TN Division of
Health Care Finance & Administration

December 28, 2016

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

Attention: Ms. Krista Lee, Executive Director

RE: Grant Cooper & Associates (Amendment #1)

Dear Chairman White:

The Department of Finance and Administration, Division of Health Care Finance and Administration (HCFA), is submitting for consideration by the Fiscal Review Committee contract amendment #1 to Grant Cooper & Associates. This competitively procured Contractor provides a national healthcare executive search and recruitment service to assist HCFA in identifying qualified candidates for consideration by HCFA for recruitment of candidates to fill HCFA executive positions. The existing contract language provides for an amendment to add necessary executive positions as the need occurs and for necessary funding to be added to the contract at the rates submitted in the Contractor's cost proposal. This amendment is necessary to provide funding at the current rates as submitted in the Cost Proposal as well as specify the requirements of the Managed Care Analytics Director (MCAD), the position responsible for the direction and oversight of the Health Care Informatics (HCI) section. The HCI section is responsible for extracting and analyzing healthcare data provided to TennCare from its Managed Care Contractors to help inform key fiscal and clinical quality policy decisions that impact TennCare's 1.5 million members and its total budget of $11 billion.

HCFA respectfully submits the above referenced contract amendment for consideration and approval by the Fiscal Review Committee.

Sincerely,

William Aaron
Chief Financial Officer

cc: Wendy Long, M.D., Deputy Commissioner

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 #	**31865-00441**
1. Procuring Agency	**Department of Finance and Administration** **Division of Health Care Finance and Administration**
2. Contractor	**Grant Cooper & Associates**
3. Edison contract ID #	**48557**
4. Proposed amendment #	**1**
5. Contract's Effective Date	**January 4, 2016**
6. Current end date	**January 3, 2019**
7. Proposed end date	**January 3, 2019**
8. Current Maximum Liability or Estimated Liability	**$210,000.00**
9. Proposed Maximum Liability or Estimated Liability	**$270,000.00**
10. Office for Information Resources Pre-Approval Endorsement Request *– information technology service (N/A to THDA)*	**x Not Applicable** ☐ **Attached**
11. eHealth Pre-Approval Endorsement Request *– health-related professional, pharmaceutical, laboratory, or imaging*	**x Not Applicable** ☐ **Attached**
12. Human Resources Pre-Approval Endorsement Request *– state employee training service*	**X Not Applicable** ☐ **Attached**

13. Explain why the proposed amendment is needed

This competitively procured Contractor provides a national healthcare executive search and recruitment service to assist HCFA in identifying qualified candidates for consideration by HCFA for recruitment of candidates to fill HCFA executive positions. The existing contract language provides for an amendment to add necessary executive positions as the need occurs and for necessary funding to be added to the contract at the rates submitted in cost proposal. This amendment is necessary to provide funding at the current rates as submitted in the Cost Proposal as well as specify the requirements of the Managed Care

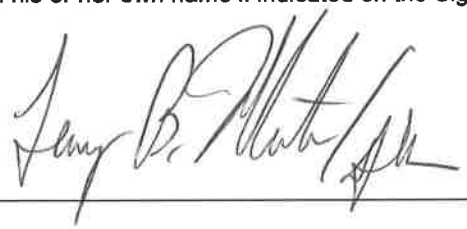
Agency request tracking #	31865-00441

Analytics Director (MCAD) who is responsible for the direction and oversight of the Health Care Informatics (HCI) section. The HCI section is responsible for extracting and analyzing healthcare data provided to TennCare from its Managed Care Contractors to help inform key fiscal and clinical quality policy decisions that impact TennCare's 1.5 million members and its total budget of $11 billion.

14. If the amendment involves a change in Scope, describe efforts to identify reasonable, competitive, procurement alternatives to amending the contract.

No new scope of work, however, existing scope of work is modified to include new position and referenced attachment F.

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 #	Edison ID	Contract #	Amendment #
31865-00441	48557		01

Contractor Legal Entity Name	Edison Vendor ID
Grant Cooper & Associates	0000170836

Amendment Purpose & Effect(s)
Updates Scope and Increases Maximum Liability

Amendment Changes Contract End Date: ☐ YES ☒ NO **End Date:** January 3, 2019

TOTAL Contract Amount INCREASE or DECREASE per this Amendment (zero if N/A): **$ 60,000.00**

Funding —

FY	State	Federal	Interdepartmental	Other	TOTAL Contract Amount
2016	$95,000.00	$95,000.00			$190,000.00
2017	$40,000.00	$40,000.00			$80,000.00
2018	$0.00	$0.00			$0.00
2019	$0.00	$0.00			$0.00
TOTAL:	**$135,000.00**	**$135,000.00**			**$270,000.00**

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.

Speed Chart (optional)	Account Code (optional)
TN00000134	70803000

CPO USE

AMENDMENT #1 TO #48557
CONTRACT
BETWEEN THE STATE OF TENNESSEE,
DEPARTMENT OF FINANCE AND ADMINISTRATION
DIVISION OF HEATLH CARE FINANCE AND ADMINISTRATION
AND
GRANT COOPER & ASSOCIATES

This Amendment is made and entered by and between the State of Tennessee, Department of Finance and Administration, Division of Health Care Finance and Administration, hereinafter referred to as the "State" and Grant Cooper & Associates, hereinafter referred to as the "Contractor." For good and valuable consideration, the sufficiency of which is hereby acknowledged, it is mutually understood and agreed by and between said, undersigned contracting parties that the subject contract is hereby amended as follows:

1. Contract Section A.2 is deleted in its entirety and replaced with the following:

   A.2. The Contractor shall provide a national healthcare executive search and recruitment services to the HCFA to assist in identifying qualified candidates for consideration by HCFA, and recruiting and helping select candidates to fill the following HCFA executive positions: (1) Chief Information Officer (CIO), (2) Associate Medical Director, (3) Director of Dual Eligible Operations and Initiatives, and (4) Managed Care Analytics Director. These executive positions are critical to the daily operations of HCFA and the Tennessee state Medicaid program, known as "TennCare", and the federally funded Tennessee state Children's Health Insurance Plan (CHIP) program, known as "CoverKids." Preliminary descriptions and requirements associated with these positions are located in Attachment A, CIO Preliminary Qualifications, Attachment B, Associate Medical Director Preliminary Qualifications, Attachment C, Director of Dual Eligible Operations and Initiatives Preliminary Qualifications, and Attachment F, Managed Care Analytics Director . Additional information regarding HCFA's preferred candidate qualifications, characteristics and attributes will be developed prior to initiation of each executive search and will be communicated to Contactor through a Control Memorandum (CM) pursuant to Section A.6 below.

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

   C.1. Maximum Liability. In no event shall the maximum liability of the State under this Contract exceed Two Hundred Seventy Thousand Dollars ($270,000.00) ("Maximum Liability"). The payment methodology includes all applicable taxes, fees, overhead, and all other direct or indirect costs incurred or to be incurred by the Contractor. 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.

3. Contract Attachment F attached hereto is added as a new attachment.

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 February 28, 2017. All other terms and conditions of this Contract not expressly amended herein shall remain in full force and effect.

IN WITNESS WHEREOF,

GRANT COOPER & ASSOCIATES:

CONTRACTOR SIGNATURE **DATE**

PRINTED NAME AND TITLE OF CONTRACTOR SIGNATORY (above)

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

LARRY B. MARTIN, COMMISSIONER **DATE**

ATTACHMENT F

MANAGED CARE ANALYTICS DIRECTOR (MCAD)

POSITION SUMMARY

The Managed Care Analytics Director (MCAD) is responsible for the direction and oversight of the HealthCare Informatics section. The HealthCare Informatics (HCI) unit is responsible for extracting and analyzing healthcare data provided to the Bureau from its Managed Care Contractors to help inform key fiscal and clinical quality policy decisions that impact TennCare's 1.5 million members and its total budget of $11 billion. The division is also tasked with creating databases, reports, and developing processes to integrate programs into the existing data structure. Daily activities include conducting direct cost and utilization analyses related to actuarial rate setting, population risk assessment, enrollment and financial projection, benefit design, program performance evaluation, and activities of data mining surveillance/utilization to detect abnormal patterns and potential fraud.

RESPONSIBILITIES

Reporting directly to the Chief Financial Officer of TennCare, with a matrixed relationship to both its Deputy Commissioner and Chief of Staff, this Director will be responsible for providing decision support data for the entire program. The position will manage a team of analysts to produce standard and ad hoc reports to drive financial decisions, support strategic initiatives, and respond to data requests from internal and external stakeholders. The analysis work required with respect to these responsibilities is of considerable complexity and requires significant expertise in econometric modeling to identify statistically significant correlations in the claim data and communicate those findings to a broader audience.

Specifically, primary duties of the Managed Care Analytics Director will include:

a. Direct the design and development efforts in disease management reporting, outcome measurement and health plan performance (HEDIS) report cards, as well as providing strategic direction and oversight of the Decision Support System/Data Warehouse and IT&S data/reporting quality control activities.

b. Oversee the ongoing management of a data warehouse project develop the schematics for data warehouse design to assist the state's Medicaid Management Information Systems vendor in developing database tables that would support an improved data management and extraction interface.

c. Provide direct oversight and management of the Surveillance/Utilization Review (SUR) unit which performs activities related to data mining for surveillance/utilization to detect patterns of Medicaid providers and members based on user-defined parameters and other criteria which can detect abnormal patterns and potential fraud. By analyzing and comparing providers to their respective peer groups, abnormal patterns of practice can be identified. Appropriate action can then be initiated to substantiate the data patterns identified during the SUR review. SUR staff identify aberrant behaviors; conduct hospital, physician and other provider type audits to educate providers on program guidelines; and, recover inappropriately reimbursed funds.

d. Manage analytic work using the state's All Payer Claim Database (APCD) which houses information from all group health plans and health insurance issuers. This sizable dataset contains diagnosis, treatment, and payment data from every major health insurer in the state.

e. Work jointly with a variety of regulatory agencies that include but are not limited to the Medicaid Fraud Control Unit (MFCU), the TBI, the Office of Inspector General (OIG) and Office of Attorney General (OAG). The unit is the focal point for TennCare fraud data collection and reporting; this activity includes data collection and reporting for the Federal Centers for Medicaid Services Office (CMS) and the Managed Care Organizations (MCOs), and.

f. Work with State and Federal Officials, Legal Staff, Courts, Law Enforcement Officials, and the TBI with the identification, investigation and prosecution of fraud and abuse cases.

QUALIFICATION REQUIREMENTS

To perform this job successfully, an individual must be able to perform each essential duty satisfactorily. The requirements listed below are representative of the knowledge, skill, and/or ability required. Reasonable accommodations may be made to enable individuals with disabilities to perform the essential functions.

EDUCATION and EXPERIENCE:

a. Bachelor's Degree from accredited undergraduate institution required, as is an MMI or relevant Master's Degree;
b. Seven years or more of experience leading health care data analysis, with a depth of experience in health care statistics and econometrics, preferably within a complex managed care setting;
c. Experience completing complex analyses accurately under time pressure, and in communicating the results of those analyses in plain language to senior leaders, and
d. Expertise in working effectively with outside vendors.

Outstanding candidates will have experience leading data collection and analysis in managed care organizations. They will be experts in defining and implementing reporting models at scale. They will be results-oriented and customer focused, with a bias for action. They will also be able to think strategically and foresee implications for HCFA that may arise from changes in the healthcare macro-economy. They will be a strong and experienced manager of people, able to inspire a team and interact as a peer with internal stakeholders as well as representatives from large payer and provider organizations. They will be flexible and team-oriented, with a strong desire to collaborate with others and develop their team.

PHYSICAL DEMANDS

The physical demands described here are representative of those that must be met by an employee to successfully perform the essential functions of this job. Reasonable accommodations may be made to enable individuals with disabilities to perform the essential functions.

WORK ENVIRONMENT

The work environment characteristics described here are representative of those an employee encounters while performing the essential functions of this job. Reasonable accommodations may be made to enable individuals with disabilities to perform the essential functions.

COMPENSATION

Compensation arrangements are competitive and will be commensurate with the selected candidate's experience and achievements, and responsibilities of this position.

Supplemental Documentation Required for Fiscal Review Committee

*Contact Name:	Alma Chilton	*Contact Phone:	615-507-6384
*Presenter's name(s):	William Aaron		
Edison Contract Number: *(if applicable)*	#48557	RFS Number: *(if applicable)*	31865-00441
*Original or Proposed Contract Begin Date:	January 4, 2016	*Current or Proposed End Date:	January 3, 2019
Current Request Amendment Number: *(if applicable)*	1		
Proposed Amendment Effective Date: *(if applicable)*	March 1, 2017		
*Department Submitting:	Department of Finance and Administration		
*Division:	Division of Health Care Finance & Administration		
*Date Submitted:	December 28, 2016		
*Submitted Within Sixty (60) days:	Yes		
If not, explain:	N/A		
*Contract Vendor Name:	Grant Cooper & Associates		
*Current or Proposed Maximum Liability:	$210,000.00		
*Estimated Total Spend for Commodities:	N/A		

*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	FY
$190,000.00	$20,000.00				$

*Current Total Expenditures by Fiscal Year of Contract:
(attach backup documentation from Edison) **Attached**

FY: 2016	FY: 2017	FY: 2018	FY: 2017	FY	FY
$142,913.95	$41,830.53	$	$	$	$

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 reasons and explain how funding	N/A

Supplemental Documentation Required for Fiscal Review Committee

was acquired to pay the overage:			
*Contract Funding Source/Amount:			
State:	$105,000.00	Federal:	$105,000.00
Interdepartmental:		*Other*:	
If "*other*" please define:			
If "*interdepartmental*" please define:			

Dates of All Previous Amendments or Revisions: (*if applicable*)	Brief Description of Actions in Previous Amendments or Revisions: (*if applicable*)
N/A	

Method of Original Award: (*if applicable*)	Request for Proposal (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?	$210,000.00 Rates per position submitted by Contractor in Cost Proposal.
*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.	This contract was competitively procured, not a sole source.
Provide information on the circumstances and status of any disciplinary action taken or pending against the vendor during the past 5 years with state agencies/ departments, professional organizations, or through any legal action.	No disciplinary actions identified.
In addition, please provide any information regarding the due diligence that the Department has taken to ensure that the vendor is not or has not been involved in any circumstances related to illegal activity, including but not limited to fraud.	HCFA googled this contractor and did not identify any illegal activity. Language in the contract requires immediate notification to the state regarding illegal activity or fraud if discovered during the term of this Contract.

FUNDING REVISION

CONTRACT

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

Begin Date	End Date	Agency Tracking #	Edison Record ID
January 4, 2016	January 3, 2019	31865-00441	48557

Contractor Legal Entity Name	Edison Vendor ID
Grant Cooper & Associates	0000170836

Goods or Services Caption (one line only)

FUNDING REVISION: $120,000.00 moved from FY17-19 to FY2016

Contractor	CFDA #
☒ Contractor	93.778 Dept of Health & Human Services/Title XIX

Funding —

FY	State	Federal	Interdepartmental	Other	TOTAL Contract Amount
2016	$95,000.00	$95,000.00			$190,000.00
2017	$10,000.00	$10,000.00			$20,000.00
2018	$0.00	$0.00			$0.00
2019	$0.00	$0.00			$0.00
TOTAL:	**$105,000.00**	**$105,000.00**			**$210,000.00**

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: For-Profit Corporation

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

☒ Competitive Selection	Competitive Negotiation
☐ 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.

Speed Chart (optional)	Account Code (optional)
TN00000134	70803000

Grant Cooper & Associates
Edison Contract ID: 48557
Vendor #: 0000170836

CONTRACT EXPENDITURES BY FISCAL YEAR
(Payment Detail Attached)

FY 2016	**$142,913.95**	
FY 2017	**$41,916.53**	(Expenditures through December 2016)
TOTAL	**$184,830.48**	

Grant Cooper & Associates
Edison Contract ID: 48557
Vendor ID: 0000170836

FY 2016 Payments

Fiscal Year	Unit	Voucher ID	Invoice	Payment Date	Payment Amount
2016	31865	01256989	010516	1/26/2016	$60,000.00
2016	31865	01286829	13438	3/16/2016	$20,000.00
2016	31865	01286834	13437	3/16/2016	$20,000.00
2016	31865	01315414	13502	4/28/2016	$20,000.00
2016	31865	01327394	13536	5/27/2016	$591.58
2016	31865	01335156	13480	6/9/2016	$379.44
2016	31865	01335157	13479	6/9/2016	$455.20
2016	31865	01334977	13439	6/9/2016	$20,000.00
2016	31865	01335155	13596	6/24/2016	$307.07
2016	31865	01357643	13656	7/29/2016	$360.96
2016	31865	01357645	13657	7/29/2016	$643.20
2016	31865	01365571	13683	8/18/2016	$176.50

Total FY 2016: **$142,913.95**

FY 2017 Payments

Fiscal Year	Unit	Voucher ID	Invoice	Payment Date	Payment Amount
2017	31865	01373618	13710	8/26/2016	$895.51
2017	31865	01385204	13734	9/28/2016	$1,021.02
2017	31865	01422903	13850	11/23/2016	$20,000.00
2017	31865	01448077	13919	Pending	$20,000.00

Total FY 2017: **$41,916.53**

FUNDING REVISION

CONTRACT

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

Begin Date	End Date	Agency Tracking #	Edison Record ID
January 4, 2016	January 3, 2019	31865-00441	48557

Contractor Legal Entity Name	Edison Vendor ID
Grant Cooper & Associates	0000170836

Goods or Services Caption (one line only)

FUNDING REVISION: $120,000.00 moved from FY17-19 to FY2016

Contractor	CFDA #
☒ Contractor	93.778 Dept of Health & Human Services/Title XIX

Funding —

FY	State	Federal	Interdepartmental	Other	TOTAL Contract Amount
2016	$95,000.00	$95,000.00			$190,000.00
2017	$10,000.00	$10,000.00			$20,000.00
2018	$0.00	$0.00			$0.00
2019	$0.00	$0.00			$0.00
TOTAL:	**$105,000.00**	**$105,000.00**			**$210,000.00**

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: For-Profit Corporation

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

☒ Competitive Selection	Competitive Negotiation
☐ 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.

Speed Chart (optional)	Account Code (optional)
TN00000134	70803000

CONTRACT

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

Begin Date	End Date	Agency Tracking #	Edison Record ID
January 4, 2016	January 3, 2019	31865-00441	48557

Contractor Legal Entity Name	Edison Vendor ID
Grant Cooper & Associates	0000170836

Goods or Services Caption (one line only)

Comprehensive Searches for Healthcare Executives

Contractor	CFDA #
☒ Contractor	93.778 Dept of Health & Human Services/Title XIX

Funding —

FY	State	Federal	Interdepartmental	Other	TOTAL Contract Amount
2016	$35,000.00	$35,000.00			$70,000.00
2017	$30,000.00	$30,000.00			$60,000.00
2018	$30,000.00	$30,000.00			$60,000.00
2019	$10,000.00	$10,000.00			$20,000.00
TOTAL:	**$105,000.00**	**$105,000.00**			**$210,000.00**

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)

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☒ Other: For-Profit Corporation

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

☒ Competitive Selection — ITB

☐ 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.

Speed Chart (optional)	Account Code (optional)
TN00000134	70803000

CONTRACT
BETWEEN THE STATE OF TENNESSEE,
DEPARTMENT OF FINANCE AND ADMINISTRATION
DIVISION OF HEATLH CARE FINANCE AND ADMINISTRATION
AND
GRANT COOPER & ASSOCIATES

This Contract, by and between the State of Tennessee, Department of Finance and Administration, Division of Health Care Finance and Administration, Bureau of TennCare, hereinafter referred to as the 'State" or "HCFA" and Grant Cooper & Associates, hereinafter referred to as the "Contractor," is to conduct comprehensive searches for healthcare executives, as defined in the "SCOPE OF SERVICES."

The Contractor is a for profit corporation.
Contractor Place of Incorporation or Organization: Missouri
Contractor Edison Registration ID # 0000170836

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.2. The Contractor shall provide a national healthcare executive search and recruitment services to the HCFA to assist in identifying qualified candidates for consideration by HCFA, and recruiting and helping select candidates to fill the following HCFA executive positions: (1) Chief Information Officer (CIO), (2) Associate Medical Director, and (3) Director of Dual Eligible Operations and Initiatives. These executive positions are critical to the daily operations of HCFA and the Tennessee state Medicaid program, known as "TennCare", and the federally funded Tennessee state Children's Health Insurance Plan (CHIP) program, known as "CoverKids." Preliminary descriptions and requirements associated with these positions are located in Attachment A (CIO Preliminary Qualifications), Attachment B (Associate Medical Director Preliminary Qualifications), and Attachment C (Director of Dual Eligible Operations and Initiatives Preliminary Qualifications). Additional information regarding HCFA's preferred candidate qualifications, characteristics and attributes will be developed prior to initiation of each executive search and will be communicated to Contactor through a Control Memorandum (CM) pursuant to Section A.6 below.

A.3. The Contractor shall ensure that the search is led and managed by Contractor's executive and/or key staff who conducted the initial discussions with the HCFA executive search committee, HCFA executive leadership team and key HCFA stakeholders required in Section A.3 above, and is otherwise staffed with the appropriate resources to ensure a successful and efficient resolution of HCFA's recruitment needs pursuant to the requirements set forth herein. All communications shall be conducted in a professional, confidential manner, consistent with all Federal Regulations and according to all Association of Executive Search Consultant (AESC) guidelines. The Contractor also agrees not to recruit any individuals successfully placed with HCFA for a position with any other employer for a period of two (2) years following the date when the individual is hired by HCFA. The Contractor shall complete each search process within four (4) to six (6) months, unless otherwise specified in writing by HCFA, depending upon the availability of the interview team, number of candidates screened, and the negotiation process.

A.4. Requirements for Each Position. Contractor shall adhere to the following requirements for each position of employment listed in Section A.2, and for any additional positions added pursuant to section A.5.

A.4.1. When completion of specifications for each of the executive positions has been fully refined and provided to Contractor through a CM, the Contractor shall develop a comprehensive research

and assessment strategy to locate suitable candidates for each position, and shall perform the following tasks, services and deliverables:

a. An in-depth on-site visit to HCFA's offices located in Nashville, Tennessee to gain a thorough understanding of the position to be filled, and HCFA's organization and culture. As part of this process, the Contractor shall communicate with the HCFA executive search committee, HCFA executive leadership team and key HCFA stakeholders to gain their insights into the position;

b. Development of a position description document pursuant to the applicable CM, outlining the essential characteristics, competencies, and background of the ideal candidate. This document shall be created by the Contractor and sent to the HCFA executive search committee for review and approval. Once approved, it will be used to provide information to prospective candidates regarding each respective position;

c. Conduct comprehensive research to ascertain those candidates who meet the position criteria. Sources will include Contractor's internal databases, industry referrals, and networking with those knowledgeable in the field to assist in the identification of appropriate candidates. The Contractor's search shall be national in scope, focusing on candidates with relevant backgrounds;

d. Development of the candidate pool. In accordance with each respective CM and using Contractor's existing knowledge, the current research required in Section A.3.c above, as well as any other information available to it from its contacts in the healthcare and managed care operations fields, the Contractor shall develop a preliminary list of qualified candidates for each position who meet HCFA's required skills, experience and salary specifications. The preliminary list of candidates shall be provided to HCFA in the format specified in the applicable CM, be accompanied by all requested information and documentation pertaining to each candidate, and shall be delivered to HCFA within the time frame specified in the CM. Approximately ten (10) to twelve (12) preliminary candidates will be field interviewed by the Contractor, consisting of a face-to-face behavioral-based interview with each candidate to assess his/her compatibility with HCFA, qualifications, and relevant experience. No fewer than three (3) and up to five (5) of the most qualified candidates will be recommended to HCFA and the HCFA executive search committee for interview; and

e. Provide such other deliverables and perform such other services as may be required in the applicable CM for each executive position to be filled.

A.4.2. The Contractor and HCFA shall engage in bi-weekly conference calls to ensure the timely exchange of information. If applicable, prior to each call, the Contractor shall prepare and distribute candidate Curricula Vitae and a brief summary of each candidate. Summary documents shall be continually updated to allow all members of the HCFA executive search committee to remain fully apprised of Contractor's progress. Progress reports shall also be made on a weekly basis, or more frequently as requested by HCFA, and qualified candidates shall be referred to HCFA as soon as they are prescreened and available for interviewing.

A.4.3. The Contractor shall facilitate the scheduling of all interviews, candidate travel, and assist in the development of the interview agenda, as well as providing electronic and/or hard copy candidate interview booklets for each member of the HCFA executive search committee, which shall include candidate Curricula Vitae, interview summaries, potential interview questions, and a candidate interview evaluation form.

A.4.4. The Contractor shall conduct reference checks on all finalists and make available to HCFA all reference documents in order to ensure a comprehensive understanding of each candidate's strengths and weaknesses. The Contractor is not required to perform criminal, credit or other background checks.

A.4.5. The Contractor guarantees the successful resolution of each executive position placement, ending with acceptance of an offer by a candidate. Additionally, the Contractor guarantees that if HCFA releases a candidate placed by the Contractor pursuant to this Contract during the first twelve (12) months of employment for issues relating solely to unsatisfactory performance or if the candidate voluntarily separates from HCFA regardless of the reason, the Contractor agrees to conduct a new search in accordance with the requirements of this Contract to replace the candidate at no additional fee to HCFA except for travel reimbursement.

A.5. In addition to the three (3) executive placements for CIO, Associate Medical Director, and Director of Dual Eligible Operations and Initiatives referenced above, additional HCFA executive healthcare-specific placements may be necessary during the thirty-six (36) month term of the Contract. In the event HCFA experiences additional national healthcare recruitment needs to fill executive level positions, HCFA may elect to seek approval to amend this Contract to add new recruitment specifications for the additional position(s) and to provide additional funding for these services. The Contractor hereby agrees that, if the Contact is amended for this purpose, it shall be compensated at the same rates set forth in Section C.3 hereof, which are the same competitively procured rates submitted by Contractor in response to HCFA's procurement of this Contract.

A.6. Control Memorandum(a) (CM) Process - The CM process shall be utilized by the State to clarify Contract requirements, issue instruction to the Contractor, document action required of the Contractor, or request information from the Contractor. In addition, the CM process shall be used by the State to impose assessments of damages, either actual or liquidated. This process will be used to address issues or matters that do not require a contract amendment. Each CM must be in writing and indicate the date on which it was issued. CMs may provide relevant history, background, and other pertinent information regarding the issue(s) being addressed in the CM. Each CM will establish a deadline or timeframe for the Contractor's reply or other action. All CMs submitted to the Contractor must be signed and approved by the State's Project Director (or his/her designee). When the CM pertains to damages, either actual or liquidated, the State may issue consecutive CMs, as may be necessary or appropriate.

a. A CM may include one (1) or more of the following five (5) components of the CM process described below:

(1) On Request Report (ORR) - a request directing the Contractor to provide information by the time and date set out in the CM.

(2) Control Directive (CD) - instructions that require the Contractor to complete, within a designated timeframe, one (1) or more deliverables or to perform any other request from the State that is within the scope of the Contract. A CD may also provide clarification of certain Contract terms. Once a CM/CD has been issued, it shall be considered to be incorporated into this Contract.

(3) Notice of Potential Damages (Actual or Liquidated) (NPD) – notification to the Contractor that the State has determined that a potential Contract performance or compliance issue exists and that the State is contemplating assessing damages, actual and/or liquidated. The NPD shall identify the Contract provision(s) on which the HCFA determination rests.

(4) Notice of Calculation of Potential Damages (Actual or Liquidated) (NCPD) – notification to the Contractor that provides a calculation of the amount of potential damages, actual and/or liquidated, that the State is contemplating assessing against the Contractor. NPDs and NPCDs may be issued consecutively or simultaneously.

(5) Notice of Intent to Assess Damages (Actual or Liquidated) (NIAD) – notification to the Contractor that the State is assessing damages and specifying whether the damages are actual damages, liquidated damages, or both. The NIAD shall identify the NPD and NCPD upon which it is based. The NIAD shall specify the total amount and type of damages, whether actual or liquidated, the State intends to assess. Following the issuance of an NIAD, the State may elect to withhold damages from payments due to Contractor. The State may not issue a NIAD without first issuing a NPD and a NCPD.

b. Damages for failure to comply with CM. Contractor shall fully comply with all CMs. Failure to do so may result in sanctions, including liquidated damages as listed in Attachment B (Liquidated Damages) and/or termination of the Contract.

c. Appeal of Damages by Contractor. Contractor may appeal either the basis for NPD or calculation of NCPD potential damages, either actual or liquidated. To do so, the Contractor shall submit to the State's Project Director (or his/her designee) a written response to the NPD and/or NCPD within ten (10) business days of receipt of a CM which includes a NPD or a NCPD. The State's Project Director (or his/her designee) shall review the appeal and provide notice of his/her determination to the Contractor through a CM within ten (10) business days of receipt of the appeal from the Contractor. If the Contractor disagrees with the State's Project Director's (or his/her designee) initial appeal determination or the State's Project Director (or his/her designee) is unable to resolve the appeal, the Contractor may submit a written request to the State's Project Director (or his/her designee) that the matter be escalated to senior management of the Agency. Contractor shall submit such a request for escalation within ten (10) business days of its receipt of the initial appeal determination from the State's Project Director (or his/her designee) or of notification by the State's Project Director that he/she is unable to resolve the appeal. The State's senior management shall provide written notice of its final determination to the Contractor CM within ten (10) days of receipt of the appeal from the Contractor. Upon appeal or escalation, the State shall not increase the amount of the potential damages.

A.7. The Contractor shall, as directed by the State and at no additional cost to the State, coordinate with, facilitate the prompt exchange of information between, and work collaboratively with any and all other State contractors and State Agencies. If required in order for the Contractor to proceed with any part of the Scope of Services which involves sharing or obtaining information of a confidential, proprietary, or otherwise valuable nature with or from another State contractor, the Contractor may be requested to sign mutually agreeable documents, including but not limited to Non-Disclosure Agreements (Non-Disclosure Documents), which are reasonably necessary to maintain cooperation and collaboration among and with any and all other State contractors and State agencies in the performance of the Contract.

All Information the Contractor may receive, have disclosed to it, or otherwise becomes known to Contractor during the performance of this Contract from any other State contractor, that the State contractor considers to be propriety or confidential in nature pursuant to a Non-Disclosure Document entered into between the Contractor and another State contractor, shall be governed by such Non-Disclosure Document.

Nothing in this Section, including failure to negotiate and enter into a Non-Disclosure Document acceptable to Contactor with another State contractor, shall be construed to relieve the Contractor of its duty to perform any requirements or deliverables under this Contract. Other than as permitted in Section C. of this Contract, Payment Terms and Conditions, the Contractor shall not invoice the State for any such coordination services, and the State shall not be liable to the Contractor for payment of any such coordination services, without the prior written consent of the State.

B. CONTRACT PERIOD:

B.1. This Contract shall be effective on January 4, 2016 ("Effective Date") and extend for a period of thirty-six (36) 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 Two Hundred Ten Thousand Dollars ($210,000.00) ("Maximum Liability"). The payment methodology includes all applicable taxes, fees, overhead, and all other direct or indirect costs incurred or to be incurred by the Contractor. 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 and the Travel Compensation provided in Section C.4.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 or indirect costs incurred or to be incurred by the Contractor.

C.3. Payment Methodology. The Contractor shall be compensated based on the payment methodology for goods or services authorized by the State in a total amount as set forth in Section C.1.

a. The Contractor's compensation shall be contingent upon the satisfactory completion of units, milestones, or increments of service defined in section A.

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

Services Description	Amount (per compensable increment)
Initiation of Each Search	**$20,000.00**
Presentation of Acceptable Slate of Three (3) Candidates and/or Client Interviews of Candidate for Each Search	**$20,000.00**
Acceptance of Offer by Candidate for Each Search	**$20,000.00**

C.4. Travel Compensation. Compensation to the Contractor for travel, meals, or lodging shall be subject to amounts and limitations specified in the current "State Comprehensive Travel Regulations." Travel related expenses shall not exceed Thirty Thousand Dollars ($30,000.00).

The Contractor must include (in addition to other invoice requirements of this Contract) a complete itemization of requested travel compensation and appropriate documentation and receipts as required by the "State Comprehensive Travel Regulations."

C.5. Invoice Requirements. The Contractor shall invoice the State only for goods delivered and accepted by the State or services satisfactorily provided at the amounts stipulated in Section C.3., above. Contractor shall submit invoices and necessary supporting documentation, no more frequently than once a month, and no later than thirty (30) days after goods or services have

been provided to the following address:

310 Great Circle Road
Nashville, TN 37243

a. Each invoice, on Contractor's letterhead, shall clearly and accurately detail all of the following information (calculations must be extended and totaled correctly):

(1) Invoice number (assigned by the Contractor);
(2) Invoice date;
(3) Contract number (assigned by the State);
(4) Customer account name: Department of Finance and Administration, Division of Health Care Finance and Administration;
(5) Customer account number (assigned by the Contractor to the above-referenced Customer);
(6) Contractor name;
(7) Contractor Tennessee Edison registration ID number;
(8) Contractor contact for invoice questions (name, phone, or email);
(9) Contractor remittance address;
(10) Description of delivered goods or services provided and invoiced, including identifying information as applicable;
(11) Number of delivered or completed units, increments, hours, or days as applicable, of each good or service invoiced;
(12) Applicable payment methodology (as stipulated in Section C.3.) of each good or service invoiced;
(13) Amount due for each compensable unit of good or service; and
(14) Total amount due for the invoice period.

b. Contractor's invoices shall:

(1) Only include charges for goods delivered or services provided as described in Section A and in accordance with payment terms and conditions set forth in Section C;
(2) Only be submitted for goods delivered or services completed and shall not include any charge for future goods to be delivered or services to be performed;
(3) Not include Contractor's taxes, which includes without limitation Contractor's sales and use tax, excise taxes, franchise taxes, real or personal property taxes, or income taxes; and
(4) Include shipping or delivery charges only as authorized in this Contract.

c. The timeframe for payment (or any discounts) begins only when the State is in receipt of an invoice that meets the minimum requirements of this Section C.5.

C.6. Payment of Invoice. A payment by the State shall not prejudice the State's right to object to or question any payment, invoice, or 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 invoiced.

C.7. Invoice Reductions. The Contractor's invoice shall be subject to reduction for amounts included in any invoice 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 invoice 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 the "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, payments to the Contractor, under this or any other contract the Contractor has with the State of Tennessee, may be made by ACH; and

b. The Contractor shall complete, sign, and return to the State the State-provided W-9 form. The taxpayer identification number on the W-9 form must be the same as the Contractor's Federal Employer Identification Number or Social Security Number referenced in the Contractor's Edison registration information.

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 upon 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, other than information or data that is necessary for one or more Contract deliverables, 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:

Deputy Commissioner
Department of Finance and Administration
Division of Health Care Finance and Administration
Bureau of TennCare
310 Great Circle Road
Nashville TN 37243
Telephone # (615) 507-6443
FAX # (615) 253-5607
Darin.j.gordon@tn.gov

The Contractor:

Ed Stout
Grant Cooper & Associates
One North Brentwood Boulevard, Suite 950
St. Louis, MO 63105
Telephone # (314) 726-5291 Extension 108
FAX # (314) 726-5294
stout@grantcooper.com

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

All information or data that is necessary for one or more deliverables set forth in this Contract shall be transmitted between HCFA and Contractor via the data transfer method specified in advance by HCFA. This may include, but shall not be limited to, transfer through HCFA's SFTP system. Failure by the Contractor to transmit information or data that is necessary for a deliverable in the manner specified by HCFA, may, at the option of HCFA, result in Liquidated Damages as set forth on Contract Attachment E hereto.

D.3. Modification and Amendment. This Contract may be modified only by a written amendment signed by all Parties 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 for convenience 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 services 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 of 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 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 D, 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 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 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 and any other relevant laws and regulations regarding privacy (collectively the "Privacy Rules"). The obligations set forth in this Section shall survive the termination of this Contract.

a. Contractor warrants to the State that it is familiar with the requirements of the Privacy Rules, and will comply with all applicable requirements in the course of this Contract.

b. Contractor warrants that it will cooperate with the State, including cooperation and coordination with State privacy officials and other compliance officers required by the Privacy Rules, in the course of performance of the Contract so that both parties will be in compliance with the Privacy Rules.

c. The State and the Contractor will sign documents, including but not limited to business associate agreements, as required by the Privacy Rules and that are reasonably necessary to keep the State and Contractor in compliance with the Privacy Rules. This provision shall not apply if information received or delivered by the parties under this Contract is NOT "protected health information" as defined by the Privacy Rules, or if the Privacy Rules permit the parties to receive or deliver the information without entering into a business associate agreement or signing another document.

d. The Contractor will indemnify the State and hold it harmless for any violation by the Contractor or its subcontractors of the Privacy Rules. 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.

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. In addition, the Contractor shall comply with the provisions of Contract Section E.16, (Applicable Laws, Rules, Policies and Court Orders), and this Section D.25 shall not be deemed to limit or abridge any requirement set forth in Section E.16.

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.

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. The Contractor shall only use Confidential Information for activities pursuant to and related to the performance of the Contract. 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. State Ownership of Goods. The State shall have ownership, right, title, and interest in all goods provided by Contractor under this Contract including full rights to use the goods and transfer title in the goods to any third parties.

E.4 State Furnished Property. The Contractor shall be responsible for the correct use, maintenance, and protection of all articles of nonexpendable, tangible personal property furnished by the State for the Contractor's use under this Contract. Upon termination of this Contract, all property furnished by the State shall be returned to the State in the same condition as when received, less reasonable wear and tear. Should the property be destroyed, lost, or stolen, the Contractor shall be responsible to the State for the fair market value of the property at the time of loss.

E.5 Work Papers Subject to Review. The Contractor shall make all audit, accounting, or financial analysis work papers, notes, and other documentation available for review by the Comptroller of

the Treasury or his representatives, upon request, during normal working hours either while the analysis is in progress or subsequent to the completion of this Contract.

E.6 Prohibited Advertising or Marketing. The Contractor shall not suggest or imply in advertising or marketing materials that Contractor's goods or services are endorsed by the State. The restrictions on Contractor advertising or marketing materials under this Section shall survive the termination of this Contract.

E.7. Lobbying. The Contractor certifies, to the best of its knowledge and belief, that:

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

b. If any funds other than federally appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a member of Congress, an officer or employee of Congress, or an employee of a member of Congress in connection with any contract, grant, loan, or cooperative agreement, the Contractor shall complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions.

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

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

E.8. Intellectual Property. 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 or suits which may be brought against the State concerning or arising out of any claim of an alleged patent, copyright, trade secret or other intellectual property infringement. In any such claim or action brought against the State, the Contractor shall satisfy and indemnify the State for the amount of any settlement or final judgment, and the Contractor shall be responsible for all legal or other fees or expenses incurred by the State arising from any such claim. The State shall give the Contractor notice of any such claim or suit and full right and opportunity to conduct the Contractor's own defense thereof, however, the failure of the State to give such notice shall only relieve Contractor of its obligations under this Section to the extent Contractor can demonstrate actual prejudice arising from the State's failure to give notice. This Section shall not grant the Contractor, through its attorneys, the right to represent the State of Tennessee in any legal matter, as provided in Tenn. Code Ann. § 8-6-106.

E.9. Liquidated Damages. If failure to comply with requirements of this 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 E 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 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 avail itself of any other remedy available under this Contract or at law or equity.

E.10 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.11 Unencumbered Personnel. The Contractor shall not restrict its employees, agents, subcontractors or principals who perform services for the State under this Contract from performing the same or similar services for the State after the termination of this Contract, either as a State employee, an independent contractor, or an employee, agent, subcontractor or principal of another contractor with the State.

E.12. Federal Funding Accountability and Transparency Act (FFATA). This Contract requires the Contractor to provide supplies or services that are funded in whole or in part by federal funds that are subject to FFATA. The Contractor is responsible for ensuring that all applicable requirements, including but not limited to those set forth herein, of FFATA are met and that the Contractor provides information to the State as required.

The Contractor shall comply with the following:

a. Reporting of Total Compensation of the Contractor's Executives.

(1) The Contractor shall report the names and total compensation of each of its five most highly compensated executives for the Contractor's preceding completed fiscal year, if in the Contractor's preceding fiscal year it received:

i. 80 percent or more of the Contractor's annual gross revenues from federal procurement contracts and federal financial assistance subject to the Transparency Act, as defined at 2 CFR 170.320 (and subawards); and

ii. $25,000,000 or more in annual gross revenues from federal procurement contracts (and subcontracts), and federal financial assistance subject to the Transparency Act (and subawards); and

iii. The public does not have access to information about the compensation of the executives through periodic reports filed under section 13(a) or 15(d) of the Securities Exchange Act of 1934 (15 U.S.C. 78m(a), 78o(d)) or section 6104 of the Internal Revenue Code of 1986. (To determine if the public has access to the compensation information, see the U.S. Security and Exchange Commission total compensation filings at http://www.sec.gov/answers/execomp.htm.).

As defined in 2 C.F.R. § 170.315, "Executive" means officers, managing partners, or any other employees in management positions.

(2) Total compensation means the cash and noncash dollar value earned by the executive during the Contractor's preceding fiscal year and includes the following (for more information see 17 C.F.R. § 229.402(c)(2)):

i. Salary and bonus.
ii. Awards of stock, stock options, and stock appreciation rights. Use the dollar amount recognized for financial statement reporting purposes with respect to the fiscal year in accordance with the Statement of Financial Accounting Standards No. 123 (Revised 2004) (FAS 123R), Shared Based Payments.
iii. Earnings for services under non-equity incentive plans. This does not include group life, health, hospitalization or medical reimbursement plans that do not discriminate in favor of executives, and are available generally to all salaried employees.
iv. Change in pension value. This is the change in present value of defined benefit and actuarial pension plans.
v. Above-market earnings on deferred compensation which is not tax qualified.
vi. Other compensation, if the aggregate value of all such other compensation (e.g. severance, termination payments, value of life insurance paid on behalf of the employee, perquisites or property) for the executive exceeds $10,000.

b. The Contractor must report executive total compensation described above to the State by the end of the month during which this Contract is awarded.

c. If this Contract is amended to extend the Term, the Contractor must submit an executive total compensation report to the State by the end of the month in which the term extension becomes effective.

d. The Contractor will obtain a Data Universal Numbering System (DUNS) number and maintain its DUNS number for the term of this Contract. More information about obtaining a DUNS Number can be found at: http://fedgov.dnb.com/webform/

The Contractor's failure to comply with the above requirements is a material breach of this Contract for which the State may terminate this Contract for cause. The State will not be obligated to pay any outstanding invoice received from the Contractor unless and until the Contractor is in full compliance with the above requirements.

E.13 Survival. The terms, provisions, representations, and warranties contained in Sections D.11 (Records), D.19 (Hold Harmless), D.20 (HIPAA Compliance), E.2 (Confidentiality of Records), E.6 (Prohibited Advertising), and E.8 (Intellectual Property) of this Contract shall survive the completion of performance, termination or expiration of this Contract.

E.14. Applicable Laws, Rules, Policies and Court Orders. The Contractor agrees to comply with all applicable federal and State laws, rules, regulations, sub-regulatory guidance, executive orders, HCFA waivers, and all current, modified or future Court decrees, orders or judgments applicable to the State's TennCare and CHIP programs. Such compliance shall be performed at no additional cost to the State.

E.15. Information Holders. HCFA and the Contractor are "information holders" as defined in TCA 47-18-2107. In the event of a breach of the security of Contractor's information system, as defined by TCA 47-18-2107, the Contractor shall indemnify and hold HCFA harmless for expenses and/or damages related to the breach. Such obligations shall include, but not be limited to, mailing notifications to affected enrollees. Substitute notice to written notice, as defined by TCA 47-18-

2107(e)(2) and (3), shall only be permitted with HCFA's express written approval. The Contractor shall notify HCFA's Privacy Office immediately upon becoming aware of any security incident that would constitute a "breach of the security of the system" as defined in TCA 47-18-2107.

E.16. Transmission of Contract Deliverables. All information or data that is necessary for one or more deliverable set forth in this Contract shall be transmitted between HCFA and Contractor via the data transfer method specified in advance by HCFA. This may include, but shall not be limited to, transfer through HCFA's SFTP system. Failure by the Contractor to transmit information or data that is necessary for a deliverable in the manner specified by HCFA, may, at the option of HCFA, result in liquidated damages as set forth on Contract Attachment E, hereto.

E.17. Employees Excluded from Medicare, Medicaid or CHIP. The Contractor does hereby attest, certify, warrant, and assure that the Contractor shall not knowingly employ, in the performance of this Contract, employees who have been excluded from participation in the Medicare, Medicaid, and/or CHIP programs pursuant to Sections 1128 of the Social Security

E.18. Offer of Gratuities. By signing this contract, the Contractor signifies that no member of or a delegate of Congress, nor any elected or appointed official or employee of the State of Tennessee, the federal General Accounting Office, federal Department of Health and Human Services, the Center for Medicare and Medicaid Services, or any other state or federal agency has or will benefit financially or materially from this Contract. This Contract may be terminated by HCFA as provided in Section D.6, if it is determined that gratuities of any kind were offered to or received by any of the aforementioned officials or employees from the Contractor, its agent, or employees.

IN WITNESS WHEREOF,

GRANT COOPER & ASSOCIATES:

12/15/15 ds 12/22/15

CONTRACTOR SIGNATURE **DATE**

Edward M. Stout, Managing Partner

PRINTED NAME AND TITLE OF CONTRACTOR SIGNATORY (above)

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

LBM/cp 12/22/15

12/15/15

LARRY B. MARTIN, COMMISSIONER **DATE**

ATTACHMENT A

CHIEF INFORMATION OFFICER (CIO) PRELIMINARY QUALIFICATIONS

The Chief Information Officer (CIO) is the most senior information technology (IT) executive within Health Care Finance and Administration (HCFA), and will be a member of HCFA's senior executive team, reporting directly to the Director. The CIO will be responsible for determining, acquiring and executing the appropriate technology strategy for HCFA.

Importantly, the CIO will be the principal liaison between the technology team and the rest of the senior executive team, ensuring that technology is used to optimally support the key business needs of HCFA. The CIO will work closely with both internal and external technology experts to design, implement, and maintain large scale technology solutions that ensure the smooth operation of HCFA's many key business functions.

The CIO must be an experienced technology executive with a demonstrated track record of determining the appropriate technology strategies to meet a healthcare employer's needs, and then acquiring and implementing such IT strategies in large, complex organizations. The CIO will be responsible for managing HCFA's IT team, as well as the performance of strategic IT partners and contactors on statewide technology projects that directly impact the efficiency and effectiveness of care delivered to over 1 million Tennesseans.

The CIO will lead a team of experts including IT architects, systems analysts, and dedicated IT partner and HCFA contractor resources.

The CIO will work closely with the State CIO and other technology leaders within Tennessee State government to share best practices and ensure compliance with State and Federal IT guidelines.

RESPONSIBILITIES

Strategy – Develop and execute overall IT strategy, including vision, goals, objectives and approaches. The CIO is responsible for developing the vision and roadmap for systems and services as well as organizational structure and sourcing or contracting approach that support HCFA business functions.

Implementation, Modification and Enhancement – Manage implementation and change activities. The CIO manages project, system, application and business process implementation, modification and enhancement activities. The CIO is responsible for defining, implementing and operating methodologies, tools and processes to effectively support existing and new business processes and requirements.

Operations and Security – Manage system and business process operations, system and facility security, business continuity and disaster recovery. The CIO manages system and business process operations to support key business functions. The CIO is responsible for system and facility security as well as system capacity, performance, availability and integrity, including business continuity and disaster recovery plans.

Staff, Contract and Relationship Leadership – Lead resources and relationships to effectively support demands. The CIO is responsible for the leadership of State staff, vendor contracts and relationships with State and Federal partners. The CIO is responsible for management of relationships with executive staff and other HCFA divisions and for understanding key business needs and priorities.

QUALIFICATION REQUIREMENTS

To perform this job successfully, an individual must be able to perform each essential duty satisfactorily. The requirements listed below are representative of the knowledge, skill, and/or ability required. Reasonable accommodations may be made to enable individuals with disabilities to perform the essential functions.

EDUCATION and EXPERIENCE:

- Bachelor's Degree from accredited undergraduate institution required.

- Seven years or more of experience leading change in large information technology organizations required.
- Experience in successfully managing a large budget.
- Expertise in working effectively with outside vendors.
- MBA or similar advanced training in business/management desired.
- Experience working in the managed care environment highly desirable.

Outstanding candidates will have experience leading technology organizations in managed care organizations. They will be experts in defining and implementing information technology strategies at scale. They will be results-oriented and customer focused, with a bias for action. They will also be able to think strategically and foresee implications for HCFA that may arise from changes in the healthcare macro-economy. They will be strong and experienced executives, able to inspire followership and interact as a peer with senior executives from large payor and provider organizations.

PHYSICAL DEMANDS

The physical demands described here are representative of those that must be met by an employee to successfully perform the essential functions of this job. Reasonable accommodations may be made to enable individuals with disabilities to perform the essential functions.

WORK ENVIRONMENT

The work environment characteristics described here are representative of those an employee encounters while performing the essential functions of this job. Reasonable accommodations may be made to enable individuals with disabilities to perform the essential functions.

Salary/Range: Salary is negotiable consistent with qualifications and experience.

ATTACHMENT B

ASSOCIATE MEDICAL DIRECTOR PRELIMINARY QUALIFICATIONS

The Associate Medical Director functions as a key member of TennCare's Chief Medical Officer Team, supporting the ultimate goal of promoting the delivery of high quality services within a sustainable budget. Responsibilities will include:

- Monitoring the quality of services provided to enrollees by the contracted managed care organizations (Physical, Behavioral and Long-Term Care).
- Serving as a liaison and contact with the medical leadership of the contracted Managed Care Organizations.
- Interacting on a regular basis with MCO medical directors and clinical and non-clinical staff in other state agencies including the Departments of Health, Intellectual Disabilities, Children's Services, and Mental Health and Substance Abuse Services.
- Analyzing proposed legislation and testifying at legislative committee.
- Serving as a liaison to the healthcare provider community.
- Monitoring reports relevant to court orders and consent decrees.
- Overseeing contracts with external agencies and professional organizations.
- Supporting collaborative efforts for Electronic Health Record (EHR)-related activities, including incentive grant program and health information exchange.
- Reviewing clinical cases involving medical appeals, eligibility for Emergency Medical Assistance, and children with health problems that put them at risk of entering state custody.
- Reviewing appeals and serving as a Commissioner's Designee for review of cases sent to Administrative Law Judges.
- Reviewing and approving the medical policies of the TennCare Managed Care Organizations.
- Intervening in disputes between Managed Care Companies and the TennCare Appeals Unit.
- Monitoring pharmacy utilization, including participation in activities related to retrospective drug utilization review.
- Participating in multiple medical committees including the Pharmacy Advisory Committee and the Drug Utilization Review Board.
- Representing TennCare on other external committees.
- Interacting with the pharmacy, oral health, quality oversight teams, provider services, and enrollee services.
- Participating in the development and implementation of Payment Reform programs.
- Other duties as assigned.

Licensure: Must be a Physician licensed in Tennessee (or eligible).

Qualifications/Experience: Board certified in pediatrics, family medicine or internal medicine preferred with significant clinical experience. Experience in managed care, including utilization management and quality improvement is highly desirable; however, administrative experience in an alternative setting such as a hospital system or state Medicaid agency will be considered. Familiarity with the design and operation of Medicaid. Excellent oral and written communication skills; strong organizational, time management, interpersonal and computer skills.

Salary/Range: Salary is negotiable consistent with qualifications and experience.

ATTACHMENT C

DIRECTOR OF DUAL ELIGIBLE OPERATIONS AND INITIATIVES
PRELIMINARY QUALIFICATIONS

The State of Tennessee, Division of Health Care Finance and Administration, Bureau of TennCare, is seeking Medicare expert for senior management position to lead all aspects of program operations pertaining to members eligible for Medicare and Medicaid, including alignment and integration initiatives to improve the quality and cost-effectiveness of care.

TennCare is Tennessee's Medicaid managed care program that provides health insurance coverage for 1.4 million low-income children, adult caretakers, pregnant women and disabled Tennesseans with an annual budget of $10 billion. The program serves approximately 142,700 full benefit dual eligible members, 37.4% of which are enrolled in a Dual Eligible Special Needs Plan (D-SNP).

The successful candidate will report directly to an executive team member and work alongside the Executive team to manage all aspects of program operations pertaining to members eligible for Medicare and Medicaid, including all aspects of Medicaid payment for Medicare co-insurance and cost sharing; and to plan, implement and lead alignment and integration initiatives to improve the quality and cost-effectiveness of care for dual eligible members. TennCare is currently leveraging Medicare Part C authority to help align enrollment of dual eligible members in the same managed care organization (MCO) for Medicare and Medicaid benefits, including strengthened coordination requirements for existing TennCare MCOs and D-SNPs—particularly as it relates to discharge planning, care transitions and use of long-term services and supports.

The successful candidate will help to develop and lead initiatives to further achieve enrollment alignment and to strengthen coordination requirements and processes, and will work with executive team members to explore the development of a patient centered medical home model for the dual eligible population. The Director will be charged with developing evaluation strategies to compare the quality and cost-effectiveness of care to dual eligible members enrolled in original Medicare, Medicare Advantage, and coordinated or aligned D-SNP arrangements, and will help lead efforts to shape federal policy that will support better integration and coordination of care under Medicare Part C, including reauthorization of D-SNPs that offer integrated Medicaid and Medicare benefits including behavioral health and/or LTSS, more flexible enrollment options into coordinated D-SNP arrangements, a better defined role for State Medicaid Agencies in the administration of D-SNPs, and alignment of administrative requirements across the Medicare and Medicaid programs.

Education: Bachelor degree from an accredited college or university required. Advanced degree preferred.

Experience: Minimum of 5 years experience in Medicare Advantage (preferably SNP) program operations, expertise in Medicare and/or Medicaid managed care regulations and policy, Medicare benefits, coding and payment, and related content expertise. Deep knowledge that spans strategy, operations and policy is highly valued. We are seeking a self-motivated person who works independently with general direction, communicates effectively orally and in writing, enjoys critical thinking, and is able to manage multiple projects and priorities and develop and manage working relationships with a broad spectrum of key stakeholders.

ATTACHMENT D

ATTESTATION RE PERSONNEL USED IN CONTRACT PERFORMANCE

SUBJECT CONTRACT NUMBER:	48557
CONTRACTOR LEGAL ENTITY NAME:	Grant Cooper & Associates
FEDERAL EMPLOYER IDENTIFICATION NUMBER: (or Social Security Number)	

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. Attach evidence documenting the individual's authority to contractually bind the Contractor, unless the signatory is the Contractor's chief executive or president.

Edward M. Stout, Managing Partner

PRINTED NAME AND TITLE OF SIGNATORY

12/15/15

DATE OF ATTESTATION

ATTACHMENT E

LIQUIDATED DAMAGES

A general liquidated damage of up to One Thousand Dollars ($1,000.00) per calendar day/occurrence, as applicable, may be assessed at the sole discretion of the State for any violation of a Contract provision.

HCFA may elect to apply liquidated damages remedies in the event the Contractor fails to perform its obligations under this Contract in a proper and/or timely manner. Upon determination by HCFA that the Contractor has failed to meet any of the requirements of this Contract in a proper and/or timely manner, HCFA will notify the Contractor in writing of the deficiency and of the potential liquidated damages that may be assessed pursuant to Section A.6., Control Memorandum Process. Liquidated damages may be assessed for any part of each week during which the deficiency occurs or remains uncorrected. Should the deficiency remain uncorrected for more than thirty (30) days from the date of the original notification of the deficiency by HCFA, HCFA may impose an additional liquidated damage of Five Hundred Dollars ($500) per day from the date of the original notification to Contractor until said deficiency is resolved.

All liquidated damages remedies may, at HCFA's election, be retroactive to the date of the initial occurrence of the failure to comply with the terms of the Contract as set forth in any notice of deficiency from HCFA and may continue until such time as the HCFA Deputy Commissioner determines the deficiency has been cured.

12/22/15

If liquidated damages are assessed, HCFA shall reduce the Contractor's payment for administrative services in the following month's invoice by the amount of damages. In the event that damages due exceed the amount HCFA is to pay to Contractor in a given payment cycle, HCFA shall invoice Contractor for the amount exceeding the amount payable to Contractor, and such excess amount shall be paid by Contractor within thirty (30) calendar days of the invoice date. In situations where the Contractor wishes to dispute any Potential Liquidated Damages that may be assessed by HCFA, the Contractor must submit a written notice of dispute pursuant to Contract Section A.6, including the reasons for disputing the liquidated damages, within ten (10) days of receipt of the CM from HCFA notifying Contractor that Potential Liquidated Damages exist and the method HCFA will use to calculate the total amount of liquidated damages that may be assessed against the Contractor. If the Contractor fails to timely dispute a liquidated damages assessment as set forth herein, such failure shall constitute a bar to the Contractor seeking to have the assessment amount overturned in a forum or court of competent jurisdiction.

LB/W CD 12/22/15

IN WITNESS WHEREOF,

GRANT COOPER & ASSOCIATES:

CONTRACTOR SIGNATURE	**DATE**

PRINTED NAME AND TITLE OF CONTRACTOR SIGNATORY (above)

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

LARRY B. MARTIN, COMMISSIONER	**DATE**

ATTACHMENT F

MANAGED CARE ANALYTICS DIRECTOR (MCAD)

POSITION SUMMARY

The Managed Care Analytics Director (MCAD) is responsible for the direction and oversight of the HealthCare Informatics section. The HealthCare Informatics (HCI) unit is responsible for extracting and analyzing healthcare data provided to the Bureau from its Managed Care Contractors to help inform key fiscal and clinical quality policy decisions that impact TennCare's 1.5 million members and its total budget of $11 billion. The division is also tasked with creating databases, reports, and developing processes to integrate programs into the existing data structure. Daily activities include conducting direct cost and utilization analyses related to actuarial rate setting, population risk assessment, enrollment and financial projection, benefit design, program performance evaluation, and activities of data mining surveillance/utilization to detect abnormal patterns and potential fraud.

RESPONSIBILITIES

Reporting directly to the Chief Financial Officer of TennCare, with a matrixed relationship to both its Deputy Commissioner and Chief of Staff, this Director will be responsible for providing decision support data for the entire program. The position will manage a team of analysts to produce standard and ad hoc reports to drive financial decisions, support strategic initiatives, and respond to data requests from internal and external stakeholders. The analysis work required with respect to these responsibilities is of considerable complexity and requires significant expertise in econometric modeling to identify statistically significant correlations in the claim data and communicate those findings to a broader audience.

Specifically, primary duties of the Managed Care Analytics Director will include:

a. Direct the design and development efforts in disease management reporting, outcome measurement and health plan performance (HEDIS) report cards, as well as providing strategic direction and oversight of the Decision Support System/Data Warehouse and IT&S data/reporting quality control activities.

b. Oversee the ongoing management of a data warehouse project develop the schematics for data warehouse design to assist the state's Medicaid Management Information Systems vendor in developing database tables that would support an improved data management and extraction interface.

c. Provide direct oversight and management of the Surveillance/Utilization Review (SUR) unit which performs activities related to data mining for surveillance/utilization to detect patterns of Medicaid providers and members based on user-defined parameters and other criteria which can detect abnormal patterns and potential fraud. By analyzing and comparing providers to their respective peer groups, abnormal patterns of practice can be identified. Appropriate action can then be initiated to substantiate the data patterns identified during the SUR review. SUR staff identify aberrant behaviors; conduct hospital, physician and other provider type audits to educate providers on program guidelines; and, recover inappropriately reimbursed funds.

d. Manage analytic work using the state's All Payer Claim Database (APCD) which houses information from all group health plans and health insurance issuers. This sizable dataset contains diagnosis, treatment, and payment data from every major health insurer in the state.

e. Work jointly with a variety of regulatory agencies that include but are not limited to the Medicaid Fraud Control Unit (MFCU), the TBI, the Office of Inspector General (OIG) and Office of Attorney General (OAG). The unit is the focal point for TennCare fraud data collection and reporting; this activity includes data collection and reporting for the Federal Centers for Medicaid Services Office (CMS) and the Managed Care Organizations (MCOs), and.

f. Work with State and Federal Officials, Legal Staff, Courts, Law Enforcement Officials, and the TBI with the identification, investigation and prosecution of fraud and abuse cases.

QUALIFICATION REQUIREMENTS

To perform this job successfully, an individual must be able to perform each essential duty satisfactorily. The requirements listed below are representative of the knowledge, skill, and/or ability required. Reasonable accommodations may be made to enable individuals with disabilities to perform the essential functions.

EDUCATION and EXPERIENCE:

a. Bachelor's Degree from accredited undergraduate institution required, as is an MMI or relevant Master's Degree;
b. Seven years or more of experience leading health care data analysis, with a depth of experience in health care statistics and econometrics, preferably within a complex managed care setting;
c. Experience completing complex analyses accurately under time pressure, and in communicating the results of those analyses in plain language to senior leaders, and
d. Expertise in working effectively with outside vendors.

Outstanding candidates will have experience leading data collection and analysis in managed care organizations. They will be experts in defining and implementing reporting models at scale. They will be results-oriented and customer focused, with a bias for action. They will also be able to think strategically and foresee implications for HCFA that may arise from changes in the healthcare macro-economy. They will be a strong and experienced manager of people, able to inspire a team and interact as a peer with internal stakeholders as well as representatives from large payer and provider organizations. They will be flexible and team-oriented, with a strong desire to collaborate with others and develop their team.

PHYSICAL DEMANDS

The physical demands described here are representative of those that must be met by an employee to successfully perform the essential functions of this job. Reasonable accommodations may be made to enable individuals with disabilities to perform the essential functions.

WORK ENVIRONMENT

The work environment characteristics described here are representative of those an employee encounters while performing the essential functions of this job. Reasonable accommodations may be made to enable individuals with disabilities to perform the essential functions.

COMPENSATION

Compensation arrangements are competitive and will be commensurate with the selected candidate's experience and achievements, and responsibilities of this position.