but are not limited to, identification cards, Member handbooks, provider directories, administrative forms, letters, manuals, brochures, fliers, certificate of coverage, webinars and online videos. This provision excludes enrollment forms, which are the State's responsibility.
- b. Member materials shall be finalized (including State review and sign-off) and ready for distribution prior to the State's fall Annual Enrollment Period.
- c. In addition to the Member materials referenced above, the Contractor shall assist the State, if requested, in the education and dissemination of general information regarding the Program. This assistance may include but not be limited to:
 - (1) Written information;
 - (2) Audio/video presentations;
 - (3) Attendance at meetings, workshops, and conferences; and
 - (4) Educating State staff and other persons on Contractor's administrative and benefits procedures.
- d. Unless otherwise specified in this Contract, the Contractor shall be responsible for all costs related to the design, development, printing, distribution, mailing (if applicable), and revision of all Member materials that are required to be produced under the terms of this Contract.
- e. If the State requires mailings above those identified in the contract, the State shall pay the postage, printing and production costs of such mailings pursuant to Contract Sections C.3.c. and C.3.d.
- f. Unless otherwise directed by the State, the Contractor shall obtain approval in writing from the State prior to using or distributing any Member materials.
- g. The Contractor shall work in conjunction with the State's communications staff to ensure continuity of branding across all program and Member materials, website, and any other communications information. This branding shall include, but is not limited to, use of the ParTNers for Health logo, color scheme and applicable taglines. All uses of these branding elements shall be subject to prior written approval by the State.
- h. The Contractor shall have the exclusive responsibility to write, edit, and arrange for clearance of materials (such as securing full time use of a stock photograph for perpetuity) for any and all member materials in time for the materials to be approved by the State and printed.
- i. The Contractor shall ensure that its member materials are culturally sensitive and professional in content, appearance, and design.
- j. The Contractor shall prominently display the Contractor's call center telephone number and website address in large, bolded typeface on all Member materials.
- k. The Contractor shall, to the extent practicable, use relatively large and legible fonts in its Member materials. Additionally, the Contractor shall make maximum use of graphics to communicate key messages to populations with limited literacy or limited English proficiency.



- l. Unless otherwise prior approved in writing by the State, the Contractor shall design all member materials at the sixth (6.0) grade level or lower using the Flesch-Kincaid Index or other suitable metric that the State prior approves in writing. The Contractor shall evaluate materials using the entire text of the materials (except return addresses). When submitting draft materials to the State for approval, the Contractor shall provide a reading level analysis and certification of the reading level of each piece of material.
- m. The Contractor covenants that all materials distributed to Members and prepared or produced by the Contractor shall be accurate in all material respects.
- n. The Contractor shall ensure that up-to-date versions of all printed Member materials can be downloaded from its website/portal.
- o. The number of Member handbooks and other relevant information to be printed shall be in sufficient quantities for distribution to the State's enrolled Subscribers, plus fifteen percent (15%) for distribution to new hires.
- p. At the State's request, the Contractor shall attend meetings, workshops, and conferences to discuss and market the Program. Any on-site visits to agencies covered under this plan shall require prior approval by the State.
- q. Prohibition on Promotional Materials: Unless approved in advance and in writing by the State, the Contractor shall not distribute any promotional materials or gifts to employees or plan members, even if such gifts are of a de minimus value (e.g., magnets, pens, etc.).

A.6. Member Identification Cards and Certificates of Coverage

- a. The Contractor shall provide Members with identification (I.D.) cards and Certificates of Coverage following initial enrollment and thereafter only when a change is necessary. The cost of these items shall be borne by the Contractor. The State reserves the authority to review I.D. cards prior to issuance for use. The Contractor shall mail identification cards and Certificates of Coverage to members no later than twenty-one (21) calendar days prior to the go-live date as shown in contract section A.15.e.3. During the benefit year the Contractor shall mail I.D. cards and Certificates of Coverage to new members no later than ten (10) days from receipt of new enrollment and I.D. cards to existing members upon change in enrollment, as indicated in the enrollment information from the State and no later than ten (10) days from receipt of a Member's request for a replacement or duplicate card (at no charge to the member), and 14 days prior to each benefit year if requested by the State.
- b. The Contractor shall have the capability on its website (see Contract Section A.8.k.) to allow members to print out temporary cards.
- c. The Contractor shall use the State's Edison employee identification number (not Social Security Number) as the primary unique identifier for Members and shall include this number as the Member's identification number on the identification card.

A.7. Member Handbooks and Provider Directories

- a. The Contractor, following review and approval by the State, shall update, print and distribute, upon the State's request, Member handbooks and shall maintain on its website an up-to-date version of the Member handbook.
- b. The Member handbook shall be specific to the Program and shall detail benefits, premium rates, and provide other information helpful to members.



- c. The Contractor shall distribute the Member handbook with a cover letter, if requested by the State, to every Subscriber no later than twenty-one (21) days prior to the go-live date as shown in contract section A.15.e.3. and thereafter fourteen (14) days prior to the start of each benefit year if requested by the State.
- d. During the benefit year the Contractor shall mail handbooks and provider directories to new members, if requested by the State, no later than ten (10) days from receipt of new enrollment. With the State's approval, electronic means may be utilized to provide the Member handbook and to inform Members of the network of providers.
- e. Upon the State's request, the Contractor shall provide Member handbooks to Agency Benefits Coordinators within fifteen (15) days of the State's request to provide copies.
- f. The Contractor shall provide an electronic copy of the Member handbook to the State for posting on the State's website.
- g. The network provider directory must include provider name, address and phone number and be organized in geographic areas at least as small as counties.

A.8. Website

- a. In addition to the Contractor's own website where plan and member specific information shall be incorporated, the Contractor shall maintain a "splash" page dedicated to and customized for this Contract containing general plan information that does not require a member to login. The design of the splash page, inclusive of the site map, page layout, color/font scheme and branding, static content and any documents which can be accessed via or downloaded from the website, must be prior approved in writing by the State. Additionally, the Contractor shall obtain prior, written approval from the State for any links from the site to an external website/portal or webpage.
- b. The Website shall be fully operational on or before the date specified in contract section A.15.e.13.
- c. The Contractor shall update content and/or documents posted to the website within five (5) business days of the State's approval of changes to said content and/or documents.
- d. In association with the State's Annual Enrollment Period, the Contractor shall provide all information pertinent to each new plan year on the website/portal by the first day of said period.
- e. The Contractor shall submit to the State a website design specifications document, inclusive of a comprehensive site map, page design documentation including "screenshots" of all pages, all links to external sites (governmental and non-governmental) and all static content and documents associated with release #1 of the website for review and approval by the date specified in contract section A.15.e.14.
- f. The Contractor shall host the website/portal on a non-governmental server, which shall be located within the United States.
- g. The Contractor shall ensure that the website/portal meets all of the capacity, availability, performance and security requirements outlined in Contract Sections A.10. and A.11.
- h. The Contractor shall obtain and cover the cost of the domain name for the website/portal.
- i. To ensure accessibility among persons with a disability, the Contractor's website shall comply with Section 508 of the Rehabilitation Act of 1973 (29 USC Section 794d) and implementing regulations at 36 CFR 1194 Parts A-D.



- j. At a minimum the website shall contain a home page with general information and links to additional information including, but not limited to, benefits, frequently asked questions (FAQs), the Member handbook, replacement or temporary id card, forms, and other information as requested by the State.

A.9. Administrative Services

- a. The Contractor, upon request by the State, shall review and comment on proposed revisions to the benefits provisions in the Program. When so requested, the Contractor shall comment in regard to:
 - (1) industry practices;
 - (2) the overall cost impact to the Program;
 - (3) necessary changes in the Contractor's reporting requirements; and/or
 - (4) system changes required to administer any revised Program provisions.
- b. The Contractor shall provide advice, assistance and information to the State regarding applicable existing and proposed Federal and State laws and regulations affecting the Program.
- c. The Contractor shall provide advice and assistance with regard to questions as raised by the State, individual employees/retirees, former Members and others identified by the State.
- d. The Contractor shall refer calls regarding eligibility and premium payment issues to the State.
- e. The Contractor shall respond to all inquiries in writing from the State within three (3) business days after receipt of said inquiry. In cases where additional information to answer the State's inquiry is required, the Contractor shall notify the State within two (2) business days as to when the response can be furnished to the State. For matters designated as urgent by the State, the Contractor shall provide a response to the State within four (4) hours during normal business hours. During non-business hours, the Contractor shall provide a response to urgent matters to the State within twenty-four (24) hours. Staff members, from the applicable business unit, with final decision making authority shall provide responses. Said responses may be communicated through the Account Manager.
- f. The Contractor shall answer, in writing, within five (5) business days, all written inquiries from Members concerning the status of claims submitted, all benefits available through the benefit option, its clarifications and revisions, and other relevant information.
- g. The Contractor shall establish a formal grievance procedure for Members and providers to appeal decisions in regard to administration of the program and to resolve disputes that may arise in the administration of the program. The Contractor shall provide the State with a written copy of this grievance procedure by the date specified on contract section A.15.e.15, and the State reserves the right to require changes in the procedures when appropriate.
- h. To maintain the privacy of personal information, the Contractor shall enable Transport Layer Security (TLS), or other encryption software as directed by the State, on the mail server used for daily communications between the State and the Contractor. TLS, or other protocols that provide data encryption, shall be enabled no later than the go-live



date as listed in contract section A.15.e.16. and shall remain in effect throughout the term of the contract unless otherwise directed by the State.

- i. The Contractor shall meet with representatives of the State periodically, but no less than annually, to discuss programmatic, operational and contractual issues related to the Program. The Contractor shall have in attendance the staff requested by the State, which shall include the Account Manager and representatives from the Contractor's organizational units required to respond to topics indicated by the agenda. These meetings will take place at the State of Tennessee offices in Nashville, TN. Quarterly meetings between the Contractor and the State may also be held upon request by either the Contractor or the State. However, at its discretion, the State may allow the Contractor to participate in quarterly meetings by teleconference.
- j. The Contractor shall perform, following review and approval by the State, annual customer satisfaction surveys. The survey instrument shall be developed and approved by the State by the date specified in Contract Section A.15.e.18. The survey shall be conducted at a time mutually agreed upon by the State and the Contractor and shall involve a statistically valid random sample of State members. Contractor shall guarantee a statistically valid response rate consistent with the sample size. Based upon the results of the survey, the Contractor and the State shall jointly develop an action plan to correct problems or deficiencies identified through this activity.
- k. The Contractor shall not modify the services or benefits provided to Members during the term of this Contract without the prior written consent of the State.
- l. The Contractor shall refer all media and legislative inquiries to the Division of Benefits Administration, which will have the sole and exclusive responsibility to respond to all such queries. However, the Contractor shall respond directly to audit requests from the Comptroller, to audit requests from divisions within the Department of Finance & Administration, and to subpoenas; in all such instances, the Contractor shall copy the Division of Benefits Administration on all correspondence.
- m. Unless prior approved in writing by the State and in compliance with State and Federal law, the Contractor shall not use information gained through this Contract, including but not limited to utilization and pricing information, in marketing or expanding non-State business relationships or for any pecuniary gain.

A.10. Information Systems

- a. The Contractor shall save in its computer system the State's Edison employee identification number for Members and shall include the Edison identification number when communicating with the State about a particular Member.
- b. The Contractor shall for reporting purposes capture in its system the Member's agency of employment as identified in the State's Edison 834 enrollment record.
- c. Call Center Systems Access: The Contractor's call center staff shall have access to claims management and other systems as necessary to respond to inquiries from members.
- d. All Contractor systems shall maintain linkages and Subscriber - dependent (e.g., spouse to spouse and parent to child) relationships between initial and related subsequent interactions/transactions/events/activities. Additionally, when the Contractor houses indexed images of documents used by Members and subcontractors to transact with the Contractor, the Contractor shall ensure that these documents maintain logical relationships to certain key data such as member identification and subcontractor identification numbers. The Contractor shall also ensure that records associated with a common event, transaction or customer service issue have a common index that



facilitates search, retrieval and analysis of related activities, e.g., interactions with a particular member about the same matter/problem/issue.

- e. Upon the State's request, the Contractor shall be able to generate a listing of all Members (including each Member's Edison identification number) that were sent a particular document, the date and time that the document was generated, and the date and time that it was sent to particular Members or groups thereof. The Contractor shall also be able to generate a sample of said document.
- f. Retention and Accessibility of Information
 - (1) The Contractor shall provide and maintain a comprehensive information retention plan that is in compliance with State and Federal requirements.
 - (2) The Contractor shall maintain information on-line for a minimum of one (1) year, based on the last date of update activity, and update detailed and summary history data for up to two (2) years to reflect adjustments.
 - (3) The Contractor shall provide within three (3) business days turnaround or better on requests for access to information. Such requests for information shall be made by the State or its authorized designee.
 - (4) If an audit or administrative, civil or criminal investigation or prosecution is in progress or audit findings or administrative, civil or criminal investigations or prosecutions are unresolved, information shall be kept in electronic form until all tasks or proceedings are complete.
- g. Information Ownership. All information, whether data or documents, and reports that contain or make references to said information, involving or arising out of this Contract is owned by the State. The Contractor is expressly prohibited from sharing or publishing State information and reports or releasing such information to external entities, affiliates, parent company, or subsidiaries without the prior written consent of the State.
 - (1) Upon termination of this Contract and request by the State, the Contractor shall provide to the State or its designated agent, pertinent data identified by the State for Members to effect a transition of the Program from the Contractor. The information shall be furnished in a format and medium as is compatible with the data processing system maintained by the State or its designated agent. Additionally, the Contractor shall provide all information necessary to properly interpret the data supplied. To ensure the continuous operation of the Program and upon 30 days' notice, this information shall be provided to the State or its designated agent at least 45 days prior to the termination date of this Contract; further, the State may require the Contractor to provide this information at various other times prior to or after the termination date of this Contract.
- h. System Availability, Business Continuity and Disaster Recovery (BC-DR)
 - (1) The Contractor shall ensure that critical Member and other web-accessible and/or telephone-based functionality and information including the website described in Contract Section A.8. (to be agreed to by the State and the Contractor) are available to the applicable System users twenty-four (24) hours a day, seven (7) days a week, except during periods of scheduled system unavailability agreed upon by the State and the Contractor. Unavailability caused by events outside of the Contractor's span of control is outside of the scope of this requirement. Notification of any scheduled maintenance shall be posted on the member website/portal. The Contractor shall make efforts to minimize any down-time between 5:00 a.m. and 10:00 p.m. Central Time.



- (2) The Contractor shall ensure that the systems within its span of control that support its data exchanges with the State are available and operational according to the specifications and schedule associated with each exchange.
- (3) Regardless of the architecture of its systems, the Contractor shall develop and be continually ready to invoke a business continuity and disaster recovery (BC-DR) plan. The BC-DR plan shall encompass all information systems supporting this Contract. At a minimum the Contractor's BC-DR plan shall address the following scenarios:
 - i. Central and/or satellite data processing, telecommunications, print and mailing facilities and functions therein, hardware and software are destroyed or damaged;
 - ii. System interruption or failure resulting from network, operating hardware, software, communications infrastructure or operational errors that compromise the integrity of transactions that are active in a live system at the time of the outage;
 - iii. System interruption or failure resulting from network, operating hardware, software, communications infrastructure or operational errors that compromise the integrity of data maintained in a live or archival system; and
 - iv. System interruption or failure resulting from network, operating hardware, software, communications infrastructure or operational errors that does not compromise the integrity of transactions or data maintained in a live or archival system but does prevent access to the system.
- (4) The Contractor shall provide the State a written summary of its BC-DR plan and latest test results at least one (1) month prior to the go-live date as shown in contract section A.15.e.19. The Contractor shall provide the State a copy of its BC-DR plan within ten (10) business days of the Contractor's revision of the plan.
- (5) The Contractor shall periodically, but no less than annually, test its BC-DR plan through simulated disasters and lower level failures in order to demonstrate to the State that it can restore system functions. The Contractor shall submit a written summary of its annual BC-DR test results to the State.
- (6) In the event that the Contractor fails to demonstrate in the tests of its BC-DR plan that it can restore system functions per the standards outlined in this Contract, the Contractor shall submit to the State a summary of its BC-DR corrective action plan that describes how the failure will be resolved. If the summary results show failure or that remedial action is necessary, the Contractor shall also provide a timeline of how long exposure is and when remediation will be implemented.
- (7) In the event of a declared major failure or disaster, as defined in the Contractor's BC-DR plan the Contractor's critical functionality as discussed in Contract Section A.10. shall be restored within seventy-two (72) hours of the failure's or disaster's occurrence.
- (8) The Contractor shall maintain a duplicate set of all records relating to this Program in electronic medium, usable by the State and the Contractor for the purpose of disaster recovery or data restoration.
- i. Prior to implementing any major modifications to or replacement of the Contractor's core information systems functionality and/or associated operating environment, the Contractor shall notify the State in writing of the change or modification within a



reasonable amount of time (commensurate with the nature and effect of the change or modification) if the change or modification; (a) would affect the Contractor's ability to perform one or more of its obligations under this Contract; (b) would be visible to State system users and members; (c) might have the effect of putting the Contractor in noncompliance with the provisions or substantive intent of this Contract; or (d) would materially reduce the coverage amounts payable or services provided to the average member. If so directed by the State, the Contractor shall discuss the proposed change with the State prior to implementing the change. Subsequent to this discussion, the State may require the Contractor to demonstrate the readiness of the impacted systems prior to the effective date of the actual modification or replacement.

j. System and Information Security and Access Management Requirements

- (1) The Contractor shall make system information available to duly authorized representatives of the State and other State and Federal agencies to evaluate, through inspections or other means, the quality, appropriateness and timeliness of services performed.
- (2) The Contractor's systems shall contain controls to maintain information integrity. These controls shall be in place at all appropriate points of processing. The controls shall be tested in periodic and spot audits following a methodology to be mutually agreed upon by the Contractor and the State.
- (3) Audit trails shall be incorporated into all systems to allow information on source data files and documents to be traced through the processing stages to the point where the information is finally recorded.
- (4) The Contractor shall provide for the physical safeguarding of its data processing facilities and the systems and information housed therein. The Contractor shall provide the State with access to data facilities upon request. The physical security provisions shall be in effect for the life of this Contract.
- (5) Unless the State prior-approves in writing the Contractor's use of alternate mitigating controls, the Contractor shall use Federal Information Processing Standard (FIPS) 140-2 compliant technologies to encrypt all member specific information in motion or rest, including back-up media.

- k. The Contractor shall provide requested State employees with access and update authority to the Contractor's eligibility system no later than one (1) week prior to the system go-live date as shown in contract section A.15.e.21. Additional users may be added at any time at the State's request.

A.11. Data Integration and Technical Requirements

- a. The Contractor shall maintain an electronic data interface with the State's Edison System for the purpose of retrieving and processing Member enrollment records and any other files which may be identified and generated by the State. The Contractor shall be responsible for providing and installing the hardware and software necessary. The State requires the use by the Contractor of second level authentication for the exchange of member personal information. This is accomplished using the State's standard software product, which supports Public Key Infrastructure (PKI). The Contractor shall design a solution, in coordination with the State, to connect to the State's Secure File Transfer Protocol (SFTP) server using a combination of the password and the authentication certificate. The initial sign-on and transmission testing will use a password. Certificate testing may also be performed during the test cycle. Subsequent production sign-on will be done using the authentication certificate. The Contractor will then download the file and decrypt the file in its secure environment. The State of Tennessee uses public key encryption with Advanced Encryption Standard (AES) to encrypt PHI. If the State adopts a different or additional encryption standard or tool in the future, the Contractor shall, with



adequate notice, cooperate with the State to maintain the security of protected information according to all applicable State and Federal standards.

- b. Notwithstanding the requirement to maintain enrollment data, the Contractor shall not perform changes to enrollment data without the State's approval. This prohibition shall include, but not be limited to, initiation, termination, and/or changes of coverage.
- c. At least two (2) months prior to the go-live date, the Contractor shall complete testing of the transmission, receipt, and loading of the enrollment file from the State.
- d. At least one (1) month prior to the go-live date, the Contractor shall load, test, verify, and make available online for use the State's enrollment information. The Contractor shall certify, in writing, to the State that the Contractor understands and can fully accept and utilize the enrollment files as provided by the State.
- e. The Contractor shall maintain, in its systems, in-force enrollment records of all individuals covered by the Program.
 - (1) **Weekly Enrollment Update:** To ensure that the State's enrollment records remain accurate and complete, the Contractor shall, unless otherwise directed by the State, retrieve, via secure medium, the weekly enrollment file from the State, in the State's Edison 834 (5010 file format) (see RFP # 31786-00127, Appendix 7.7 for the current file format), which may be revised. Files will include full population records for all members and will be in the format of ANSI ASC X12N, Benefit Enrollment and Maintenance 834 (5010), version 005010X220A1, with several fields customized by the State.
 - (2) The Contractor shall complete and submit to the State a Weekly File Transmission Statistics Report within five (5) business days of receipt of the Weekly Enrollment Update. The Contractor shall submit this report via email to designated State staff. (See Contract Attachment C.)
 - (3) The Contractor and/or its subcontractors shall electronically process one hundred percent (100%) of electronically transmitted enrollment updates, including the resolution of any errors identified during processing, within four (4) business days of receipt of the weekly file. The State and the Contractor shall work to develop a process for responding to invalid or non-processed records.
 - (4) The Contractor and/or its subcontractors shall resolve all enrollment discrepancies as identified by the State or Contractor within one (1) business day of identification.
 - (5) The Contractor and/or its subcontractors, with collaboration from the State, shall resolve associated system errors, as identified through enrollment discrepancy resolution, in a timeframe mutually agreed upon with the State. The Contractor shall document in an eligibility system modification log, the system error details, the proposed solution, and the final solution as agreed upon by the State. The Contractor shall update and submit this log quarterly (refer also to Contract Attachment C, Reporting Requirements). Subsequent errors identical in nature may be subject to Liquidated Damages as specified in Attachment B.
 - (6) **State Enrollment Data Match:** Upon request by the State, not to exceed four (4) times annually, the Contractor shall submit to the State, in a secure manner, its full file of State Members, by which the State may conduct a data match against the State's Edison database. The purpose of this data match will be to determine the extent to which the Contractor is maintaining its database of State members. The State will communicate results of this match to the Contractor, including any Contractor requirements, and associated timeframes, for resolving the discrepancies identified by the data match.



- f. The Contractor shall reconcile, within ten (10) business days of receipt, payment information provided by the State. Upon identification of any discrepancies, the Contractor shall immediately advise the State.
- g. The Contractor's systems shall conform to any future federal and state specific standards for data exchange by the standard's effective date.
- h. The Contractor shall partner with the State and member agencies in the management of current and future data exchange formats and methods and in the development and implementation planning of future data exchange methods not specific to HIPAA or other federal effort.
- i. The Contractor's system(s) shall possess mailing address standardization functionality in accordance with U.S. Postal Service conventions.

A.12. Privacy & Confidentiality

The following privacy and confidentiality standards apply to all forms of assistance that the Contractor provides.

- a. The Contractor shall develop, adopt, and implement standards, which are, at a minimum, compliant with the HIPAA statute and the HIPAA privacy and security rules in Title 45, Part 164, Code of Federal Regulations to safeguard the privacy and confidentiality of all Protected Health Information (PHI) about Members. For example, the Contractor shall ensure that it does not have completed forms sitting in public view, left in unsecured boxes or files, or left unattended in any off-site location (e.g., in an automobile). The Contractor's procedures shall include but not be limited to safeguarding the identity of Members as plan members of the Program and preventing the unauthorized disclosure of PHI. The Contractor shall comply with the HIPAA amendments in the American Recovery and Reinvestment Act, Public Law 111-5, the HITECH Act, and any implementing regulations when they become effective.
- b. The Contractor shall not use or further disclose PHI other than as permitted or required by HIPAA and the Business Associate Agreement; or as required by law. Use of PHI for , treatment, payment, or health care operations may include disclosure only as permitted by HIPAA, including HIPAA's "minimum necessary" standard or. Contractor shall report to the State any unauthorized use or disclosure of PHI as soon as possible. Contractor shall comply with the HIPAA Breach Notification Rules as required by 45 CFR 164.400 et al, and shall cooperate with the State in responding to any unauthorized use or disclosure of PHI related to this contract.
- c. The Contractor shall use appropriate safeguards to prevent the unauthorized use or disclosure of the PHI. The Contractor shall report to the State any unauthorized use or disclosure of the PHI within five (5) business days of any Security Incident of which it becomes aware.
- d. The Contractor shall mitigate, to the extent practicable, any harmful effect that is known to the Contractor of a use or disclosure of PHI by the Contractor in violation of the requirements of the Federal privacy rule.
- e. The Contractor shall provide access to PHI in a "designated record set" in order to meet the requirements under 45 CFR §164.524.
- f. The Contractor shall make any amendment(s) to PHI in a "designated record set" pursuant to 45 CFR §164.526.
- g. The Contractor shall document disclosures of PHI and information related to such disclosures as would be required to respond to a request by an individual for an accounting of disclosures of PHI in accordance with 45 CFR §164.528.



- h. The Contractor shall (i) implement 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, (ii) report to the State any security incident (within the meaning of 45 CFR § 164.304) of which the Contractor becomes aware, and (iii) ensure that any agent of the Contractor, including any subcontractor, agrees to the same restrictions and conditions that apply to the Contractor with respect to such information.
- i. The Contractor shall not sell Public Sector Plan member information or use member information unless it is aggregated blinded data, which is not identifiable on a member basis.
- j. The Contractor shall not use Public Sector Plan member identified or non-aggregated information for advertising, marketing, promotion or any activity intended to influence sales or market share of any product or service.
- k. The Contractor shall have full financial responsibility for any penalties, fines, or other payments imposed or required as a result of the Contractor's non-compliance with, or violation of, HIPAA or HITECH requirements, and the Contractor shall indemnify the State with respect to any such penalties, fines, or payments.
- l. The Contractor shall assure that all Contractor staff is trained in all HIPAA requirements, as applicable.
- m. At the request of the State, the Contractor shall offer credit protection for those times in which a member's PHI is accidentally or inappropriately disclosed.

A.13. Audits and Quality Assurance

- a. The Contractor shall cooperate fully with audits the State may conduct related to any aspect of the Program the State deems appropriate (at the Contractor's expense). The State may select any qualified persons or organization to conduct the audits. To the extent allowed by applicable law, the State agrees that persons or organizations conducting audits of the Contractor shall be prohibited from disclosing confidential patient records or proprietary or confidential information reasonably designated as such by the Contractor.
- b. The Contractor shall maintain an internal quality assurance plan. If requested by the State, the Contractor shall provide a summary of the internal quality assurance plan indicating areas addressed, established criteria and standards and those methods employed to evaluate results.
- c. The Contractor shall submit to the State, at least one (1) month prior to the go-live date, a summary of its methodology for conducting internal claims and operational audits, including audits to determine claims payment and processing accuracy and claims payment turnaround. The Contractor shall notify the State in writing at least thirty (30) calendar days in advance of any significant changes to its methodology. The State reserves the authority to review the change and require changes, where appropriate.

A.14. Reporting

- a. As required by this Contract (see Contract Attachment C), the Contractor shall submit reports to the State. Reports shall be submitted electronically, in the format specified by the State (e.g. Excel instead of PDF), and shall be of the type and at the frequency indicated below. The State reserves the right to modify reporting requirements as deemed necessary to monitor the Program. The State will provide the Contractor with at least ninety (90) days' notice prior to implementation of a report modification.

Unless otherwise directed by the State, the Contractor shall submit reports as follows:



- (1) Weekly reports shall be submitted by Tuesday of the following week;
- (2) Monthly reports shall be submitted by the 15th of the following month;
- (3) Quarterly reports shall be submitted by the 20th of the following month;
- (4) Semi-Annual Reports shall be submitted by the 20th of the following month;
- (5) Annual reports shall be submitted within sixty (60) days after the end of the calendar year.

Unless prior approved in writing by the State, each report shall be specific to the Program (not the Contractor's book of business).

- b. The Contractor shall ensure that reports submitted by the Contractor to the State shall meet the following standards:
 - (1) The Contractor shall verify the accuracy and completeness of data and other information in reports submitted.
 - (2) The Contractor shall ensure delivery of reports or other required data on or before scheduled due dates.
 - (3) Reports or other required data shall conform to the State's defined written standards.
 - (4) All required information shall be fully disclosed in a manner that is responsive and with no material omission.
 - (5) Each report shall be accompanied by a brief narrative that describes the content of the report and highlights salient findings of the report.
 - (6) As applicable, the Contractor shall analyze the reports for any early patterns of change, identified trend, or outliers and shall submit a written summary with the report including such analysis and interpretation of findings. At a minimum, such analysis shall include the identification of change(s), the potential reasons for change(s), and the proposed action(s).
 - (7) The Contractor shall notify the State regarding any significant changes in its ability to collect information relative to required data or reports.
 - (8) The submission of late, inaccurate or otherwise incomplete reports shall be considered failure to report within the specified timeframe (see Contract Attachment B.7.).
 - (9) State requirements regarding reports, report content and frequency of submission may change during the term of the Contract. The Contractor shall have at least forty-five (45) days to comply with changes specified in writing by the State.
- c. The Contractor shall notify the State, within three (3) business days of identification, about any situation that appears to negatively impact the administration or delivery of the program, plan, or benefits. Failure to do so may result in Liquidated Damages as specified in Attachment B. The situation shall be researched and resolved in a timeframe mutually agreed upon with the State.

A.15. Implementation

- a. Dental Preferred Provider Organization Program Implementation Plan. General Requirements: The Contractor shall provide to the State a comprehensive



Implementation Plan no later than thirty (30) days after the Contract Award Date as specified in Contract Section A.15.e.1. The plan shall outline the steps necessary for the Contractor to submit deliverables by the dates specified in Contract Section A.15.e. for the Contractor to be fully operational by the Program go-live date of January 1, 2016. This plan shall include a detailed timeline description of all work to be performed both by the Contractor and the State. The implementation plan shall also provide specific details on the following:

- (1) Identification, timing, and assignment of significant responsibilities and tasks;
 - (2) Names and titles of key implementation staff;
 - (3) Identification and timing of the State's responsibilities;
 - (4) Processing of test data for appropriate interpretation of data values;
 - (5) Identification and timing for the testing, acceptance and certification of exchange of data between the Contractor and Edison and other relevant information systems;
 - (6) Member communications and their timing (consistent with Benefits Administration's larger member communication strategy); and
 - (7) Schedule of in-person meetings and conference calls with the State.
- b. The Contractor shall have a designated full-time implementation team to service this account. All of the Contractor's implementation team members shall have participated, as team members, in the implementation of dental preferred provider organization program for at least one other large employer (i.e., an employer plan with at least 10,000 members). The Contractor's implementation team shall include a full-time, designated project manager ready to begin work immediately following the contract signing until thirty (30) days after the go-live date. The team shall also include an Account Manager dedicated to this Contract, who will be the main contact with the State for all of the day-to-day matters relating to the implementation and ongoing operations of this Contract. Also, the Contractor shall assign a backup to the Account Manager. An Information Systems Project Manager shall be part of the implementation team. All implementation team members shall be available as needed during the implementation as well as thirty (30) days after the go-live date.
- c. Staffing Plan:
- (1) General Requirement. As part of its Project Implementation Plan described above, the Contractor shall submit to the State for review and approval a detailed staffing plan. The Contractor shall submit to the State its Staffing Plan with its Project Implementation Plan by the date specified in Contract Section A.15.e.1.
 - (2) Contents. The staffing plan shall provide staffing estimates for all functions and requirements of the Contract, including:
 - i. Representatives/operators, serving in the Call Center
 - ii. Contractor supervisory/account management staff; and
 - iii. Technical Staff, as required to process the State's program enrollment files from the State's Edison system.
- d. The State may conduct a comprehensive readiness review of the Contractor at least sixty (60) days prior to January 1, 2016 in order to ensure that the Contractor is able and prepared to perform all functions required by this Contract and to provide high quality



services to Members. Such review by the State may include an on-site review of the Contractor's customer service, claims adjudication facilities and operation. Contractor shall participate in all readiness review activities conducted by the State staff and/or the State's benefit consultants to ensure the Contractor's operational readiness for all products and services (e.g. claims adjudication, eligibility, member services, reporting requirements, Edison interface, etc.) The State will provide the Contractor with a summary of findings that may include areas requiring corrective action prior to January 1, 2016.

e. Due Dates for Project Deliverables/Milestones

Unless otherwise specified in writing by the State, the Contractor shall adhere to the following schedule for the deliverables and milestones for which it is responsible under this Contract:

Deliverables/Milestones:		Contract Reference(s):	Deliverable Due Dates:
Implementation			
1.	Implementation plan, Staffing Plan and timetable	A.15.a. and c.	Within 30 days post Contract Award Date
2.	All Subcontractors approved by State and copies of the executed subcontracts provided, if requested by the State	A.3.i.	Within 45 days post Contract Award Date
3.	Go-Live	A.1.a.	January 1, 2016
4.	Kick-off meeting for all key Contractor staff	A.3.f	No later than 30 days after Contract Award Date
5.	State readiness review if requested by State	A.15.d.	November 1, 2015
Provider Network			
6.	Dental Preferred Provider Organization Network in place	A.2.a.	September 1, 2015
7.	DPPO Providers aware of plan provisions	A.2.e.	December 1, 2015
Staffing			
8.	Staff identified and assigned responsibilities	A.3.a.	30 days post Contract Award Date
9.	Account Team Satisfaction Survey	A.3.k.	Within 60 days after Go-Live
Call Center			
10.	Call center open and accepting calls	A.4.a.	September 14, 2015
11.	Call center statistics	A.4.d.	Weekly from December 1, 2015 through February 29, 2016 and thereafter monthly
Member Communications/Materials			
12.	2016 Member Handbook	A.5.a.	September 1, 2015



Deliverables/Milestones:		Contract Reference(s):	Deliverable Due Dates:
13.	Member ID cards and Certificate of Coverage mailed to Members	A.5.a.	December 14, 2015
Website			
14.	Web site go-live	A.8.b.	September 1, 2015
15.	State review of web site	A.8.e.	August 17, 2015
Administrative Services			
16.	Grievance procedure description	A.9.g.	December 1, 2015
17.	Transport Layer Security (TLS)	A.9.h.	January 1, 2016
18.	Quarterly meetings with the State	A.9.i.	May 2, 2016
19.	Customer Satisfaction Survey template approved by State	A.9.j.	July 1, 2016
Information Systems			
20.	Business Continuity Disaster Recovery (BC/DR) Results Report	A.10.g.(4)	December 1, 2015
21.	Provide State employees with access and update authority to the Contractor's eligibility system	A.10.j.	November 23, 2015
Data Integration & Technical Requirements			
22.	Completion of enrollment file testing	A.11.c.	November 1, 2015
23.	Edison System Interface/Enrollment file acceptance/Enrollment data online	A.11.d	December 1, 2015
24.	Weekly File Transmission Statistics Report	A.11.e.(2)	Within 5 business days of receipt of enrollment file
Reporting			
25.	Confirm with State the format, data needed, and due dates for each required report	A.14. and Contract Attachment C	November 1, 2015
Quality Assurance			
26.	Copy of internal quality assurance plan	A.13.c.	December 2, 2015
Regulatory Requirements			
27.	Certificate of Coverage	A.16.a.	November 2, 2015

A.16. Regulatory Requirements

- a. The Contractor shall prepare and submit to the State for approval no later than sixty (60) days prior to Program implementation on January 1, 2016, the *Dental Preferred Provider Organization Insurance Certificate of Coverage* approved by the Division of Benefits Administration and the State of Tennessee Department of Commerce and Insurance. Such Certificate shall be added as a Contract Attachment incorporated by reference once



approved. The Certificate of Coverage shall include at a minimum the following:

- (1) General Benefit and Eligibility Provisions;
 - (2) Description of Benefits and Claims Process;
 - (3) General Limitations, Exclusions and Waiting Periods;
 - i. Provided, however, that the Contractor shall apply credit for prior length of continuous enrollment in the State Dental Preferred Provider Organization (DPPO) program for all Members who were enrolled in the State DPPO program on December 31, 2015 and who continued coverage under the new DPPO Program effective January 1, 2016. Such requirement shall also apply to Members maintaining COBRA continuation coverage.
 - (4) Optional Services; and
 - (5) Schedule of Benefits, including
 - i. Diagnostic and Preventive Benefits, and Limitations and Exclusions;
 - ii. Basic Benefits, and Limitations and Exclusions;
 - iii. Major Benefits, and Limitations and Exclusions;
 - iv. Orthodontic Benefits, and Limitations and Exclusions;
 - v. Group Variables for In and Out of Network Benefits; and
 - vi. Any lifetime or annual maximums.
 - b. The Contractor shall post the most current Certificate of Coverage on its State of Tennessee Member website and provide a copy of the Certificate for the State to post on its website.
 - c. The Contractor shall submit to the State a revised Certificate within thirty (30) days of any changes to the benefits, limitations, exclusions or other provisions of the Program which are detailed in the Certificate.
 - d. The Contractor shall immediately notify the State of any pending disciplinary action initiated by the State of Tennessee Department of Commerce and Insurance that may materially impact its ability to perform under this Contract.
- A.17. Transition In the event that a new contractor takes over some or all of the responsibilities currently being provided by Contractor (whether due to expiration of the present contract or termination as authorized under this contract), Contractor will cooperate with the State and the new contractor in this transition. Contractor will provide records relating to the contract to the State or the new contractor as directed by the State; provided that the records are reasonably needed to allow the transition to occur. Contractor will cooperate with the State in notifying plan members of the transition and will submit written communications for plan members relating to the transition to the State for approval prior to distribution. The cost of printing and postage, if any, will be borne by the State.



A.18. Definitions

- a. **Agency Benefits Coordinator:** The individual within each agency or department who is the officially-designated liaison between Benefits Administration and employees/members.
- b. **Average Speed of Answer (ASA):** The mean time between (a) the moment at which a caller to the Contractor's call center first hears an introductory greeting and enters the queue and (b) the time at which a call center representative at the call center answers the call. For this definition, the term "answer" shall mean to begin an uninterrupted dialogue with the caller. If a call center representative asks the caller to hold during the first 60 seconds of the dialogue, the Contractor shall not consider the call to be "answered" for purposes of this definition until the call center representative returns to the caller and begins an uninterrupted dialogue.
- c. **BC/DR:** Business Continuity/Disaster Recovery. Disaster Recovery and its associated planning refer to specific steps that must be undertaken to resume operations in the aftermath of a catastrophic natural disaster or complete technology failure. Business Continuity describes the higher-level processes that must be put in place so that an organization's mission-critical functions can continue during and after a disaster.
- d. **Benefits:** The services available to members and the corresponding amounts that Members and the Contractor will pay for dental services under this contract.
- e. **Benefits Administration:** The division of the Tennessee Department of Finance & Administration that administers the public sector plans.
- f. **Business Days:** Traditional workdays, including Monday, Tuesday, Wednesday, Thursday, and Friday. State Holidays are excluded.
- g. **Calendar Days:** All seven days of the week.
- h. **Co-insurance:** The percentage paid by the Contractor or Member toward the allowable amount of charge (flat dollar amount) for a service provided to a Member.
- i. **Compliance with Section 508:** To ensure accessibility among persons with a disability, the Contractor's multimedia/video tools, website content shall comply with Section 508 of the Rehabilitation Act of 1973 (29 U.S.C. 794d) and implementing regulations at 36 CFR 1194 Parts A-D.
- j. **Contract Award Date:** The date on which the Insurance Committees approved entering into a contract with the best evaluated respondent on RFP 31786-00127.
- k. **Days:** Unless otherwise specified, refers to calendar days.
- l. **Deliverable:** A document, manual, or report (in hard copy, electronic format or specific medium as required) that the Contractor submits to the State to fulfill requirements of this Contract.
- m. **Dependent:** A dependent (spouse or child) of a Subscriber.
- n. **Edison:** The State's enterprise resource planning system, which supports human resources, payroll, employee benefits, contracting, procurement and other agency functions.
- o. **Eligible Employees and Dependents:** Employees and their dependents of State, Local Education, and Local Government agencies participating in the DPPO who meet the eligibility requirements as defined in Contract Attachment D.
- p. **Eligible Retirees and Dependents:** Retirees and their dependents meeting the eligibility requirements as defined in Contract Attachment D.
- q. **First Call Resolution:** A Member's question(s) is answered during their first call eliminating the need for the Contractor to call back the member.



- r. **Health Insurance Portability and Accountability Act of 1996 (HIPAA):** Title I of HIPAA protects health insurance coverage for workers and their families when they change or lose their jobs. Title II, the Administrative Simplification (AS) provisions, requires the establishment of national standards for electronic healthcare transactions and national identifiers for providers, health insurance plans and employers. The HIPAA Administration Simplification provisions also address the security and privacy of health information.
- s. **Holidays:** Days on which official holidays and commemorations as defined in Tennessee Code Annotated § 15-1-101 *et seq.*, are observed.
- t. **Information Technology (IT):** A combination of computing hardware and software that is used in: (a) the capture, storage, manipulation, movement, control, display, interchange and/or transmission of information, i.e. structured data (which may include digitized audio and video) and documents; and/or (b) the processing of such information for the purposes of enabling and/or facilitating a business process or related transaction.
- u. **Local Education Agency (LEA) Plan:** Refers to all group insurance plan options sponsored by the Local Education Insurance Committee
- v. **Local Government Plan:** Refers to all group insurance plan options sponsored by the Local Government Insurance Committee.
- w. **Loss Ratio:** The percentage ratio derived from the sum of total claims dollars paid divided by the total collected premiums.
- x. **Maximum Allowable Charge:** The highest dollar amount of reimbursement for specific dental procedures provided by DPPO network providers.
- y. **Members:** Eligible employees, retirees and dependents enrolled in the DPPO Program.
- z. **Network Provider:** A provider that has a provider agreement with the Contractor to provide services according to specific terms and rates.
- aa. **Plan Year:** January 1 through December 31 of the same calendar year.
- bb. **Prepaid Dental Program:** Dental Program that provides dental benefits at a fixed Member copay for dental services provided by network providers.
- cc. **Protected Health Information (PHI):** individually identifiable health information that is transmitted by electronic media, maintained in electronic media; or transmitted or maintained in any other form or medium..
- dd. **State, Local Government, and Local Education Insurance Committees:** Policy making bodies for the State, Local Government, and Local Education plans established under Tennessee Code Annotated Title 8; Chapter 27 – 101, 207, and 301 respectively
- ee. **State Plan:** Refers to all group insurance plan options sponsored by the State Insurance Committee.
- ff. **Subscriber:** An employee or retiree enrolled in the DPPO Program.
- gg. **Telecommunication Device for the Deaf (TDD):** Special telephony devices with keyboard attachments for use by individuals with hearing impairments who are unable to use conventional phones. Also known as Teletype (TTY).
- hh. **Week, Calendar:** The traditional seven-day week, Sunday through Saturday.

B. TERM OF CONTRACT:

- B.1. This Contract shall be effective on October 1, 2015, and extend for a period of twenty-seven (27) months after the Effective Date ("Term"). The State shall have no obligation for goods or services provided by the Contractor prior to the Effective Date.
- B.2. **Renewal Options.** This contract may be renewed upon satisfactory completion of the Term. The State reserves the right to execute up to three (3) renewal options under the same terms and



conditions for a period not to exceed twelve (12) months each by the State, at the State's sole option. In no event, however, shall the maximum Term, including all renewals or extensions, exceed a total of sixty - six (66) months.

C. PAYMENT TERMS AND CONDITIONS:

- C.1. **Maximum Liability.** In no event shall the maximum liability of the State under this Contract exceed Sixty-Two Million dollars (\$62,000,000.00) ("Maximum Liability"). This Contract does not grant the Contractor any exclusive rights. The State does not guarantee that it will buy any minimum quantity of goods or services under this Contract. Subject to the terms and conditions of this Contract, the Contractor will only be paid for goods or services provided under this Contract after a purchase order is issued to Contractor by the State or as otherwise specified by this Contract.
- C.2. **Compensation Firm.** The payment methodology in Section C.3. of this Contract shall constitute the entire compensation due the Contractor for all goods or services provided under this Contract regardless of the difficulty, materials or equipment required. The payment methodology includes all applicable taxes, fees, overhead, and all other direct and indirect costs incurred or to be incurred by the Contractor.
- C.3. **Payment Methodology.** The Contractor shall be compensated based on the level of coverage in the Dental Preferred Provider Organization (DPPO) Insurance Program elected by Subscribers and the premium rates presented below, 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 provision of goods or services defined in Section A *Pro Forma* Contract.
 - b. The Contractor shall be compensated based upon the following payment methodology:
 - (1) For service performed from January 1, 2016, through December 31, 2017, the following rates shall apply:

Four Tiered Guaranteed Monthly Premiums for Active Subscribers	Calendar Year 2016 1/1/2016 – 12/31/2016	Calendar Year 2017 1/1/2017 – 12/31/2017
Employee	\$21.51 /Active Subscriber	\$22.37 /Active Subscriber
Employee + Spouse	\$40.69 /Active Subscriber	\$42.32 /Active Subscriber
Employee + Child(ren)	\$49.46 /Active Subscriber	\$51.44 /Active Subscriber
Employee + Spouse + Child(ren)	\$79.62 /Active Subscriber	\$82.80 /Active Subscriber
Four Tiered Guaranteed Monthly Premiums for Retiree Subscribers	Calendar Year 2016 1/1/2016 – 12/31/2016	Calendar Year 2017 1/1/2017 – 12/31/2017



Retiree	\$27.77 /Retiree Subscriber	\$28.88 /Retiree Subscriber
Retiree + Spouse	\$52.54 /Retiree Subscriber	\$54.64 /Retiree Subscriber
Retiree + Child(ren)	\$63.86 /Retiree Subscriber	\$66.41 /Retiree Subscriber
Retiree + Spouse + Child(ren)	\$102.80 /Retiree Subscriber	\$106.91 /Retiree Subscriber

- (2) For service performed from January 1, 2018 through December 31, 2018, the Contractor shall be compensated based upon the payment rates in Section C.3.b.(1) above but adjusted, if requested by the Contractor, up to a maximum percentage determined by the national trend for dental expenses in the previous calendar year as calculated by the State's contracted actuarial and benefits consulting firm. In the event the Contractor requests a rate increase; the Contractor must provide any claims history, premium experience information, and/or other data supporting a need to increase the rates. Any rate increase will not exceed the national trend percentage calculated by the State's actuarial and benefits consulting firm. The Contractor may not appeal the trend rate provided by the State's consulting firm. The Contractor may reduce the payment rates upon notification to the State.
- (3) For service performed from January 1, 2019 through December 31, 2019, the Contractor shall be compensated based upon the payment rates in Section C.3.b.(1) above [as modified in C.3.b.(2)] but adjusted, if requested by the Contractor, up to a maximum percentage determined by the national trend for dental expenses in the previous calendar year as calculated by the State's contracted actuarial and benefits consulting firm. In the event the Contractor requests a rate increase; the Contractor must provide any claims history, premium experience information, and/or other data supporting a need to increase the rates. Any rate increase will not exceed the national trend percentage calculated by the State's actuarial and benefits consulting firm. The Contractor may not appeal the trend rate provided by the State's consulting firm. The Contractor may reduce the payment rates upon notification to the State.
- (4) For service performed from January 1, 2020 through December 31, 2020, the Contractor shall be compensated based upon the payment rates in Section C.3.b.(1) above [as modified in C.3.b.(2) and (3)] but adjusted, if requested by the Contractor, up to a maximum percentage determined by the national trend for dental expenses in the previous calendar year as calculated by the State's contracted actuarial and benefits consulting firm. In the event the Contractor requests a rate increase; the Contractor must provide any claims history, premium experience information, and/or other data supporting a need to increase the rates. Any rate increase will not exceed the national trend percentage calculated by the State's actuarial and benefits consulting firm. The Contractor may not appeal the trend rate provided by the State's consulting firm. The Contractor may reduce the payment rates upon notification to the State.

Notwithstanding anything in this section C.3.b, the Contractor shall have the right to refuse any proposed extension of this Contract by the State beyond December 31, 2017.

- c. In order for the Contractor to request a rate increase as described above, the Contractor's claims experience must reflect a dental loss ratio of 70% or greater based upon claims



experience of the previous calendar year. Any rate escalation requests submitted for the State's consideration must be submitted no later April 30th of the preceding year.

- d. If member materials containing an error had been approved by the State in writing and the error was detected after the materials have been mailed, the State will reimburse the Contractor the production and postage cost of mailing the corrected version pursuant to Contract Section C.3.d.
- e. For mailings above those identified in the contract, the State shall reimburse the Contractor for the following, selected actual costs in the performance of this Contract upon Contractor providing documentation of actual costs incurred.
 - (1) Postage. The State shall reimburse the Contractor for the actual cost of postage for mailing materials produced under the terms of this Contract and as directed and authorized by the State.
 - (2) Printing/Production. The State shall reimburse the Contractor an amount equal to the actual net cost of document printing/production as required and authorized by the State and as detailed by the Contract Scope of Services.

Notwithstanding the foregoing, the State retains the option to authorize the Contractor to deliver a product to be printed, approve and accept the product but not use the Contractor to print the material. In those situations, the State shall have the discretion to use other printing and production services at its disposal.

- C.4. Travel Compensation. The Contractor shall not be compensated or reimbursed for travel time, travel expenses, meals, or lodging.
- C.5. Purchase Order in lieu of Invoicing. The State will generate a monthly purchase order and initiate payment of the purchase order, based upon payroll deduction information provided by the State, utilizing the rates listed above.
- C.6. Payment of Purchase Order. A payment by the State shall not prejudice the State's right to object to or question any payment, purchase order, or other matter. A payment by the State shall not be construed as acceptance of goods delivered, any part of the services provided, or as approval of any amount reflected on the purchase order.
- C.7. Payment Reductions. The Contractor's payment shall be subject to reduction for amounts included in any purchase order or payment that is determined by the State, on the basis of audits conducted in accordance with the terms of this Contract, to not constitute proper compensation for goods delivered or services provided.
- 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 that are or shall become due and payable to the State of Tennessee by the Contractor.
- C.9. Prerequisite Documentation. The Contractor shall not be paid by the State under this Contract until the State has received the following properly completed documentation.
 - a. The Contractor shall complete, sign, and present to the State an "Authorization Agreement for Automatic Deposit Form" provided by the State. By doing so, the Contractor acknowledges and agrees that, once this 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.
 - b. The Contractor shall complete, sign, and present to the State a "Substitute W-9 Form" provided by the State. The taxpayer identification number in the Substitute W-9 Form



must be the same as the Contractor's Federal Employer Identification Number or Tennessee Edison Registration ID.

D. MANDATORY TERMS AND CONDITIONS:

D.1. Required Approvals. The State is not bound by this Contract until it is duly approved by the Parties and all appropriate State officials in accordance with applicable Tennessee laws and regulations. Depending on the specifics of this Contract, this may include approvals by the Commissioner of Finance and Administration, the Commissioner of Human Resources, the Comptroller of the Treasury, and the Chief Procurement Officer. Approvals shall be evidenced by a signature or electronic approval.

D.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. All communications, regardless of method of transmission, shall be addressed to the respective Party at the appropriate mailing address, facsimile number, or email address as stated below or any other address provided in writing by a Party.

The State:

Sylvia D. Chunn, Procurement and Contracting Manager
Finance and Administration, Division of Benefits Administration
312 Rosa L. Parks Ave, N
WRS Tennessee Tower, 19th floor
Nashville, TN 37243
Sylvia.chunn@tn.gov
Telephone # 615.253.8358
FAX # 615.253.8556

The Contractor:

Debbie Skelley, Senior Account Executive
Metropolitan Life Insurance Company
1200 Abernathy Road NE, Bldg. 600
Suite 1450
Atlanta, GA 30328
Telephone # 770.407.2544
FAX # 770.407.2495
Email: dskelley@metlife.com

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

D.3. Modification and Amendment. This Contract may be modified only by a written amendment signed by all Parties hereto and approved by all applicable State officials.

D.4. Subject to Funds Availability. The Contract is subject to the appropriation and availability of State or federal funds. In the event that the funds are not appropriated or are otherwise unavailable, the State reserves the right to terminate this Contract upon written notice to the Contractor. The State's exercise of its right to terminate this Contract shall not constitute a breach of Contract by the State. Upon receipt of the written notice, the Contractor shall cease all work associated with the Contract. If the State terminates this Contract due to lack of funds availability, the Contractor shall be entitled to compensation for all conforming goods requested and accepted by the State and for all satisfactory and authorized services completed as of the termination date. Should the State exercise its right to terminate this Contract due to unavailability of funds, the Contractor



shall have no right to recover from the State any actual, general, special, incidental, consequential, or any other damages of any description or amount.

- D.5. Termination for Convenience. The State may terminate this Contract without cause and for any reason. The State shall give the Contractor at least thirty (30) days written notice before the termination date. The Contractor shall be entitled to compensation for all conforming goods delivered and accepted by the State or for satisfactory, authorized service completed as of the termination date. In no event shall the State be liable to the Contractor for compensation for any goods neither requested nor accepted by the State or for any services neither requested by the State nor satisfactorily performed by the Contractor. In no event shall the State's exercise of its right to terminate this Contract for convenience relieve the Contractor or any liability to the State for any damages or claims arising under this Contract.
- D.6. 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 materially violates any terms of this Contract ("Breach Condition"), the State shall have the right to immediately terminate the Contract and withhold payments in excess of compensation for completed services or provided goods. Notwithstanding the above, the Contractor shall not be relieved of liability to the State for damages sustained by virtue of any Breach Condition and the State may seek other remedies allowed at law or in equity for breach of this Contract.
- D.7. Assignment and Subcontracting. The Contractor shall not assign this Contract or enter into a subcontract for any of the goods or services provided under this Contract without the prior written approval of the State. Notwithstanding any use of the approved subcontractors, the Contractor shall be the prime contractor and shall be responsible for compliance with all terms and conditions of this Contract. The State reserves the right to request additional information or impose additional terms and conditions before approving an assignment of this Contract in whole or in part or the use of subcontractors in fulfilling the Contractor's obligations under this Contract.
- D.8. Conflicts of Interest. The Contractor warrants that no part of the Contractor's compensation 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 under 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 (6) 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 (6) months has been, an employee of the State of Tennessee
- D.9. Nondiscrimination. The Contractor hereby agrees, warrants, 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, creed, color, religion, sex, national origin, or any other classification protected by federal or state law. The Contractor shall, upon request, show proof of nondiscrimination and shall post in conspicuous places, available to all employees and applicants, notices of nondiscrimination.
- D.10. Prohibition of Illegal Immigrants. The requirements of Tenn. Code Ann. § 12-3-309 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 agrees 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 A,



semi-annually during the Term. If the Contractor is a party to more than one contract with the State, the Contractor may submit one attestation that applies to all contracts with the State. All Contractor 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 Term, 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 under this Contract and shall not knowingly utilize the services of any subcontractor who will utilize the services of an illegal immigrant to perform work under this Contract. Attestations obtained from 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. Contractor's 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 Tenn. Code Ann. § 12-3-309 for acts or omissions occurring after its effective date.
 - e. For purposes of this Contract, "illegal immigrant" shall be defined as any person who is not: (i) a United States citizen; (ii) a Lawful Permanent Resident; (iii) a person whose physical presence in the United States is authorized; (iv) allowed by the federal Department of Homeland Security and who, under federal immigration laws or regulations, is authorized to be employed in the U.S.; or (v) is otherwise authorized to provide services under the Contract.
- D. 11. Records. The Contractor shall maintain documentation for all charges under this Contract. The books, records, and documents of the Contractor, for work performed or money received under this Contract, shall be maintained for a period of five (5) 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.12. 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.13. Progress Reports. The Contractor shall submit brief, periodic, progress reports to the State as requested.
- D.14. Strict Performance. Failure by any Party to this Contract to require, in any one or more cases, 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 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.
- D.15. Independent Contractor. The Parties shall not act as employees, partners, joint venturers, or associates of one another. The Parties are independent contracting entities. Nothing in this Contract shall be construed to create an employer/employee relationship or to allow either Party 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 are not employees or agents of the other Party.
- D.16 Patient Protection and Affordable Care Act. The Contractor agrees that it will be responsible for compliance with the Patient Protection and Affordable Care Act ("PPACA") with respect to itself and its employees, including any obligation to report health insurance coverage, provide health



insurance coverage, or pay any financial assessment, tax, or penalty for not providing health insurance. The Contractor shall indemnify the State and hold it harmless for any costs to the State arising from Contractor's failure to fulfill its PPACA responsibilities for itself or its employees.

- D.17. Limitation of the State's Liability. The State shall have no liability except as specifically provided in this Contract. In no event will the State be liable to the Contractor or any other party for any lost revenues, lost profits, loss of business, decrease in the value of any securities or cash position, time, money, goodwill, or any indirect, special, incidental, punitive, exemplary or consequential damages of any nature, whether based on warranty, contract, statute, regulation, tort (including but not limited to negligence), or any other legal theory that may arise under this Contract or otherwise. The State's total liability under this Contract (including any exhibits, schedules, amendments or other attachments to the Contract) or otherwise shall under no circumstances exceed the Maximum Liability. This limitation of liability is cumulative and not per incident.
- D.18. Limitation of Contractor's Liability. In accordance with Tenn. Code Ann. § 12-3-701, the Contractor's liability for all claims arising under this Contract shall be limited to an amount equal to two (2) times the Maximum Liability amount detailed in Section C.1. and as may be amended, PROVIDED THAT in no event shall this Section limit the liability of the Contractor for intentional torts, criminal acts, fraudulent conduct, or omissions that result in personal injuries or death.
- D.19. Hold Harmless. The Contractor agrees to indemnify and hold harmless the State of Tennessee as well as its officers, agents, and employees from and against any and all claims, liabilities, losses, and causes of action which may arise, accrue, or result to any person, firm, corporation, or other entity which may be injured or damaged as a result of acts, omissions, or negligence on the part of the Contractor, its employees, or any person acting for or on its or their behalf relating to this Contract. The Contractor further agrees it shall be liable for the reasonable cost of attorneys for the State to enforce the terms of this Contract.

In the event of any suit or claim, the Parties shall give each other immediate notice and provide all necessary assistance to respond. The failure of the State to give notice shall only relieve the Contractor of its obligations under this Section to the extent that the Contractor can demonstrate actual prejudice arising from the failure to give notice. This Section shall not grant the Contractor, through its attorneys, the right to represent the State in any legal matter, as the right to represent the State is governed by Tenn. Code Ann. § 8-6-106.

- D.20. HIPAA and HITECH Compliance. The State and Contractor shall comply with obligations under the Health Insurance Portability and Accountability Act of 1996 (HIPAA), Health Information Technology for Economic and Clinical Health (HITECH) Act under the American Recovery and Reinvestment Act of 2009 (ARRA) and their accompanying regulations, as well as any other relevant laws and regulations regarding privacy.
- a. Contractor warrants to the State that it is familiar with the requirements of HIPAA and HITECH and their accompanying regulations, and shall comply with all applicable HIPAA and HITECH requirements in the course of this Contract including but not limited to the following:
 - (1) Compliance with the Privacy Rule, Security Rule, Notification Rule;
 - (2) The creation of and adherence to sufficient Privacy and Security Safeguards and Policies;
 - (3) Timely Reporting of Violations in Use and Disclosure of PHI; and
 - (4) Time Reporting of Security Incidents.
 - b. Contractor warrants that it will cooperate with the State, including cooperation and coordination with State privacy officials and other compliance officers required by HIPAA and HITECH and its regulations, in the course of performance of the Contract so that both parties will be in compliance with HIPAA and HITECH.



- c. The Contractor agrees that its duties under this contract qualify it as a "business associate" of the State as that term is defined under HIPAA. Contractor will sign the State's business associate agreement, which is attached as Attachment E. The State, in its discretion may, accept changes to the business associate agreement if it finds that such changes are appropriate, or may determine that HIPAA does not require a business associate agreement.
- d. The Contractor will indemnify the State and hold it harmless for any violation by the Contractor or its subcontractors of HIPAA and HITECH as well as any other relevant laws and regulations regarding privacy. This includes the costs of responding to a breach of protected health information, the costs of responding to a government enforcement action related to the breach, and any fines, penalties, or damages paid by the State because of the violation. The Contractor may also be liable for damages for failure to comply with this section, including any applicable liquidated damages set forth in Attachment B.

D.21. Tennessee Consolidated Retirement System. Subject to statutory exceptions contained in Tenn. Code Ann. §§ 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 under Tenn. Code Ann. §§ 8-35-101, *et seq.*, 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 Term.

D.22. Tennessee Department of Revenue Registration. The Contractor shall comply with all applicable registration requirements contained in Tenn. Code Ann. §§ 67-6-601 – 608. Compliance with applicable registration requirements is a material requirement of this Contract.

D.23. 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 offense 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.

D.24. Force Majeure. "Force Majeure Event" means fire, flood, earthquake, elements of nature or acts of God, wars, riots, civil disorders, rebellions or revolutions, acts of terrorism or any other similar



cause beyond the reasonable control of the Party except to the extent that the non-performing Party is at fault in failing to prevent or causing the default or delay, and provided that the default or delay cannot reasonably be circumvented by the non-performing Party through the use of alternate sources, workaround plans or other means. A strike, lockout or labor dispute shall not excuse either Party from its obligations under this Contract. Except as set forth in this Section, any failure or delay by a Party in the performance of its obligations under this Contract arising from a Force Majeure Event is not a default under this Contract or grounds for termination. The non-performing Party will be excused from performing those obligations directly affected by the Force Majeure Event, and only for as long as the Force Majeure Event continues, provided that the Party continues to use diligent, good faith efforts to resume performance without delay. The occurrence of a Force Majeure Event affecting Contractor's representatives, suppliers, subcontractors, customers or business apart from this Contract is not a Force Majeure Event under this Contract. Contractor will promptly notify the State of any delay caused by a Force Majeure Event (to be confirmed in a written notice to the State within one (1) day of the inception of the delay) that a Force Majeure Event has occurred, and will describe in reasonable detail the nature of the Force Majeure Event. If any Force Majeure Event results in a delay in Contractor's performance longer than forty-eight (48) hours, the State may, upon notice to Contractor: (a) cease payment of the fees until Contractor resumes performance of the affected obligations; or (b) immediately terminate this Contract or any purchase order, in whole or in part, without further payment except for fees then due and payable. Contractor will not increase its charges under this Contract or charge the State any fees other than those provided for in this Contract as the result of a Force Majeure Event.

- D.25. State and Federal Compliance. The Contractor shall comply with all applicable state and federal laws and regulations in the performance of this Contract.
- D.26. Governing Law. This Contract shall be governed by and construed in accordance with the laws of the State of Tennessee. The Tennessee Claims Commission or the state or federal courts in Tennessee shall be the venue for all claims, disputes, or disagreements arising under this Contract. The Contractor acknowledges and agrees that any rights, claims, or remedies against the State of Tennessee or its employees arising under this Contract shall be subject to and limited to those rights and remedies available under Tenn. Code Ann. §§ 9-8-101 - 407.
- D.27. Entire Agreement. This Contract is complete and contains the entire understanding between the Parties relating to its subject matter, 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, whether written or oral.
- D.28. 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 of this Contract shall not be affected and shall remain in full force and effect. The terms and conditions of this Contract are severable.
- D.29. Headings. Section headings of this Contract are for reference purposes only and shall not be construed as part of this Contract.
- D.30. Incorporation of Additional Documents. Each of the following documents is included as a part of this Contract by reference. In the event of a discrepancy or ambiguity regarding the Contractor's duties, responsibilities, and performance under this Contract, these items shall govern in order of precedence below:
- a. any amendment to this Contract, with the latter in time controlling over any earlier amendments;
 - b. this Contract with any attachments or exhibits (excluding the items listed at subsections c. through f., below);
 - c. any clarifications of or addenda to the Contractor's proposal seeking this Contract;



- d. the State solicitation, as may be amended, requesting responses in competition for this Contract;
- e. any technical specifications provided to proposers during the procurement process to award this Contract; and,
- f. the Contractor's response seeking this Contract.
- g. the Contractor's State of Tennessee Group Dental Insurance Voluntary Preferred Provider Organization Program Certificate of Coverage (DPPO Certificate of Coverage);
- f. the Contractor's State of Tennessee Group Dental Insurance Voluntary Preferred Provider Organization Program Maximum Allowable Charges (DPPO MAC).

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, the special terms and conditions shall be subordinate to the Contract's other terms and conditions.

E.2. Confidentiality of Records. Strict standards of confidentiality of records and information shall be maintained in accordance with applicable state and federal law. All material and information, regardless of form, medium or method of communication, provided to the Contractor by the State or acquired by the Contractor on behalf of the State that is regarded as confidential under state or federal law shall be regarded as "Confidential Information." Nothing in this Section shall permit Contractor to disclose any Confidential Information, regardless of whether it has been disclosed or made available to the Contractor due to intentional or negligent actions or inactions of agents of the State or third parties. Confidential Information shall not be disclosed except as required or permitted under state or federal law. Contractor shall take all necessary steps to safeguard the confidentiality of such material or information in conformance with applicable state and federal law.

The obligations set forth in this Section shall survive the termination of this Contract.

E.3. Contractor Commitment to Diversity. The Contractor shall comply with and make reasonable business efforts to exceed the commitment to diversity represented by the Contractor's response to RFP-31786-00127 (RFP Attachment 6.2, Section B.15) and resulting in this Contract.

The Contractor shall assist the State in monitoring the Contractor's performance of this commitment by providing, as requested, a quarterly report of participation in the performance of this Contract by small business enterprises and businesses owned by minorities, women, and Tennessee service-disabled veterans. Such reports shall be provided to the state of Tennessee Governor's Office of Diversity Business Enterprise in the required form and substance.

E.4. Liquidated Damages. If the Contractor fails to perform in accordance with any term or provision of this contract, only provides partial performance of any term or provision of the Contract, violates any warranty, or any act prohibited or restricted by the Contract occurs, ("Liquidated Damages Event"), the State may assess damages on Contractor ("Liquidated Damages"). The State shall notify the Contractor of amounts to be assessed as Liquidated Damages. The Parties agree that due to the complicated nature of the Contractor's obligations under this Contract it would be difficult to specifically designate a monetary amount for Contractor's failure to fulfill its obligations regarding the Liquidated Damages Event as these amounts are likely to be uncertain and not easily proven. Contractor has carefully reviewed the Liquidated Damages contained in Attachment B and agrees that these amounts represent a reasonable relationship between the amount and what might reasonably be expected in the event of a Liquidated Damages Event, and are a reasonable estimate of the damages that would occur from a Liquidated Damages Event. The Parties agree that the Liquidated Damages represent solely the damages and injuries sustained by the State in losing the benefit of the bargain with Contractor and do not include any



injury or damage sustained by a third party. The Contractor agrees that the Liquidated Damages are in addition to any amounts Contractor may owe the State pursuant to the indemnity provision or any other sections of this Contract.

The State is not obligated to assess Liquidated Damages before availing itself of any other remedy. The State may choose to discontinue Liquidated Damages and avail itself of any other remedy available under this Contract or at law or equity.

E.5. Partial Takeover of Contract. The State may, at its convenience and without cause, exercise a partial takeover of any service that the Contractor is obligated to perform under this Contract, including any service which is the subject of a subcontract between Contractor and a third party (a "Partial Takeover"). A Partial Takeover of this Contract by the State shall not be deemed a breach of contract. The Contractor shall be given at least thirty (30) days prior written notice of a Partial Takeover. The notice shall specify the areas of service the State will assume and the date the State will be assuming. The State's exercise of a Partial Takeover shall not alter the Contractor's other duties and responsibilities under this Contract. The State reserves the right to withhold from the Contractor any amounts the Contractor would have been paid but for the State's exercise of a Partial Takeover. The amounts shall be withheld effective as of the date the State exercises its right to a Partial Takeover. The State's exercise of its right to a Partial Takeover of this Contract shall not entitle the Contractor to any actual, general, special, incidental, consequential, or any other damages irrespective of any description or amount.

E.6. Personally Identifiable Information. While performing its obligations under this Contract, Contractor may have access to Personally Identifiable Information held by the State ("PII"). For the purposes of this Contract, "PII" includes "Nonpublic Personal Information" as that term is defined in Title V of the Gramm-Leach-Bliley Act of 1999 or any successor federal statute, and the rules and regulations thereunder, all as may be amended or supplemented from time to time ("GLBA") and personally identifiable information and other data protected under any other applicable laws, rule or regulation of any jurisdiction relating to disclosure or use of personal information ("Privacy Laws"). Contractor agrees it shall not do or omit to do anything which would cause the State to be in breach of any Privacy Laws. Contractor shall, and shall cause its employees, agents and representatives to: (i) keep PII confidential and may use and disclose PII only as necessary to carry out those specific aspects of the purpose for which the PII was disclosed to Contractor and in accordance with this Contract, GLBA and Privacy Laws; and (ii) implement and maintain appropriate technical and organizational measures regarding information security to: (A) ensure the security and confidentiality of PII; (B) protect against any threats or hazards to the security or integrity of PII; and (C) prevent unauthorized access to or use of PII. Contractor shall immediately notify State: (1) of any disclosure or use of any PII by Contractor or any of its employees, agents and representatives in breach of this Contract; and (2) of any disclosure of any PII to Contractor or its employees, agents and representatives where the purpose of such disclosure is not known to Contractor or its employees, agents and representatives. The State reserves the right to review Contractor's policies and procedures used to maintain the security and confidentiality of PII and Contractor shall, and cause its employees, agents and representatives to, comply with all reasonable requests or directions from the State to enable the State to verify and/or procure that Contractor is in full compliance with its obligations under this Contract in relation to PII. Upon termination or expiration of the Contract or at the State's direction at any time in its sole discretion, whichever is earlier, Contractor shall immediately return to the State any and all PII which it has received under this Contract and shall destroy all records of such PII.

The Contractor shall report to the State any instances of unauthorized access to or potential disclosure of PII in the custody or control of Contractor ("Unauthorized Disclosure") that come to the Contractor's attention. Any such report shall be made by the Contractor within twenty-four (24) hours after the Unauthorized Disclosure has come to the attention of the Contractor. Contractor shall take all necessary measures to halt any further Unauthorized Disclosures. The Contractor, at the sole discretion of the State, shall provide no cost credit monitoring services for individuals whose PII was affected by the Unauthorized Disclosure. The Contractor shall bear the cost of notification to all individuals affected by the Unauthorized Disclosure, including individual



letters and public notice. The remedies set forth in this Section are not exclusive and are in addition to any claims or remedies available to this State under this Contract or otherwise available at law.

E.7. Insurance. The Contractor shall carry adequate liability and other appropriate forms of insurance.

a. The Contractor shall maintain, at minimum, the following insurance coverage:

(1) Comprehensive Commercial General Liability (including personal injury & property damage, premises/operations, independent contractor, contractual liability and completed operations/products) with a bodily injury/property damage combined single limit not less than one million dollars (\$1,000,000) per occurrence and two million dollars (\$2,000,000) aggregate.

b. The Contractor shall provide a valid Certificate of Insurance naming the State as an additional insured and detailing Coverage Description; Insurance Company & Policy Number; Exceptions and Exclusions; Policy Effective Date; Policy Expiration Date; Limit(s) of Liability; and Name and Address of Insured. Contractor shall obtain from Contractor's insurance carrier(s) and will deliver to the State waivers of the subrogation rights under the respective policies. Failure to provide required evidence of insurance coverage shall be a material breach of this Contract.

IN WITNESS WHEREOF,

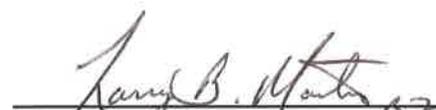
METROPOLITAN LIFE INSURANCE COMPANY:



CONTRACTOR SIGNATURE 10/29/15
DATE

MICHAEL MCDERMOTT, CUSTOMER UNIT VICE PRESIDENT

STATE OF TENNESSEE,
STATE INSURANCE COMMITTEE,
LOCAL EDUCATION INSURANCE COMMITTEE,
LOCAL GOVERNMENT INSURANCE COMMITTEE::



LARRY B. MARTIN, CHAIRMAN 11-19-15
DATE



ATTESTATION RE PERSONNEL USED IN CONTRACT PERFORMANCE

SUBJECT CONTRACT NUMBER:	47501
CONTRACTOR LEGAL ENTITY NAME:	Metropolitan Life Insurance Company
FEDERAL EMPLOYER IDENTIFICATION NUMBER: (or Social Security Number)	[REDACTED]

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.

MICHAEL MCDERMOTT, CUSTOMER UNIT VICE PRESIDENT

PRINTED NAME AND TITLE OF SIGNATORY

10/29/15

DATE OF ATTESTATION



PERFORMANCE GUARANTEES AND LIQUIDATED DAMAGES

To effectively manage contractual performance, the State has established performance guarantees to evaluate the Contractor's obligations with respect to the Contract. The Contractor is expected to perform according to a certain level of standards. If these standards are not met, the State is entitled to impose liquidated damage assessments. The list of Performance Guarantees and associated Liquidated Damages are included in this Attachment.

1. **Performance Reporting:** The Contractor shall develop a Performance Report Card as a means to measure compliance on a quarterly basis. The Contractor shall provide the quarterly performance report card in a manner acceptable to the State, on or before the 20th day of the month following the reporting quarter. Supporting documentation used to calculate the performance guarantees shall be provided with the Performance Report Card. The Performance Report Card shall include cumulative data over the life of the contract.
2. **Payment of Liquidated Damages:** It is agreed by the State and the Contractor that any liquidated damages assessed by the State shall be due and payable to the State within forty-five (45) calendar days after Contractor receipt of the Invoice containing an assessment of liquidated damages. If payment is not made by the due date, said liquidated damages may be withheld from future payments by the State without further notice.
3. **Maximum Assessment:** The maximum amount of Liquidated Damages payable over any twelve (12) month period shall not exceed five percent (5%) of the annual maximum liability in the Contract at the beginning of the calendar year during which the assessments occurred. In the event that a single occurrence subjects the Contractor to Liquidated Damages in multiple subsections of this provision, the State is entitled to assess a single Liquidated Damage selected at the discretion of the State.
4. **Waiver of Liquidated Damages:** The State, in its sole discretion, may elect not to assess Liquidated Damages against the Contractor in certain instances, including but not limited to the following:
 - a. Where the State determines that only inconsequential damage has occurred, unless the deficiency is part of a recurring or frequent pattern of deficiency, with regard to one (1) or more Contract deliverables or requirements
 - b. For performance measures that are resolved based on the Contractor's corrective action plan
 - c. If the failure is not due to Contractor fault (i.e. caused by factors beyond the reasonable control and without any material error or negligence of the Contractor, its staff or subcontractors)
 - d. Where no damage or injury has been sustained by the State or its Members
 - e. Where the failure does not result in increased Contract management time or expense
 - f. Where the failure results from the State's failure to perform
 - g. For other reasons at the State's sole discretion
5. **General Liquidated Damages:** In the event that the Contractor has failed to meet a performance guarantee that is set out in the Contract, but for which the Liquidated Damage standards are not spelled out in this Attachment, the State may assess liquidated damages under this General Liquidated Damages provision. The liquidated damages may be assessed at the rate of five hundred dollars (\$500.00) per business day until the guarantee has been met.
6. The Contractor shall pay to the State the indicated total dollar assessment upon notification by the State that an amount is due, through the term of this Contract.
7. As prior approved by the State in writing, performance guarantees shall be measured specific to the Public Sector Plans or on the Contractor's book of business.



Program Start-up (see Contract Section A.15.e.)	
Guarantee	All services required by this contract between the "contract start date" and the "go-live" date as specified in contract section A.15.e. shall be completed as specified.
Assessment	One thousand dollars (\$1,000.00) for each day beyond the deadline that any service deliverable is not completed.
Measurement	Measured, reported, reconciled, and paid no later than three (3) months after the go-live date.
2. Enrollment Set-Up (see Contract Section A.11.e.)	
Guarantee	Enrollment information shall be loaded, tested, verified and available online for use no later than thirty (30) days prior to the go-live date specified in Contract Section A.15.e.
Assessment	Five hundred (\$500) for each day beyond the date specified in Contract Section A.15.e.
Measurement	Measured, reported, reconciled and paid no later than three (3) months after the go-live date.
3. Enrollment Posting (see Contract Section A.11.e.)	
Guarantee	One hundred percent (100%) of electronically transmitted enrollment updates, including the resolution of any errors identified during processing, shall be processed within four (4) business days of receipt of the weekly file as required in Contract Section A.11.e.
Assessment	One hundred dollars (\$100) per day for the first (1 st) and second (2 nd) business days out of compliance; five hundred dollars (\$500) per business day thereafter.
Measurement	Measured and reported weekly; reconciled and paid quarterly.
4. Enrollment Discrepancies (see Contract A.11.e.)	
Guarantee	Resolve all enrollment discrepancies (any difference of values between the State's database and the Contractor's database) as identified within one (1) business day of notification by the State or identification by the Contractor, as required in Contract Section A.11.e.
Assessment	Per discrepancy, one hundred (\$100) per day for the first (1 st) and second (2 nd) business days out of compliance; five hundred (\$500) per business day thereafter.
Measurement	Measured and reported quarterly; reconciled and paid quarterly.
5. Program Go-Live (see Contract Section A.15.)	
Guarantee	All services required by this contract shall take effect (i.e. "go-live") and be fully operational on January 1, 2016.
Assessment	One thousand dollars (\$1,000.00) for each day beyond the deadline that all services are not fully operational.
Measurement	Measured, reported, reconciled, and paid no later than four (4) months after the go-live date.
6. Approval of Communication Materials (see Contract Section A.5.f.)	
Guarantee	All materials, including but not limited to: ID cards and letters, produced by the Contractor shall be provided to the State for review and prior to planned printing, assembly, and/or distribution, as required in Contract Section A.5.f.
Assessment	One thousand dollars (\$1,000.00) for each occurrence the standard is not met. An occurrence is defined as per mailing and not per mail piece.
Measurement	Reported, reconciled, and paid per occurrence through the duration of the Contract.
7. Tennessee Edison System Interface (see Contract Section A.11.)	
Guarantee	Contractor's interface with the Edison System shall be fully operational by the date specified in Contract Sections A.15.e.22., and the contractor shall maintain, from January 1, 2016 through the term of the contract, a valid interface with the Edison System.
Assessment	One thousand dollars (\$1,000.00) per day for every day out of compliance.



Measurement	Fully operational shall mean the Edison Certification of Interface Acceptance has been executed and that weekly files obtained by the Contractor from the State's Edison system will be timely and accurately processed and the data loaded directly into the Contractor's production database. Ongoing measurement, reconciled quarterly, and quarterly assessment paid annually.
8. Average Speed of Answer (see Contract Section A.4.)	
Guarantee	The Contractor's call center shall maintain an average speed of answer (ASA) of thirty (30) seconds or less, as required in Contract Section A.4.c.(1).
Assessment	One thousand dollars (\$1,000) for each calendar month that the average speed of answer exceeds the threshold above.
Measurement	The Contractor shall calculate the number of instances during each day during which a caller's time-to-answer exceeds this threshold (based on Contractor's internal telephone support system reports) compared to the total number of calls per day. Measured and reported on a weekly basis during the thirty (30) days prior to the go-live date through sixty (60) days after the go-live date. Thereafter, measured and reported monthly. Reconciliation shall be quarterly and quarterly assessment paid annually.
9. First Call Resolution (see Contract Section A.4.)	
Guarantee	The Contractor's call center shall maintain a monthly average rate of ninety-two percent (92%) for first call resolution, as required in Contract Section A.4.c.(2).
Assessment	One thousand dollars (\$1,000) for each calendar month that the average first call resolution rate exceeds the threshold above.
Measurement	The Contractor shall calculate the number of instances during each day during which a caller's initial call was answered without needing a call back from the Contractor (based on Contractor's internal telephone support system reports) compared to the total number of calls. Measured and reported on a weekly basis during the thirty (30) days prior to the go-live date through sixty (60) days after the go-live date. Thereafter, measured and reported monthly. Reconciliation shall be quarterly and quarterly assessment paid annually.
10. Management Reporting (see Contract Section A.14.)	
Guarantee	All reports shall be delivered as specified in Section A.14, unless otherwise directed by the state.
Assessment	One hundred dollars (\$100.00) for each report not delivered within the time frame specified in the contract.
Measurement	Measured based on report due date (weekly, monthly, quarterly, semi-annually, and annually); Reconciled quarterly and quarterly assessment paid annually.
11. Privacy and Security of Members Information (see Contract Section A.12)	
Guarantee	The Contractor shall not release, intentionally or unintentionally, members' personal information, enrollment information, or claims information to unauthorized parties.
Assessment	For breaches affecting fewer than five hundred (500) members: Two thousand five hundred dollars (\$2,500) for the first violation, five thousand dollars (\$5,000) for the second violation and ten thousand dollars (\$10,000) for the third and any additional violations. For breaches affecting five hundred (500) or more members: Twenty-five thousand dollars (\$25,000) per violation. The assessment will be imposed on a per incident basis and the assessment will be levied on the graduated basis detailed above. ***In the event Contractor is responsible for Federal Penalties related to a Privacy or HIPAA violation, the State may, at its discretion waive any Liquidated Damages due the State in association with the same violation.***
Measurement	Measured, reported, reconciled, and paid per occurrence.
12. Member Satisfaction (see Contract Section A.9.j.)	
Guarantee	The level of overall customer satisfaction, which is measured annually by a State-approved Member Satisfaction Survey, will be eighty-five percent (85%) or greater in the first year of the contract and equal to, or greater than, ninety percent (90%) in all subsequent years of the contract term.
Assessment	Ten thousand dollars (\$10,000.00) for failure to reach the guarantee.
Measurement	Measured, reported, reconciled and paid annually.
13. Provider Network Accessibility (see Contract Section A.2.)	
Guarantee	As measured by the GeoAccess Provider & Facility Network Accessibility Analysis, the Contractor's provider network will assure that Members will have the Access Standard



	indicated.										
	<table border="1"> <thead> <tr> <th>Provider Type</th> <th>Access Standard</th> </tr> </thead> <tbody> <tr> <td rowspan="3">General Dentists</td> <td>Urban 2 providers within 10 miles for 95% of Members</td> </tr> <tr> <td>Suburban 2 providers within 15 miles for 95% of Members</td> </tr> <tr> <td>Rural 2 providers within 20 miles for 95% of Members</td> </tr> <tr> <td rowspan="3">Specialist Dentists</td> <td>Urban 1 provider within 15 miles for 95% of Members</td> </tr> <tr> <td>Suburban 1 provider within 20 miles for 95% of Members</td> </tr> <tr> <td>Rural 1 provider within 25 miles for 90% of Members</td> </tr> </tbody> </table>	Provider Type	Access Standard	General Dentists	Urban 2 providers within 10 miles for 95% of Members	Suburban 2 providers within 15 miles for 95% of Members	Rural 2 providers within 20 miles for 95% of Members	Specialist Dentists	Urban 1 provider within 15 miles for 95% of Members	Suburban 1 provider within 20 miles for 95% of Members	Rural 1 provider within 25 miles for 90% of Members
Provider Type	Access Standard										
General Dentists	Urban 2 providers within 10 miles for 95% of Members										
	Suburban 2 providers within 15 miles for 95% of Members										
	Rural 2 providers within 20 miles for 95% of Members										
Specialist Dentists	Urban 1 provider within 15 miles for 95% of Members										
	Suburban 1 provider within 20 miles for 95% of Members										
	Rural 1 provider within 25 miles for 90% of Members										
Assessment	Liquidated damage of five thousand dollars (\$5,000.00) if any of the above standards is not met.										
Measurement	Measured, reported, reconciled and paid annually through the duration of the contract.										
14. Primary Dentist Turnover Rate (see Contract Section A.2.a)											
Guarantee	Total Primary dentists leaving the network, regardless if the action is voluntary or involuntary, will not exceed 15% in any plan year.										
Assessment	Ten thousand dollars (\$10,000.00) if General Dentist turnover rate exceeds 15%.										
Measurement	Calculated by dividing the number of General dentists leaving the network during the plan year, regardless if the action is voluntary or non-voluntary, by the Total number of General dentists at beginning of plan year. Measured, reported, reconciled and paid annually through the duration of the contract.										
15. Unauthorized Usage of Information (see Contract Section A.9.m.)											
Guarantee	In accordance with Contract Section A.9.m., unless prior approved in writing by the State, and in compliance with State and Federal law, the Contractor shall not use information gained through this Contract, including but not limited to utilization and pricing information, in marketing or expanding non-State business relationships or for any pecuniary gain.										
Assessment	One hundred dollars (\$100) per impacted member unless that cannot be determined in which case the assessment shall be one hundred dollars per enrollee. Not to exceed 5% of annual contract maximum liability.										
Measurement	Measured, reported, reconciled upon identification of occurrence.										



**CONTRACT
ATTACHMENT C**

REPORTING REQUIREMENTS

As required by Contract Section A.14., the Contractor shall submit Management Reports to the State. The reports shall be used by the State to assess the DPPO Program costs and utilization as well as reconcile the Liquidated Damages. All reports shall be submitted in Microsoft Excel format, unless otherwise specified by the State, and shall be sent to the State via secure email.

Unless otherwise directed by the State, the Contractor shall submit reports as follows:

- (1) Weekly reports shall be submitted by Tuesday of the following week;
- (2) Monthly reports shall be submitted by the 15th of the following month;
- (3) Quarterly reports shall be submitted by the 20th of the following month;
- (4) Semi-Annual Reports shall be submitted by the 20th of the following month;
- (5) Annual reports shall be submitted within sixty (60) days after the end of the calendar year.

- 1) **Liquidated Damages Tracking**, as detailed in Contract Attachment B, each component to be listed with guarantee and actual results, submitted quarterly and annually using the template prior approved in writing by the State; the report shall also include a narrative statement regarding the status of each item
- 2) **DPPO Benefit Savings and Payments**, must be submitted quarterly and annually separately for Actives and Retirees with an overall summary and as follows distinguishing between in-network and out-of-network:

Type of Service	Charges	Allowed	DPPO Savings	Patient Cost	Benefit
TYPE A					
TYPE B					
TYPE C					
TYPE D					
Not Covered					
TOTAL					

- 3) **In Network and Out-of-Network Utilization submitted quarterly and annually by:**
 - a. Submitted charges
 - b. Benefits Paid
 - c. Member Utilization
- 4) **Summary Plan Information:** Must be submitted quarterly and annually separately for Actives and Retirees; plus an overall summary.



Premium Level	Subscribers	Paid Premium	Claim Count	Paid Claims
Employee				
Employee + Spouse				
Employee + Child(ren)				
Employee + Spouse + Child(ren)				
TOTAL				

5) **Dental Loss Ratio**

As defined by Contract Sections A.17.w. Contractor shall quarterly and annually calculate its Dental Loss Ratio (DLR) and submit such calculation and any necessary supporting data to the State.

6) **Network Changes Update Report submitted quarterly, displaying the following:**

- a. Present Network of Participating Providers Specialty
- b. Additions to the Network by Name, Specialty and Location
- c. Terminations to the Network by Name, Specialty and Location
- d. Targeted areas for recruitment
- e. Provider turnover ratio (quarterly and annually)

7) **Call Center Activity Reports**, as detailed in Contract Section A.4.d, submitted weekly, then monthly.

- a. Average Speed of Answer – statistics to support an average speed of answer (ASA) of thirty (30) seconds or less for monthly calls
- b. First Call Resolution – statistics to support a monthly average rate of ninety-two percent (92%) for first call resolution

8) **Member Satisfaction Survey Report**, submitted annually by agreed upon date by secure email using the template prior approved in writing by the State.

9) **Account Team Satisfaction Survey Report**, submitted annually using the template prior approved in writing by the State

10) **BC/DR Test Results Report**, submitted annually by email using the template prior approved in writing by the State.

11) **Weekly File Transmission Statistics Report**, submitted by secure email within five (5) business days of receipt of the weekly enrollment update file using the template prior approved in writing by the State.

12) **Eligibility System Modification Log**, submitted quarterly by secure email using the template prior approved in writing by the State.

13) **Claims Experience Report**, submitted upon request by the State to summarize claims experience for Members by employing agency for a specific time period.

14) **Rate Escalation Request**, submitted annually if necessary detailing a request from the Contractor to increase the current rates detailed in Contract Section C.

15) **AdHoc Reports**, The Contractor shall submit such ad hoc reports as are deemed by the State to be necessary to analyze the DPPO Program. The exact format, frequency and due dates for such



reports shall be mutually agreed upon with the Contractor and shall be submitted at no cost to the State.



**CONTRACT
ATTACHMENT D**

The Program Benefits in this attachment are current as of the start date of this Contract.

The Program Benefits may be changed if approved by the State and will be kept current in both the Dental Preferred Provider Organization Certificate of Coverage, and this Contract.

DPPO INSURANCE BENEFITS

	In Network Benefits	Out of Network Benefits
ANNUAL DEDUCTIBLE— APPLIES TO SCHEDULE B & C		
Amount per Person per calendar year	\$25	\$100
Maximum per Family per calendar year	\$75	\$300
BENEFIT PERCENTAGES		
Schedule A – Diagnostic and Preventive Benefits	100%	80%
Schedule B – Basic Benefits	80%	60%
Schedule C – Major Benefits (waiting periods apply)	50%	50%
Schedule D – Orthodontic Benefits (waiting periods apply)	50%	50%
ANNUAL MAXIMUM FOR SCHEDULE A, B, AND C DENTAL SERVICES		
Amount per Person per calendar year	\$1,500	
LIFETIME MAXIMUM FOR SCHEDULE D DENTAL SERVICES		
Lifetime amount per dependent child to age 19	\$1,250	
BENEFIT WAITING PERIODS		
a) Inlay/Onlay Restorations, Crowns, Complete or Partial Dentures, the addition of teeth to existing Partial Dentures, Fixed Partial Dentures, and Implants	6 Months	
b) Replacement for tooth missing prior to Member effective date of coverage	12 Months	
c) Orthodontics	12 Months	

*MAXIMUM ALLOWABLE CHARGE (MAC)—Members are not responsible for charges exceeding the MAC if they select a participating network DPPO dentist. Members are responsible for charges that exceed the MAC per procedures charged by out-of-network providers.

I. Benefits

The Schedule of Benefits in this document reflects the procedures that DPPO will cover as well as certain limitations and exclusions for these covered benefits. These services will be covered when a dentist or an employee of a dentist who is licensed to perform the service provides them. These services must be necessary and must be provided in accordance with generally accepted dental practice standards. Some allowable procedures are subject to deductibles, maximums, and copayments as described above. The DPPO shall apply credit for prior length of continuous enrollment in the State DPPO plan for any Members and/or dependents who were enrolled in the State DPPO plan on December 31, 2015 and who continued coverage under the new DPPO Program effective January 1, 2016. Such requirement shall also apply to Members maintaining COBRA continuation coverage.

In addition to the limitations and exclusions shown in the Schedule of Benefits section, DPPO does not pay for the following:



General Limitations and Exclusions

- a) Services performed primarily for cosmetic reasons.
- b) Replacement of a lost or stolen appliance.
- c) Oral hygiene and dietary instructions, treatment for desensitizing teeth, prescribed drugs or other medication, experimental procedures, conscious sedation and extra oral grafts (grafting of tissues from outside the mouth to oral tissues).
- d) Treatment to restore tooth structure lost from wear.
- e) Services by a dentist beyond the scope of his or her license.
- f) Dental services where charges for such services exceed the charge that would have been made and actually collected if no coverage existed.
- g) Dental services for which the patient incurs no charge.
- h) Services received without cost from any federal, state or local agency. This exclusion will not apply if prohibited by law.
- i) Services that are deemed to be medical services.
- j) Charges by any hospital or other surgical or treatment facility and any additional fees charged by the dentist for treatment in any such facility.
- k) Treatment of injury or illness covered by Workers' Compensation or Employer's Liability Laws.
- l) Services for congenital (hereditary) or developmental malformations. Such malformations include, but are not limited to, cleft palate, or upper and lower jaw malformations. This does not exclude those services provided under Orthodontic benefits, if covered.
- m) Treatment to rebuild or maintain chewing surfaces due to teeth out of alignment or occlusion or treatment to stabilize the teeth. For example: equilibration, periodontal splinting and double abutments on bridges.
- n) Diagnosis or treatment for any disturbance of the temporomandibular joints (jaw joints) or myofacial pain dysfunction.
- o) Athletic mouth guards.

The DPPO will apply the limitations and exclusions of this benefit plan based upon the Member's complete and prior history as reflected in records. In the event a Member transfers from one dentist to another during the course of treatment, payment by DPPO will be limited to the amount that would have been paid had only one dentist rendered the service.

II. Optional Services

In cases where alternate or optional methods of treatment exist, the DPPO will pay for the least costly professionally accepted treatment. This determination is not intended to reflect negatively on the dentist's treatment plan or to recommend which treatment should be provided. It is a determination of benefits under the terms of the Member's coverage. The dentist and Member should decide the course of treatment. If the treatment rendered is other than the covered benefit, the difference between DPPO maximum allowance and the dentist's fee, up to the approved amount, for the actual treatment rendered is due from the Member. For example, if the benefit plan allows for amalgams only even though a metal or porcelain inlay is suggested by the Member's dentist, DPPO will pay for only the cost of the amalgam.

III. Schedule of Benefits



...d Exclusions of this document also apply.

A. Diagnostic and Preventive Benefits

- a) Diagnostic: Oral examination and x-rays to aid the dentist in planning required dental treatment. Brush biopsy cancer screenings to evaluate questionable lesions or spots.
- b) Preventive: Prophylaxis (cleaning), topical application of fluoride, sealants and space maintainers.

Limitations and Exclusions On Diagnostic And Preventive Benefits

- a) Two oral exams in any calendar year with additional oral exams allowed if medically necessary and the dentist receives prior authorization from the dental insurance company.
- b) Two cleanings (prophylaxis) in any calendar year with additional prophylaxis allowed if medically necessary and the dentist receives prior authorization from the dental insurance company.
- c) Radiograph (x-rays - bite-wing, complete series, panoramic, periapical) covered benefits shall be based upon the most current recommendations published by the American Dental Association.
- d) Topical application of fluoride for Members up to 19 years of age twice in 12 consecutive months. Topical application fluoride for Members 55 years and older with history of periodontal surgery shall be a covered benefit once in 12 consecutive months.
- e) Adult prophylaxis for Members under 14 years of age are not allowed.
- f) Space maintainers are only payable once per quadrant in a lifetime for missing posterior, primary teeth, for children under age 15.
- g) A sealant is a benefit only on the unrestored, decay free chewing surface of the maxillary (upper) and mandibular (lower) permanent first and second molars. Sealants are only a benefit on Members under 16 years of age. Only one benefit will be allowed for each tooth within a lifetime.

IV. Basic Benefits

- a) Basic Restorations: Amalgams (silver fillings) and composite (white fillings) restorations for the treatment of decay.
- b) Oral Surgery: Simple extractions, surgical incision, and removal of exposed roots.
- c) Other Basic Services including Bacteriologic Studies, Palliative Treatment, Therapeutic Drug Injection, Histopathic Examinations.
- d) Periodontia: Treatment of the gums and bones that surround the tooth including Periodontal Maintenance procedures.
- e) Endodontia: Treatment of the dental pulp (root canal procedures).

Limitations and Exclusions On Basic Benefits

- a) Restorative benefits are allowed once per surface in a 24 month period, regardless of the number or combinations of procedures requested or performed.
- b) Gold foil restorations are an Optional Service.
- c) Periodontal Maintenance is allowed twice per calendar year with additional periodontal maintenance allowed if medically necessary and the dentist receives prior authorization from the dental insurance company.



- d) Payment for periodontal surgery shall include charges for three months post-operative care and any surgical re-entry for a three year period. Root planing, curettage and osseous surgery are not a benefit for Members under 14 years of age.
- e) Periodontal Splinting is not a covered benefit.
- f) Scaling and Root Planing and anti-microbials (PerioChip®) is allowed once per quadrant in any 24 consecutive month period.

V. Major Benefits

- a) Complex Oral Surgery: Extractions and other surgical procedures (including pre- and post-operative care).
- b) Cast Restorations: Crowns and metal inlays and onlays are benefits for the treatment of visible decay and fractures of hard tooth structure when teeth are so badly damaged that they cannot be restored with amalgam or composite restorations.
- c) Stainless steel or resin crowns.
- d) Prosthodontics: Procedures for construction of fixed bridges, partial or complete dentures and repair of fixed bridges.
- e) Complete or Partial Denture Reline: Chair side or laboratory procedure to improve the fit of the appliance to the tissue (gums).
- f) Complete or Partial Denture Rebase: Laboratory replacement of the acrylic base of the appliance.
- g) Denture Repairs: Services to repair complete or partial dentures.
- h) General Anesthesia & I.V. Sedation: Only when administered by a properly licensed dentist in a dental office in conjunction with covered surgery procedures or when necessary due to concurrent medical conditions.
- i) Implants: The surgical placement of an endosteal (in the bone) implant and the connecting abutment are covered benefits.

Limitations and Exclusions On Major Benefits

- a) Payment for root canal treatment includes charges for x-rays and temporary restorations. Root canal treatment is limited to once in a 24 month period by the same dentist or dental office.
- b) Occlusal adjustment is allowed once in any 12 month period only when performed with periodontal surgery.
- c) Replacement of crowns or cast restorations received in the previous seven years is not a benefit. Payment for cast restorations shall include charges for preparations of tooth and gingiva, crown build-up, impression, temporary restoration and any re-cementation by the same dentist within a 12 month period.
 - i. However, if a crown is damaged beyond repair, prior to the end of the seven year period, the crown may be replaced with an annual pro-rated reduction in the co-insurance payable by the Program. The Program co-insurance for the replacement shall be
 - (a) Year one 10%
 - (b) Year two 15%
 - (c) Year three 20%
 - (d) Year four 25%
 - (e) Year five 30%
 - (f) Year six 35%



- d) A cast restoration on a tooth that can be restored with an amalgam or composite restoration is not a benefit.
- e) Porcelain, gold or veneer crowns for children under 12 years of age are not a benefit.
- f) The replacement of a stainless steel crown on a primary tooth by the same dentist or dental office within a 3 year period of the initial placement is not a benefit. The replacement of a stainless steel crown on a permanent tooth by the same dentist or dental office within a seven year period of the initial placement is not a benefit.
- g) Replacement of any fixed bridges or partial or complete dentures that the Member received in the previous seven years is not a benefit.
- i. However, if a fixed bridge, partial denture, or complete denture is damaged beyond repair, prior to the end of the seven year period, the appliance may be replaced with an annual pro-rated reduction in the co-insurance payable by the Program. The Program co-insurance for the replacement shall be
- | | | |
|-----|------------|-----|
| (a) | Year one | 10% |
| (b) | Year two | 15% |
| (c) | Year three | 20% |
| (d) | Year four | 25% |
| (e) | Year five | 30% |
| (f) | Year six | 35% |
- h) Payment for a complete or partial denture shall include charges for any necessary adjustment within a 12 month period. Payment for a rebase of a partial or complete denture is limited to once in a three year period and includes all adjustments required for 12 months after delivery. Payment for a reline procedure is only a benefit if more than 6 months have passed since the initial insertion.
- i) Payment for standard dentures is limited to the maximum allowable fee for a standard partial or complete denture. A standard denture means a removable appliance to replace missing natural, permanent teeth. A standard denture is made by conventional means from acceptable materials. If a denture is constructed by specialized techniques and the fee is higher than the fee allowable for a standard denture, the patient is responsible for the difference.
- j) Payment for fixed bridges or cast partials for children under 16 years of age is not a benefit.
- k) A posterior bridge where a partial denture is constructed in the same arch is not a covered benefit.
- l) Temporary partial dentures are a benefit only when upper anterior teeth are missing.
- m) Implants are a benefit for Members 16 years of age and older.
- n) Replacement of implants or abutments received in the previous seven years is not a benefit.
- o) The removal of an implant is allowed once per lifetime.
- p) Specialized techniques are not benefits (i.e. bone grafts, guided tissue regeneration, precision attachments, etc.).
- q) Implant maintenance procedures are allowed once in a 12 month period.

VI. Orthodontic Benefits

The DPPO Insurance Program will pay benefits for procedures using appliances, including harmful habit devices, to treat poor alignment of teeth and/or jaws. Such poor alignment must significantly interfere with function to be a benefit.



Limitations and Exclusions On Orthodontic Benefits

- a) A 12 month waiting period (starting with the Member's enrollment effective date) must be satisfied before orthodontic benefits will be payable.
- b) Orthodontic benefits are limited to enrolled children through the end of the month in which the child turns age 19.
- c) DPPO program shall make regular payments for orthodontic benefits.
- d) If orthodontic treatment began prior to enrolling in this program, DPPO program will begin benefits with the first payment due the dentist after the Subscriber or covered Dependent becomes eligible. Notwithstanding the foregoing, the DPPO shall apply credit for prior length of continuous enrollment in the State DPPO plan for any Members and/or Dependents who were enrolled in the State DPPO plan on December 31, 2015 and who continued coverage under the new DPPO Program effective January 1, 2016. Such requirement shall also apply to Members and/or Dependents maintaining COBRA continuation coverage.
- e) Benefits end with the next payment due the dentist after loss of eligibility or immediately if treatment stops.
- f) Benefits are not paid to repair or replace any orthodontic appliance received.
- g) Orthodontic benefits are not paid for extractions or other surgical procedures. However, these additional services may be covered under Diagnostic and Preventive or Basic Benefits.
- h) Harmful habit devices are allowed once per lifetime for children under age 19.

Orthodontic Payment Method

- a) The initial payment (initial banding fee) made by DPPO program for comprehensive treatment will be 33% of the total fee for treatment subject to Member's copayment percentage and lifetime maximum.
- b) Subsequent payments will be issued on a regular basis for continuing active orthodontic treatment. Payments will begin in the month following the appliance placement date and are subject to Member's copayment percentage and lifetime maximum.



HIPAA BUSINESS ASSOCIATE AGREEMENT COMPLIANCE WITH PRIVACY AND SECURITY RULES

THIS BUSINESS ASSOCIATE AGREEMENT (hereinafter "Agreement") is between **The State of Tennessee, Finance and Administration, Division of Benefits Administration** (hereinafter "Covered Entity") and **Metropolitan Life Insurance Company** (hereinafter "Business Associate"). Covered Entity and Business Associate may be referred to herein individually as "Party" or collectively as "Parties."

BACKGROUND

Parties acknowledge that they are subject to the Privacy and Security Rules (45 CFR Parts 160 and 164) promulgated by the United States Department of Health and Human Services pursuant to the Health Insurance Portability and Accountability Act of 1996 (HIPAA), Public Law 104-191 as amended by Public Law 111-5, Division A, Title XIII (the HITECH Act), in certain aspects of its operations.

Business Associate provides services to Covered Entity pursuant to one or more contractual relationships detailed below and hereinafter referred to as "Service Contracts."

LIST OF AGREEMENTS AFFECTED BY THIS BUSINESS ASSOCIATE AGREEMENT:

Contract Name:

Execution Date:

Edison # 47501 – Preferred Dental

October 1, 2015

In the course of executing Service Contracts, Business Associate may come into contact with, use, or disclose Protected Health Information ("PHI"). Said Service Contract(s) are hereby incorporated by reference and shall be taken and considered as a part of this document the same as if fully set out herein.

In accordance with the federal privacy and security regulations set forth at 45 C.F.R. Part 160 and Part 164, Subparts A, C, D and E, which require Covered Entity to have a written memorandum with each of its Business Associates, the Parties wish to establish satisfactory assurances that Business Associate will appropriately safeguard PHI and, therefore, make this Agreement.

DEFINITIONS

Terms used, but not otherwise defined, in this Agreement shall have the same meaning as those terms in 45 CFR §§ 160.103, 164.103, 164.304, 164.402, 164.501, and 164.504.

- 1.1 "Breach of the Security of the [Business Associate's Information] System" shall have the meaning set out in its definition at T.C.A. § 47-18-2107
- 1.2 "Business Associate" shall have the meaning set out in its definition at 45 C.F.R. § 160.103.
- 1.3 "Covered Entity" shall have the meaning set out in its definition at 45 C.F.R. § 160.103.
- 1.4 "Designated Record Set" shall have the meaning set out in its definition at 45 C.F.R. § 164.501.
- 1.5 "Electronic Protected Health Information" shall have the meaning set out in its definition at 45 C.F.R. § 160.103.
- 1.6 "Genetic Information" shall have the meaning set out in its definition at 45 C.F.R. § 160.103.
- 1.7 "Health Care Operations" shall have the meaning set out in its definition at 45 C.F.R. § 164.501.



- 3 "Individual" shall have the same meaning as the term "individual" in 45 CFR § 160.103 and shall include a person who qualifies as a personal representative in accordance with 45 CFR § 164.502(g).
- 1.9 "Information Holder" shall have the meaning set out in its definition at T.C.A. § 47-18-2107
- 1.10 "Marketing" shall have the meaning set out in its definition at 45 C.F.R. § 164.501.
- 1.11 "Personal information" shall have the meaning set out in its definition at T.C.A. § 47-18-2107
- 1.12 "Privacy Official" shall have the meaning as set out in its definition at 45 C.F.R. § 164.530(a)(1).
- 1.13 "Privacy Rule" shall mean the Standards for Privacy of Individually Identifiable Health Information at 45 CFR Part 160 and Part 164, subparts A, and E.
- 1.14 "Protected Health Information" shall have the same meaning as the term "protected health information" in 45 CFR § 160.103, limited to the information created or received by Business Associate from or on behalf of Covered Entity.
- 1.15 "Required by Law" shall have the meaning set forth in 45 CFR § 164.512.
- 1.16 "Security Incident" shall have the meaning set out in its definition at 45 C.F.R. § 164.304.
- 1.17 "Security Rule" shall mean the Security Standards for the Protection of Electronic Protected Health Information at 45 CFR Parts 160 and 164, Subparts A and C.

2. OBLIGATIONS AND ACTIVITIES OF BUSINESS ASSOCIATE (Privacy Rule)

- 2.1 Business Associate is authorized to use PHI for the purposes of carrying out its duties under the Services Contract. In the course of carrying out these duties, including but not limited to carrying out the Covered Entity's duties under HIPAA, Business Associate shall fully comply with the requirements under the Privacy Rule applicable to "business associates," as that term is defined in the Privacy Rule and not use or further disclose PHI other than as permitted or required by this Agreement, the Service Contracts, or as Required By Law. Business Associate is subject to requirements of the Privacy Rule as required by Public Law 111-5, Section 13404 [designated as 42 U.S.C. 17934] In case of any conflict between this Agreement and the Service Contracts, this Agreement shall govern.
- 2.2 The Health Information Technology for Economic and Clinical Health Act (HITECH) was adopted as part of the American Recovery and Reinvestment Act of 2009. HITECH and its implementing regulations impose new requirements on Business Associates with respect to privacy, security, and breach notification. Business Associate hereby acknowledges and agrees that to the extent it is functioning as a Business Associate of Covered Entity, Business Associate shall comply with HITECH. Business Associate and the Covered Entity further agree that the provisions of HIPAA and HITECH that apply to business associates and that are required to be incorporated by reference in a business associate agreement have been incorporated into this Agreement between Business Associate and Covered Entity. Should any provision not be set forth specifically, it is as if set forth in this Agreement in its entirety and is effective as of the Applicable Effective Date, and as amended.
- 2.3 Business Associate shall use appropriate administrative, physical, and technical safeguards to prevent use or disclosure of PHI other than as provided for by this Agreement, Services Contract(s), or as Required By Law. This includes the implementation of Administrative, Physical, and Technical Safeguards to reasonably and appropriately protect the Covered Entity's PHI against any reasonably anticipated threats or hazards, utilizing the technology commercially available to the Business Associate. The Business Associate shall maintain appropriate documentation of its compliance with the Privacy Rule, including, but not limited to, its policies, procedures, records of training and sanctions of members of its Workforce.



- Business Associate shall require any agent, including a subcontractor, to whom it provides PHI received from, maintained, created or received by Business Associate on behalf of Covered Entity or that carries out any duties for the Business Associate involving the use, custody, disclosure, creation of, or access to PHI or other confidential information, to agree, by written contract with Business Associate, to the same restrictions and conditions that apply through this Agreement to Business Associate with respect to such information.
- 2.5 Business Associate shall mitigate, to the extent practicable, any harmful effect that is known to Business Associate of a use or disclosure of PHI by Business Associate in violation of the requirements of this Agreement.
- 2.6 Business Associate shall require its employees, agents, and subcontractors to promptly report, to Business Associate, immediately upon becoming aware of any use or disclosure of PHI in violation of this Agreement. Business Associate shall report to Covered Entity any use or disclosure of the PHI not provided for by this Agreement. Business Associate will also provide additional information reasonably requested by the Covered Entity related to the breach.
- 2.7 As required by the Breach Notification Rule, Business Associate shall, and shall require its subcontractor(s) to, maintain systems to monitor and detect a Breach of Unsecured PHI, whether in paper or electronic form.
- 2.7.1 Business Associate shall provide to Covered Entity notice of a Potential or Actual Breach of Unsecured PHI immediately upon becoming aware of the Breach.
- 2.7.2 Business Associate shall cooperate with Covered Entity in timely providing the appropriate and necessary information to Covered Entity.
- 2.7.3 Covered Entity shall make the final determination whether the Breach requires notification and whether the notification shall be made by Covered Entity or Business Associate.
- 2.8 If Business Associate receives PHI from Covered Entity in a Designated Record Set, Business Associate shall provide access, at the request of Covered Entity, to PHI in a Designated Record Set to Covered Entity, in order to meet the requirements under 45 CFR § 164.524, provided that Business Associate shall have at least 30 business days from Covered Entity notice to provide access to, or deliver such information.
- 2.9 If Business Associate receives PHI from Covered Entity in a Designated Record Set, then Business Associate shall make any amendments to PHI in a Designated Record Set that the Covered Entity directs or agrees to pursuant to the 45 CFR § 164.526 at the request of Covered Entity or an Individual, and in the time and manner designated by Covered Entity, provided that Business Associate shall have at least 30 business days from Covered Entity notice to make an amendment.
- 2.10 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, created by or received by Business Associate on behalf of, Covered Entity available to the Secretary of the United States Department of Health and Human Services or the Secretary's designee, in a time and manner designated by the Secretary, for purposes of determining Covered Entity's or Business Associate's compliance with the Privacy Rule.
- 2.11 Business Associate shall document disclosures of PHI and information related to such disclosures as would be required for Covered Entity to respond to a request by an Individual for an accounting of disclosure of PHI in accordance with 45 CFR § 164.528.
- 2.12 Business Associate shall provide Covered Entity or an Individual, in time and manner designated by Covered Entity, information collected in accordance with this Agreement, to permit Covered Entity to respond to a request by an Individual for an accounting of disclosures of PHI in accordance with 45 CFR § 164.528, provided that Business Associate shall have at least 30 business days from Covered Entity notice to provide access to, or deliver such information which shall include, at minimum, (a) date of the disclosure; (b) name of the third party to whom the PHI



was disclosed and, if known, the address of the third party; (c) brief description of the disclosed information; and (d) brief explanation of the purpose and basis for such disclosure. Business Associate shall provide an accounting of disclosures directly to an individual when required by section 13405(c) of Public Law 111-5 [designated as 42 U.S.C. 17935(c)].

- 2.13 Business Associate agrees it must limit any use, disclosure, or request for use or disclosure of PHI to the minimum amount necessary to accomplish the intended purpose of the use, disclosure, or request in accordance with the requirements of the Privacy Rule.
- 2.13.1 Business Associate represents to Covered Entity that all its uses and disclosures of, or requests for, PHI shall be the minimum necessary in accordance with the Privacy Rule requirements.
- 2.13.2 Covered Entity may, pursuant to the Privacy Rule, reasonably rely on any requested disclosure as the minimum necessary for the stated purpose when the information is requested by Business Associate.
- 2.13.3 Business Associate acknowledges that if Business Associate is also a covered entity, as defined by the Privacy Rule, Business Associate is required, independent of Business Associate's obligations under this Memorandum, to comply with the Privacy Rule's minimum necessary requirements when making any request for PHI from Covered Entity.
- 2.14 Business Associate shall adequately and properly maintain all PHI received from, or created or received on behalf of, Covered Entity
- 2.15 If Business Associate receives a request from an Individual for a copy of the individual's PHI, and the PHI is in the sole possession of the Business Associate, Business Associate will provide the requested copies to the individual and notify the Covered Entity of such action. If Business Associate receives a request for PHI in the possession of the Covered Entity, or receives a request to exercise other individual rights as set forth in the Privacy Rule, Business Associate shall notify Covered Entity of such request and forward the request to Covered Entity. Business Associate shall then assist Covered Entity in responding to the request.
- 2.16 Business Associate shall fully cooperate in good faith with and to assist Covered Entity in complying with the requirements of the Privacy Rule.

3 OBLIGATIONS AND ACTIVITIES OF BUSINESS ASSOCIATE (Security Rule)

- 3.1 Business Associate shall fully comply with the requirements under the Security Rule applicable to "business associates," as that term is defined in the Security Rule. In case of any conflict between this Agreement and Service Agreements, this Agreement shall govern.
- 3.2 Business Associate shall implement 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 the covered entity as required by the Security Rule and Public Law 111-5. This includes specifically, but is not limited to, the utilization of technology commercially available at the time to the Business Associate to protect the Covered Entity's PHI against any reasonably anticipated threats or hazards. The Business Associate understands that it has an affirmative duty to perform a regular review or assessment of security risks, conduct active risk management and supply best efforts to assure that only authorized persons and devices access its computing systems and information storage, and that only authorized transactions are allowed. The Business Associate will maintain appropriate documentation to certify its compliance with the Security Rule.
- 3.3 Business Associate shall ensure that any agent, including a subcontractor, to whom it provides electronic PHI received from or created for Covered Entity or that carries out any duties for the Business Associate involving the use, custody, disclosure, creation of, or access to PHI supplied by Covered Entity, to agree, by written contract (or the appropriate equivalent if the agent is a



government entity) with Business Associate, to the same restrictions and conditions that apply through this Agreement to Business Associate with respect to such information.

- 3.4 Business Associate shall require its employees, agents, and subcontractors to report to Business Associate within five (5) business days, any Security Incident (as that term is defined in 45 CFR § 164.304) of which it becomes aware. 45 CFR 164.314(a)(2)(C) requires that business associate shall report to the covered entity any security incident of which it becomes aware, including breaches of unsecured protected health information as required by 164.410. Business Associate shall promptly report any Security Incident of which it becomes aware to Covered Entity. Provided however, that such reports are not required for attempted, unsuccessful Security Incidents, including trivial and routine incidents such as port scans, attempts to log-in with an invalid password or user name, denial of service attacks that do not result in a server being taken off-line, malware, and pings or other similar types of events.
- 3.5 Business Associate shall make its internal practices, books, and records including policies and procedures relating to the security of electronic PHI received from, created by or received by Business Associate on behalf of, Covered Entity available to the Secretary of the United States Department of Health in Human Services or the Secretary's designee, in a time and manner designated by the Secretary, for purposes of determining Covered Entity's or Business Associate's compliance with the Security Rule.
- 3.6 Business Associate shall fully cooperate in good faith with and to assist Covered Entity in complying with the requirements of the Security Rule.
- 3.7 Notification for the purposes of Sections 2.8 and 3.4 shall be in writing made by email/fax, certified mail or overnight parcel immediately upon becoming aware of the event, with supplemental notification by facsimile and/or telephone as soon as practicable, to:

State of Tennessee
Benefits Administration
HIPAA Privacy & Security Officer
312 Rosa L. Parks Avenue
1900 W.R.S. Tennessee Towers
Nashville, TN 37243-1102
Phone: (615) 770-6949
Facsimile: (615) 253-8556

With a copy to:

State of Tennessee
Benefits Administration
Contracting and Procurement Manager
312 Rosa L. Parks Avenue
1900 W.R.S. Tennessee Towers
Nashville, TN 37243-1102
Phone: (615) 253-8358
Facsimile: (615) 253-8556

- 3.8 Business Associate identifies the following key contact persons for all matters relating to this Agreement:

Joseph Trovato
Senior Vice President & Chief Privacy Officer
Metropolitan Life Insurance Company
200 Park Avenue
New York, NY 10166
Phone: 212.578.5881

With a copy to:

ATTN: Debbie Skelley
Senior Account Executive



Metropolitan Life Insurance Company
1200 Abernathy Road NE, Bldg. 600
Suite 1450
Atlanta, GA 30328
Phone: 770.407.2544

Business Associate shall notify Covered Entity of any change in the key contact during the term of this Agreement in writing within ten (10) business days.

4. PERMITTED USES AND DISCLOSURES BY BUSINESS ASSOCIATE

- 4.1 Except as otherwise limited in this Agreement, Business Associate may use or disclose PHI to perform functions, activities, or services for, or on behalf of, Covered Entity as specified in Service Contract(s), provided that such use or disclosure would not violate the Privacy and Security Rule, if done by Covered Entity. Business Associate's disclosure of PHI shall be subject to the limited data set and minimum necessary requirements of Section 13405(b) of Public Law 111-5, [designated as 42 U.S.C. 13735(b)]
- 4.2 Except as otherwise limited in this Agreement, Business Associate may use PHI as required for Business Associate's proper management and administration or to carry out the legal responsibilities of the Business Associate.
- 4.3 Except as otherwise limited in this Agreement, Business Associate may disclose PHI for the proper management and administration of the Business Associate, provided that disclosures are Required By Law, or provided that, if Business Associate discloses any PHI to a third party for such a purpose, Business Associate shall enter into a written agreement with such third party requiring the third party to: (a) maintain the confidentiality, integrity, and availability of PHI and not to use or further disclose such information except as Required By Law or for the purpose for which it was disclosed, and (b) notify Business Associate of any instances in which it becomes aware in which the confidentiality, integrity, and/or availability of the PHI is breached immediately upon becoming aware.
- 4.4 Except as otherwise limited in this Agreement, Business Associate may use PHI to provide data aggregation services to Covered Entity as permitted by 45 CFR § 164.504(e)(2)(i)(B).
- 4.5 Business Associate may use PHI to report violations of law to appropriate Federal and State Authorities consistent with 45 CFR 164.502(j)(1).
- 4.6 Business Associate shall not use or disclose PHI that is Genetic Information for underwriting purposes. Moreover, the sale, marketing or the sharing for commercial use or any purpose construed by Covered Entity as the sale, marketing or commercial use of member's personal or financial information with affiliates, even if such sharing would be permitted by federal or state laws, is prohibited.
- 4.7 Business Associate shall enter into written agreements that are substantially similar to this Business Associate Agreement with any Subcontractor or agent which Business Associate provides access to Protected Health Information.
- 4.8 Business Associates shall implement and maintain information security policies that comply with the HIPAA Security Rule.

5. OBLIGATIONS OF COVERED ENTITY

- 5.1 Covered Entity shall provide Business Associate with the Notice of Privacy Practices that Covered Entity produces in accordance with 45 CFR § 164.520, as well as any changes to such notice. Covered Entity shall notify Business Associate of any limitations in its notice that affect Business Associate's use or disclosure of PHI.



Covered Entity shall provide Business Associate with any changes in, or revocation of, permission by an Individual to use or disclose PHI, if such changes affect Business Associate's permitted or required uses.

- 5.3 Covered Entity shall notify Business Associate of any restriction to the use or disclosure of PHI that Covered Entity has agreed to in accordance with 45 CFR § 164.522, to the extent that such restriction may affect Business Associate's use of PHI.

6. PERMISSIBLE REQUESTS BY COVERED ENTITY

- 6.1 Covered Entity shall not request Business Associate to use or disclose PHI in any manner that would not be permissible under the Privacy or Security Rule, if done by Covered Entity.

7. TERM AND TERMINATION

- 7.1 Term. This Agreement shall be effective as of the date on which it is signed by both parties and shall terminate when 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, or, if it is infeasible to return or destroy PHI, Section 7.3. below shall apply.

7.2 Termination for Cause.

- 7.2.1. This Agreement authorizes and Business Associate acknowledges and agrees Covered Entity shall have the right to immediately terminate this Agreement and Service Contracts in the event Business Associate fails to comply with, or violates a material provision of, requirements of the Privacy and/or Security Rule or this Memorandum.

- 7.2.2. Upon Covered Entity's knowledge of a material breach by Business Associate, Covered Entity shall either:

7.2.2.1. Provide a reasonable opportunity for Business Associate to cure the breach or end the violation, or

7.2.2.2. If Business Associate has breached a material term of this Agreement and cure is not possible or if Business Associate does not cure a curable breach or end the violation within a reasonable time as specified by, and at the sole discretion of, Covered Entity, Covered Entity may immediately terminate this Agreement and the Service Agreement.

7.2.2.3. If neither cure nor termination is feasible, Covered Entity shall report the violation to the Secretary of the United States Department of Health in Human Services or the Secretary's designee.

7.3 Effect of Termination.

7.3.1. Except as provided in Section 7.3.2. below, upon termination of this Agreement, for any reason, Business Associate shall return or destroy all PHI received from Covered Entity, or created or received by Business Associate on behalf of, Covered Entity. This provision shall apply to PHI that is in the possession of subcontractors or agents of Business Associate. Business Associate shall retain no copies of the PHI.

7.3.2. In the event that Business Associate determines that returning or destroying the PHI is not feasible, Business Associate shall provide to Covered Entity notification of the conditions that make return or destruction unfeasible. Upon mutual agreement of the Parties that return or destruction of PHI is unfeasible, Business Associate shall extend the protections of this Memorandum to such PHI and limit further uses and disclosures of such PHI to those purposes that make the return or destruction unfeasible, for so long as Business Associate maintains such PHI.

8. MISCELLANEOUS



Regulatory Reference. A reference in this Agreement to a section in the Privacy and or Security Rule means the section as in effect or as amended.

- 8.2 **Amendment.** The Parties agree to take such action as is necessary to amend this Agreement from time to time as is necessary for Covered Entity to comply with the requirements of the Privacy and Security Rules and the Health Insurance Portability and Accountability Act, Public Law 104-191, including any amendments required by the United States Department of Health and Human Services to implement the Health Information Technology for Economic and Clinical Health and related regulations upon the effective date of such amendment, regardless of whether this Agreement has been formally amended, including, but not limited to changes required by the American Recovery and Reinvestment Act of 2009, Public Law 111-5.
- 8.3 **Survival.** The respective rights and obligations of Business Associate under Section 7.3. of this Memorandum shall survive the termination of this Agreement.
- 8.4 **Interpretation.** Any ambiguity in this Agreement shall be resolved in favor of a meaning that permits Covered Entity and the Business Associate to comply with the Privacy and Security Rules.
- 8.5 **Notices and Communications.** All instructions, notices, consents, demands, or other communications required or contemplated by this Agreement shall be in writing and shall be delivered by hand, by facsimile transmission, by overnight courier service, or by first class mail, postage prepaid, addressed to the respective party at the appropriate facsimile number or address as set forth below, or to such other party, facsimile number, or address as may be hereafter specified by written notice.

COVERED ENTITY:
State of Tennessee
Department of Finance and Administration
Benefits Administration
ATTN: HIPAA Privacy & Security Officer
312 Rosa L. Parks Avenue
1900 W.R.S. Tennessee Towers
Nashville, TN 37243-1102
Phone: (615) 770-6949
Facsimile: (615) 253-8556

With a copy to:
ATTN: Sylvia Chunn
Procurements & Contracting Manager
At the address listed above
Phone: (615) 253-8358
Facsimile: (615) 253-8556
E-Mail: Sylvia.chunn@tn.gov

BUSINESS ASSOCIATE:
Metropolitan Life Insurance Company
ATTN: Joseph Trovato
Senior Vice President & Chief Privacy
Officer
200 Park Avenue
New York, NY 10166
Phone: 212.578.5881
Email: jtrovato@metlife.com

With a copy to:
ATTN: Debbie Skelley
Senior Account Executive
Metropolitan Life Insurance Company
1200 Abernathy Road NE, Bldg. 600
Suite 1450
Atlanta, GA 30328
Telephone # 770.407.2544
FAX # 770.407.2495
Email: dskelley@metlife.com

A. All instructions, notices, consents, demands, or other communications shall be considered effectively given as of the date of hand delivery; as of the date specified for overnight courier service delivery; as of three (3) business days after the date of mailing; or on the day the facsimile transmission is received mechanically by the facsimile machine at the receiving location and receipt is verbally confirmed by the sender.

- 8.6 **Strict Compliance.** No failure by any Party to insist upon strict compliance with any term or provision of this Agreement, to exercise any option, to enforce any right, or to seek any remedy upon any default of any other Party shall affect, or constitute a waiver of, any Party's right to insist upon such strict compliance, exercise that option, enforce that right, or seek that remedy with respect to that default or any prior, contemporaneous, or subsequent default. No custom or practice of the Parties at variance with any provision of this Agreement shall affect, or constitute a waiver of, any Party's right to demand strict compliance with all provisions of this Agreement



Severability. With respect to any provision of this Agreement finally determined by a court of competent jurisdiction to be unenforceable, such court shall have jurisdiction to reform such provision so that it is enforceable to the maximum extent permitted by applicable law, and the Parties shall abide by such court's determination. In the event that any provision of this Agreement cannot be reformed, such provision shall be deemed to be severed from this Agreement, but every other provision of this Agreement shall remain in full force and effect.

8.8 **Governing Law.** This Agreement shall be governed by and construed in accordance with the laws of the State of Tennessee except to the extent that Tennessee law has been pre-empted by HIPAA.

8.9 **Compensation.** There shall be **no** remuneration for performance under this Agreement except as specifically provided by, in, and through, existing administrative requirements of Tennessee State government and services contracts referenced herein.

8.10 **Security Breach.** A violation of HIPAA or the Privacy or Security Rules constitutes a breach of this Business Associate Agreement and a breach of the Service Contract(s) listed on page one of this agreement, and shall be subject to all available remedies for such breach.

IN WITNESS WHEREOF,

10/29/15

Michael McDermott, Customer Unit Vice President

Date:

11/19/15

Larry B. Martin, Commissioner of Finance & Administration

Date:

Document Approval Status

SetID: SHARE Contract ID: 000000000000000000047501
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