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1. Overview

The purpose of Turnover services shall be to assist the Department in the transfer of the CD-MMIS to the Department or a successor Contractor.

2. Objectives

The objective of the Turnover Period is to ensure an orderly transfer of the CD-MMIS from the Contractor to the Department or a successor Contractor at the end of the Contract Operations Period (COP), or upon termination of the contract.

3. Assumption and Constraints

- a. Given the uncertainties associated with the Turnover activities that will take place at the end of the COP, the Contractor shall be flexible to changing requirements. Therefore, the order, timeline, or the structure of the Turnover process may be adjusted, canceled, or replaced with another project at the direction of the Contracting Officer from those required in this Contract. If any adjustments result in increased workload that is not compensated in the bid price for the Turnover period and its activities, Contractor reimbursement shall be adjusted by the Change Order process.
- b. The cost of completing all Turnover activities shall be borne by the Contractor as part of the Contract Turnover fixed price in accordance with Exhibit B, Attachment I, Special Payment Provisions.
- c. Turnover activities shall begin two and one-half years prior to the end of the COP, unless an earlier start date is indicated by the Department, and shall conclude at the end of the COP. Departmental exercise of its option(s) to extend this contract shall result in a delay of all Turnover activities for a commensurate period of time. The Department will work closely with the Contractor during this process and must approve all updates to the Contractor's Turnover approach and plans. All data and information provided by the Contractor as required by the Contract shall be accompanied by letter, signed by the Contractor's authorized representative or his/her designee, attesting that the supplied material(s) is/are current, accurate, complete and all confidential sensitive or protected health information has been redacted.
- d. Turnover activities of this Contract shall overlap with Takeover activities of the new/successor Contract. Within this exhibit the execution date of the new/successor Contract shall be referred to as the Successor – Contract Effective Date (S-CED)
- e. The Department may request certain Turnover documentation and/or Turnover functions to be performed before the Turnover Period commences. Requested items shall be provided to the Department and/or activities shall be performed within thirty (30) calendar days of the date requested, unless otherwise stated in writing by the Contracting Officer. Failure to comply with a request within the specified timeframe may result in payment being withheld.

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4. General Responsibilities

- a. The Contractor shall perform all contract obligations through the end of the COP.
- b. The Department will work closely with the Contractor during this process and must approve all updates to the Contractor's Turnover approach and plans.
- c. The Contractor shall maintain staff throughout the Turnover Period to satisfy and maintain compliance with all performance standards and requirements identified in Exhibit A, Scope of Work.

5. Turnover Services

Turnover Services shall begin two and one-half years prior to the end of the COP and shall continue through the end of COP.

The Contractor shall provide the following Turnover Services to the Department for transfer of the CD-MMIS:

- a. Assemble a Turnover Management Team that shall be employed by the Contractor at the beginning of Turnover. The Contractor shall submit a letter to the Department identifying which individuals have been designated to serve on the Turnover Management Team.

The Turnover Management Team shall be responsible for Turnover project management and Turnover quality management activities. It shall oversee the activities, completion and implementation of all the Turnover tasks listed in the contract to ensure the tasks are performed in accordance with the contract requirements including, but not limited to, the assessment and update of CD-MMIS documentation, the submission of a Work Plan and the transfer of contract operations;

- b. Submit for the Department's written approval a detailed description of the methodology that shall be utilized by the Contractor to ensure the complete review, certification and acceptance of Turnover data received and transfer of all CD-MMIS documentation and contract-related correspondence as defined in Exhibit A, Attachment I, Takeover.
- c. Submit a Turnover Project Plan for the Department's approval. The Contractor's Turnover Project Plan shall include the requirements set forth in this Contract, and shall identify all tasks, deliverables and milestones necessary to complete the Contract termination and transfer of Contractor Operations process. The Contractor's Turnover Project Plan must include detailed tasks, deliverables and milestones for transitioning all work in-progress. In addition to addressing the tasks, deliverables and milestones associated with the Turnover process, the Contractor's Turnover Project Plan shall include, but not be limited to the following:

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- 1) Work schedule of deliverables and milestones to be performed during Turnover. The structure of this work schedule must meet the detailed work schedule guidelines defined in Takeover (Exhibit A, Attachment I, Takeover, Takeover Project Plan);
- 2) Upon Department approval of the Turnover Project Plan, the Contractor must provide a baseline of the turnover work schedule. The baseline will be utilized to provide any variance(s) from the turnover work schedule;
- 3) Narrative describing each task, deliverable and milestone on the work schedule;
- 4) Scheduled monthly progress meetings or more frequently if required by the Contracting Officer, to be attended by Contractor and Department staff approved by the Contracting Officer;
- 5) Production of a monthly written progress report summarizing the progress meetings. This report shall be delivered to the Department within one week after each monthly progress meeting and include at a minimum the following items:
 - a) Identities and job functions of the attendees at the monthly progress meetings;
 - b) Agenda;
 - c) Description of any progress made on each task, deliverable and milestone including any variance from the baseline if applicable for that period of time;
 - d) Topics of general discussion at the monthly progress meetings;
 - e) Action items and decisions made at the monthly progress meetings;
 - f) List of all problems and issues encountered, risks identified and status of resolution of each problem, issue and risk (e.g. a corrective action plan for each problem, issue and risk and timeline for resolution);
 - g) Planned tasks, deliverables and milestones for the following two months;
 - h) Status of contractually defined tasks, deliverables and milestones scheduled in the Turnover Project Plan. The status shall include any baseline variances; and
 - i) Any other information required by the Department.

Reports shall be submitted for written approval monthly as part of the Monthly Deliverable Status (MDS) Report in accordance with the provisions of this contract.

In the event the Department disagrees with the conclusions provided in the Contractor's Turnover Project Plan, the Contracting Officer will provide a written

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notice of the Department's request for the Contractor's corrective action, and include a response time, which shall be determined by the Contracting Officer.

- 6) Production of a log of all problems, issues and action items, including identities and job functions of Contractor staff each is assigned to, along with brief chronology of the problem, issue or action item. The Contractor shall post this log to the appropriate Project and/or Portfolio Management online tracking site or a similar location approved by the Contracting Officer that is accessible by both Department and Contractor staff;
- 7) Production and submission of a Monthly Deliverable Status (MDS) Report for written approval by the Department. The MDS Report shall be used by the Contractor and Department staff in monitoring and managing the Contractor's progress against Turnover Project Plan scheduled tasks, deliverables and milestones, and for tracking Contractor Turnover deliverables and milestones submitted to the Department for approval. The MDS report shall be delivered to the Department monthly, a week prior to each meeting, and shall be current at the time of submittal. If required by the Contracting Officer, it shall be submitted on hard copy as well as secure electronic media and/or secure transmission in a format prescribed by the Contracting Officer. This report shall have the flexibility and scalability to be sorted by any of the reporting data elements. The report at a minimum shall be sorted by items (a) and (c) or (a) and (g) below and seven copies of each sort shall be delivered to the Department. The MDS report shall include, but not be limited to the following:
 - a) Work Breakdown Schedule (WBS) - This data field shall reflect the Work Breakdown Structure Number that the Contractor has assigned to the task, deliverable or milestone. One of the reports shall be sorted by this data element;
 - b) Description - Brief description of the task, deliverable or milestone;
 - c) Original due date - This shall be the due date provided on the Work Plan Schedule. One of the reports shall be sorted by this data element;
 - d) Date delivered - Actual date the deliverable or milestone was delivered to the Department for review and approval;
 - e) Day's late/early (variance) - The number of days, if any, the deliverable was delivered late (- days) or early (+ days);
 - f) Date approved/disapproved - The date the Department either approved (A) or disapproved (D) the deliverable or milestone;
 - g) If disapproved, the new delivery due date. There will be as many entries in this column as disapprovals by the Department; One of the reports shall be sorted by this new due date;

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- h) Days late/early. Same definition as item (e), but relative to item (f), new due date;
 - i) Date approved/disapproved. The date the Department approves or disapproves the resubmitted deliverable or milestone; and
 - j) Remarks - Free-form comment space allowing a minimum of one hundred (100) characters.
- d. Submit a Turnover training plan detailing the approaches and methodologies for how the Contractor will accomplish required training of prospective successor Contractor(s) and Department staff. Training tasks, deliverables and milestones shall include, but not be limited to:
- 1) A schedule of planned training sessions;
 - 2) A description of the professional background, experience, knowledge of the subject, and previous training experience for each trainer;
 - 3) Number of staff to be trained per area;
 - 4) Training subjects;
 - 5) Training methodology;
 - 6) Evaluation techniques;
 - 7) Length of each training session; and
 - 8) Sample copies of material to be used in training sessions.
- e. A detailed description of the procedures and processes the Contractor shall utilize to transfer all necessary records, files and applications programs.

6. Turnover Support Services

a. On-site Facility

The Contractor shall

- 1) Ensure on-site facility walk-throughs and demonstrations of the CD-MMIS are available to prospective successor Contractor(s). These, walk-throughs and demonstrations shall include tours of the Contractor's facilities and shall include demonstrations of logical and actual operation of the CD-MMIS. Tours, walk-throughs, and demonstrations shall be provided for up to ten (10) representatives of a prospective successor Contractor, per tour, during the Contractor's operational business hours. Tour dates and times shall be arranged by the Contractor at the request of, and with the approval of, the Department;

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- 2) Ensure on-site facility walk-throughs and demonstrations for State staff are available as requested by the Department. Tours of the Contractor's facilities, which shall include the Computer Center, shall include demonstrations of the logical and actual workflow through the CD-MMIS. General system overviews, as well as specific CD-MMIS subsystem training, shall be included by the Contractor as part of the walk-through, as requested by the Department for State staff. The Contractor shall submit training materials to be used in the walk-throughs and demonstrations, including the CD-MMIS training for the Department's prior written approval.

b. CD-MMIS Data Library

The Contractor shall:

- 1) In conjunction with the ASO Contractor, provide all CD-MMIS documentation as defined Exhibit A, Attachment I, Takeover to the Department for the purpose of creating a CD-MMIS Data Library (which is separate from the Documentation and Data Library created in Takeover), and continue to update as necessary during the remainder of the COP.
- 2) Ensure CD-MMIS documentation stored in the CD-MMIS Data Library should not contain PHI, PCI, copyrighted, or proprietary information belonging to vendors or other entities. For example, detailed information about a particular piece of equipment must be obtained through that manufacturer's literature and may not be duplicated within a CD-MMIS manual.
- 3) Ensure all CD-MMIS Data Library documentation shall include completed and Department-approved assessment reports. The Contractor shall:
 - a) Establish the documentation is current, that it accurately and completely reflects the existing CD-MMIS, and that it meets all contractual documentation requirements.
 - b) Submit the completed assessment report for the Department's written approval.
 - c) Ensure the assessment report for CD-MMIS documentation include, but not be limited to, a complete and comprehensive documentation review and evaluation, identification of documentation requiring updates, a gap analysis identifying specific documentation requiring updates or revisions and notification to the Department of the findings.
 - d) Submit the assessment report for CD-MMIS documentation for written approval from the Department prior to proceeding with updates and revisions.
 - e) Provide the Department one corrected copy in a Department-approved secure electronic media of each corrected document with the CD-MMIS Documentation Library List. See Exhibit A, Attachment I, Takeover Section for associated requirements.

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- 4) No later than twenty-six (26) months prior to the end of the COP, submit a methodology to be used for tracking ongoing updates to the CD-MMIS Data Library to the Department for review and approval. The methodology shall include, but not be limited to, notification to (prospective) successor Contractor(s) and the Department that documentation in the CD-MMIS Data Library may not be the latest version (e.g., awaiting Department approval, etc.) or is in the process of being modified and when to expect a replacement version.
- 5) No later than two years prior to the end of the COP, in conjunction with the ASO Contractor, submit a completed CD-MMIS Data Library Inventory List in a single, comprehensive and complete listing to the Department for review and approval. The Contractor shall:
 - a) Update and submit the CD-MMIS Data Library Inventory List to the Department for written approval at the end of each fiscal quarter through the end of the COP or more frequently if requested by the Contracting Officer.
 - b) Update and submit the CD-MMIS Data Library Inventory List to the Department for written approval during the process of implementing System Development Notices (SDNs), Change Orders, Dental Operating Instruction Letters (DOILs), Miscellaneous Changes (MCDs), Contractor initiated changes, and Problem Statements.
 - c) Within ten (10) state work days of any subsequent updates to the CD-MMIS Data Library inventory during Turnover, the Contractor shall submit an updated CD-MMIS Data Library inventory List to the Department for review and approval. All updates shall be in the same medium as the original, up through and including the end of the COP.
- 6) Provide during the Turnover process, require additional electronic or hard copy of any of the CD-MMIS documentation described above.
- c. Two and one-half years prior to the end of the COP, the Contractor shall provide a listing (using System Management Facility (SMF) data) of all CD-MMIS mainframe jobs executed during the previous twelve (12) months. The Contractor shall provide this CD-MMIS Mainframe Production Jobs Executed Inventory List in a single, comprehensive and complete listing to the Department for review and approval, and shall include this listing in a CD-MMIS Data Library. The report shall provide the job name, date and time of job run, elapsed time of each job, condition code, Central Processing Unit (CPU usage), Input/Output (I/O) usage, output lines and form types, number of files used, number of tape mounts or cartridges loaded, and restart/rerun indication. For non-mainframe components supporting the CD-MMIS, the Contractor shall provide equivalent information to the extent possible on the execution of production programs and system components to assist the Department or prospective successor Contractor(s) in evaluating the computer processing requirements for operating all CD-MMIS system components after Turnover. This documentation shall be updated and delivered to the Department every month

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thereafter through the end of the Operations Period and shall be delivered via secure electronic media and/or secure transmission.

In addition to this listing, the Department has the option to receive this data on secure electronic media and/or secure transmission according to its specifications and to receive data as generated directly by the computerized system.

This documentation shall be delivered to the Department no later than twenty-six (26) months before the end of the COP. The Contractor shall verify the electronic media before the media is sent to the Department as defined below, and utilize existing CD-MMIS jobs to automate the process. Verification of this process is defined as:

- 1) The Department actually received the number of media/volumes the Contractor indicated it sent;
- 2) The Department actually received the serial numbers sent by the Contractor; and
- 3) The Contractor shall ensure damaged copies of any supplied media can be reproduced within two business days;
- 4) The Contractor shall ensure all media or transmissions are secured and encrypted to DHCS standards. It shall clearly identify any PHI that is present, and/or has custody procedures in place to ensure that no substituted media can be supplied accidentally with PHI information from point of creation to point of delivery. This includes but shall not be limited to tapes, Digital Video Discs, DVDs), and file transfers;
- 5) The Contractor shall ensure the media is readable (media can sometimes be damaged physically or logically after they are created). In order to determine if the media is readable the Contractor shall perform the following:
 - a) Add a job step after the file has been created and security placed on the medium to print out the first two-hundred (200) records of the first volume of the dataset;
 - b) Add a job step to process through each media to ensure the media can be read; and
 - c) Attach a copy of the printout of the first two-hundred (200) records and the job output to the transmittal letter, or provide them electronically through the Contractor's Department-approved electronic document repository.
- d. Two and one-half years prior to the end of the COP, the Contractor shall, whenever requested in writing by the Department, provide to the Department operational performance statistics or copies of existing operational reports. The number of requests shall not exceed two-hundred (200) during the remaining two and one-half years of the contract period. Specific requested information must be delivered to the Department no later than two weeks from the date of the written requests.

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- e. The Department reserves the right to direct the Contractor on how deliverables shall be provided to the Department for the purposes of the CD-MMIS Data Library. Requirements for how deliverables must be provided shall include, but not be limited to the following:
- 1) In a Department approved software secure electronic media format;
 - 2) Include no PHI, confidential information, sensitive information or any information that will jeopardize security of the CD-MMIS infrastructure as defined by the Department;
 - 3) The Department must have access and the capability to extract documents at any time, maintaining folder/file hierarchical structure and thereafter for updates/revisions; and
 - 4) The Contractor must, in conjunction with the ASO Contractor, provide monthly updates, or as necessary to fulfill the Department's requests, to the CD-MMIS Data or only folders/files that have been newly added, folder/file name changes, file content changes, folders/files moved to another location in the Library, and/or folders/files that have been obsolete. These updates must easily maintain the folder/file hierarchical structure from the previous download to the Library. The Contractor shall also produce a report that lists the changes occurring from the previously updated CD-MMIS Data Library release. Release periods will be specified to the Contractor in writing by the Department. Status changes of all documents will be denoted in the Release Report in a fashion that does not cause (prospective) successor Contractor(s) to review previous documents unnecessarily.

7. Turnover Preparation

Twelve (12) months prior to the end of the COP, the Contractor shall perform Turnover Preparation activities as defined below. The schedule of activities shall be adjusted by mutual agreement based on the use of any optional extension period(s) and the schedule for Turnover shall be adjusted to coincide with the Department's and the successor Contractor's takeover schedule. All data, services and information provided by the Contractor shall be accompanied by a letter, signed by the Contractor's Representative or his/her designee, attesting to the accuracy and completeness of the material(s) supplied.

a. Training

The Contractor shall:

- 1) Provide comprehensive training to successor Contractor management, supervisory, and technical staff. The training shall utilize current and complete CD-MMIS documentation, as well as instruction materials and handbooks. All training materials shall be based on the complete and current documentation required under this contract. Formal training sessions shall be provided for a

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minimum of fifty (50) successor Contractor personnel for a minimum of eighty (80) hours of class instruction per individual. Each class session shall not exceed twenty (20) participants. The training shall include hands-on training, as determined by the Contracting Officer. Prior to training start date, the Contractor shall provide to the Department:

- a) A schedule of planned training sessions;
 - b) A description of the professional background, experience, knowledge of the subject, and previous training experience for each trainer;
 - c) Number of staff to be trained per area;
 - d) Training subjects;
 - e) Training methodology (include description of training material handouts and media format of this material);
 - f) Evaluation techniques;
 - g) Length of each training session;
 - h) Sample copies of material to be used in training sessions; and
 - i) Location(s) of training sessions.
- 2) Include all administrative and operations areas required to support the CD-MMIS Fiscal Intermediary (FI) environment at the time Transfer of Contractor Operations. These activities include both mainframe and non-mainframe, and include but are not limited to the following:
- a) Administrative Support Services;
 - b) Mailroom and Prescreening;
 - c) Data Entry, including computer media, scanning, Optical Character Recognition (OCR), and key entry;
 - d) Claims Control;
 - e) Checkwrite and Payment;
 - f) Share of Cost;
 - g) Computer and Ancillary Equipment;
 - h) CD-MMIS System Files, Programs and Reports; procedures, and balancing:

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- i) Each of the CD-MMIS subsystems inclusive of all subsystem modules and applications, administration and support of those subsystems, plus system and parallel testing, plus all other health programs claims processing (e.g., California Children's Services (CCS), Genetically Handicapped Persons Program (GHPP), and Healthy Families (HF));
- j) Use of the on-line data element dictionary, including hands on training at terminals;
- k) Contractor procedures for effecting Department-required changes to the CD-MMIS (e.g., Systems Group procedures);
- l) Security and Confidentiality provisions governing the Contractor and Contractor employees;
- m) Department-approved on-line database; and
- n) Surveillance and Utilization Review Subsystem (S/URS), S/URS Claim Detail Report (CDR), and other applicable training.

b. Facilities and Acquisition

The Contractor shall:

- 1) Schedule and provide tours of the Contractor's facility for up to one-hundred (100) staff of the successor Contractor;
- 2) Provide access to the Contractor's Data Center for Department staff designated by the Contracting Officer;
- 3) Provide to the Contracting Officer, on a monthly basis, the job roster of Contractor CD-MMIS staff for consideration for hiring by the successor Contractor. This roster shall include names of all Contractor employees, business area or department, date of anticipated availability, and business addresses and telephone numbers by which the employees may be contacted; and
- 4) In conjunction with the successor Contractor, hold quarterly job seminars at the Contractor's site with the Contractor's employees to encourage employees to accept employment with the successor Contractor.

c. Software

The Contractor shall:

- 1) Provide the Department with required files, CD-MMIS system software, and necessary services including, but not limited to, delivery of files and programs for successor Contractor system testing and Department acceptance testing of the successor Contractor's operation of the CD-MMIS; as directed by the Department; and

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- 2) On the S-CED, the Contractor shall provide to the successor Contractor, via the Department, an initial complete set of the CD-MMIS software and documentation. Provide daily updates of changes to the CD-MMIS software from that date forward through the end of the COP and the completion of the transfer of all residual inventory and records to the successor Contractor.

d. Acceptance Testing Support

Beginning eight (8) months prior to the end of the Operations Period, the Contractor shall, in conjunction with the ASO Contractor, provide acceptance testing support to both the Department and the successor Contractor. The Contractor shall satisfy all requests for support, within a reasonable period, but in no case longer than two business days unless given prior written approval by the Department. This support shall include but not be limited to the following subtasks:

- 1) Provide to the Department the CD-MMIS system software, files, test data files, tables, CD-MMIS document copies, and all other documentation and information requested by the Department, to support at least two parallel tests, and other testing as determined by the Department;
- 2) Provide successor Contractor's staff with access to all required systems;
- 3) Provide assistance to the Department with interpretation and analysis of test results;
- 4) Provide any statistics requested by the Department regarding the levels of accuracy of the CD-MMIS;
- 5) Provide to the successor Contractor any Department-owned and leased equipment in the Contractor's possession that is necessary to conduct acceptance testing, as long as this does not, in the judgment of the Contracting Officer, jeopardize meeting contract requirements;
- 6) Provide update/transaction files for all files required to be delivered prior to the end of COP so that the successor Contractor's version will contain the same data as the Contractor's version. The updated files shall be delivered to the Contracting Officer weekly on the following Monday after each update; and
- 7) Provide to successor Contractor certified production copies (certifying in writing that each is complete, current, accurate and are what the Contractor uses for production) of each of the following on electronic media and/or secure transmissions:
 - a) CD-MMIS Program Source Code (CHANGEMAN Format)
 - b) COBOL representation of all Customer Information Control System (CICS) Screens (IBECOPY Format);

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- c) All ++INCLUDE members of COPYLIB member (CHANGEMAN Format);
- d) Source code library file(s) of CHANGEMAN Format (or equivalent source code library management applications) containing all past and present production programs
- e) COBOL representation of the CICS screens;
- f) Names of CICS modules;
- g) A listing identifying whether modules are on-line or which, if any, are batch processed;
- h) A list of all ++INCLUDE, COPYLIB members, LOAD modules (executable code for all source programs and screens);
- i) A directory listing of all programs on the requested file;
- j) Data element dictionary;
- k) All other non-mainframe CD-MMIS software needed to execute the test;
- l) All hardware/software configurations, security, database schemas, build macros, and CICS setups needed for mainframe and non-mainframe.
- m) All configuration parameters of all tools utilized to support the operation of CD-MMIS;
- n) All operational parameters to operate and support the operation of CD-MMIS;
- o) All production Partitions Data Sets (PDS) Libraries; and
- p) All data base software.

Any and all source related components necessary to perform the Contract's Scope of Work requirements shall be included in this requirement regardless of nomenclature.

8. Equipment

The Contracting Officer shall

- a. Identify the schedule for transfer of all cost reimbursed purchased or leased equipment.
- b. Maintain a current inventory list of all cost-reimbursed purchased or leased equipment and cost-reimbursed supplies and CD-MMIS forms, maintained by the Contractor pursuant to the cost reimbursement provisions of the contract; and

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- c. Transfer to the successor Contractor responsibility for all cost reimbursed purchased or leased equipment on a schedule set by the Contracting Officer. The exact date of this transfer shall depend on the needs of the Department and the type of equipment. In addition to this equipment, all associated software, supplies, operating manuals, maintenance contracts, etc., shall also be transferred as directed by the Contracting Officer. The Contractor shall cooperate with the successor Contractor as needed to reassign to the successor Contractor cost reimbursable equipment/software lease/maintenance contracts.

9. File Transfer

The Contractor shall:

- a. Provide accurate, Contractor-certified electronic copies of all files necessary to transfer CD-MMIS operations to the Department and/or the successor Contractor. Production data file transfer activities will be conducted in accordance with the File Transfer Period Schedule provided by the Contracting Officer during Turnover. The cost of file transfers shall be borne by the Contractor as part of the Contractor's Turnover bid price;
- b. Provide copies of the current production version of the files that exist as of the start date of that file transfer Turnover phase. The files shall be delivered to the Contracting Officer by noon of the start date of the Turnover phase at the Contractor's Sacramento facility;
- c. For each set of files provided, ensure that the files which are copied for delivery to the Contracting Officer are the outputs from the most recently completed daily, weekly, and monthly cycles. If the regular production cycle is delayed, the requested file shall be delivered within twelve (12) hours of completion of the production cycle;
- d. In the event it is determined that any of the necessary files are unreadable and/or otherwise unusable, provide replacement copies within eight hours of notification by the Contracting Officer, unless the Contracting Officer, in writing, agrees to an extension of time;
- e. At the same time the files are delivered, deliver the following:
 - 1) Hard copy listings of all JCL used to create/copy each file;
 - 2) Job output listings and reports for both the job that created each file, and the job that copied each file from Contractor media to the media that will be transmitted to the Contracting Officer, including record counts or other control information for record balancing;
 - 3) Written Contractor certification that each file is a complete and accurate copy of the production CD-MMIS file.
- f. Ensure files scheduled for transfer at the end of the COP be transferred to the successor Contractor upon completion of the appropriate cycle for those files (files

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updated by the daily cycle will be transferred as of the completion of the daily cycle; files updated by the weekly cycle will be transferred upon completion of the weekly cycle, etc.);

- g. Provide update/transaction files for all files required to be delivered prior to the cessation of claims processing activities (CO) so that the successor Contractor's version will contain the same data as the Contractor's version. The updated files shall be delivered to the Contracting Officer or his designee, weekly on the following Monday after each update;
- h. If, during Turnover or Runout, any files in addition to those on schedule are identified, the Contracting Officer will request these files either by adding them to one of the file transfer phases or requesting special processing. If added to a file transfer phase, the file shall be delivered in accordance with the schedule for that phase, if feasible. If not feasible, these files shall be delivered within forty-eight (48) hours of the regular production cycle. If asked for on a special request, the file shall be provided to the Department within forty-eight (48) hours of the request;
- i. Provide to the Department a detailed description of the criteria and procedures to be used during the two-way file transfer. Testing for the two-way (2) file transfer shall occur two (2) months prior to the end of the COP;
- j. Thirty (30) calendar days immediately prior to the startup of TAR processing by the successor Contractor, provide an accurate, certified copy of the PMF to the Department for acceptance and installation by the successor Contractor. The Contractor shall provide, at a minimum, weekly updates to the PMF to the successor contractor. This process shall continue through the last day of the COP;
- k. Provide any other files, documentation, records, transaction information, and assistance the Department identifies as necessary for the orderly and successful transfer of the CD-MMIS to the successor Contractor; as directed by the Department;
- l. At least two (2) months prior to the end of the COP, provide to the Department a Master Index of all records maintained by the Contractor pursuant to its record retention responsibilities. This Master Index shall inventory all records and include the name of each record type and the volume and medium of each type of record. The Department shall approve the Index format before any records are transferred to the successor Contractor. Once approved by the Department, the Master Index shall be updated monthly, maintained by the Contractor and utilized by the Contractor to transfer records to the successor Contractor. The Index shall be transferred to the successor Contractor when the final records are transferred; and
- m. On the S-CED, provide to the Department a summary of all reports produced by the Contractor, as required by the contract and the individuals/organizations to whom the reports are delivered, including a schedule of required delivery dates.

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10. Runout

During Runout, the Contractor shall complete its contractual obligations and fulfill its contractual liabilities in accordance with the provisions and requirements of this contract, and provide all services and activities necessary from startup of TAR processing by the successor contractor through the end of this contract. Runout begins two months prior to the end of the Contractor’s COP and continues for a total length of seventeen (17) months. Runout activities consist of Runout Startup, Runout Processing, and Contract Closeout and the activities are scheduled as follows:

Task/Event	Date
RUNOUT PLAN	
1. Runout Startup	Month One - Two months prior to the end of COP
1) Successor Contractor begins accepting TARs.	Fifteenth (15 th) day of Month One
2) Successor Contractor begins daily scanning of newly received TARs.	First Monday after fifteenth (15 th) day of Month One
3) Begin date-of-receipt transfer to successor Contractor for all TAR scanning.	Eleventh (11 th) day of Month Two
4) Begin transfer of residual TAR inventory, via the Department, to the successor contractor. Last day of Contract Operations Period (COP) for the current contract.	Last business day of Month Two
2. Runout Processing	Month Three - First day after the end of COP
Start date-of-service transfer to successor Contractor for all claim/NOA processing.	Month Three through Month Eight
3. Contract Closeout	Month Nine) – seven months after the end of COP
a. All remaining residual claims/NOAs, etc. transfer to successor Contractor; all contract records transfer; accounts receivable transfer; all residual inventory transfers.	First through the fifth business day of Month Nine
b. Final reconciliation and termination of the current contract.	Last business day of Month Seventeen (17)

a. Runout Work Plan

The Contractor shall submit a Runout Work Plan for Department review and approval one year prior to the end of the COP. This Work Plan shall describe the Contractor’s activities and resources during Runout. The plan shall provide the following items:

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- 1) Schedule and listing of reports, files, and data delivered to the successor contractor;
- 2) Enumerated activities arranged by WBS#, with all major tasks, subtasks, and work packages clearly defined for each activity;
- 3) A narrative description and Gantt (or equivalent) Chart of all work to be performed by the Contractor during the Runout portion of the contract;
- 4) Provide a narrative description and organizational chart of Contractor staffing, by classification and area of activity, for the Runout Startup and Runout Processing periods;
- 5) A schedule demonstrating the proposed sequential organization of the transfer(s); and
- 6) Include specifications for Contractor preparation and distribution, to the Internal Revenue Service (IRS), State of California Franchise Tax Board (FTB), and providers, of the Contractor's annual 1099 Reports for all payments made by the Contractor.

b. Runout Startup

The Contractor shall:

- 1) On the first day of Runout Startup, provide to the successor Contractor, via the Department, a minimum of one electronic copy of records for all documents (including TARs). The Contractor shall then on a daily basis provide the successor Contractor a copy of electronic records for all new documents received. This process shall continue through the last day of the COP;
- 2) On the fifteenth (15th) day of the first month of Runout Startup (two months prior to the assumption of claims processing), providers shall be given the option of submitting TARs to either the current Contractor or the successor Contractor based upon the following criteria:
 - a) TARs for which a provider may reasonably expect to receive Contractor authorization, and provide the service(s), prior to the claims date-of-service transfer date (the end of the COP), may be submitted to the current Contractor for processing; and
 - b) TARs for service(s) which a provider expects to render on or subsequent to the claims date-of-service transfer date may be submitted directly to the successor Contractor.
- 3) Cease processing TARs for services on a date-of-receipt basis beginning on the eleventh (11th) day of the last month prior to assumption of claims processing. From that point on, TARs or requests for reconsideration of denied lines received

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- after the claims date-of-service transfer date shall be forwarded to the successor Contractor;
- 4) Continue to process and scan residual TAR inventory until the last day before the assumption of claims processing (synonymous with the last day of Runout Startup), at which time the Contractor shall transfer all unprocessed TARs to the successor contractor. Included in this transfer shall be all incomplete Clinical Screening transactions and RTDs;
 - 5) Establish a unique code in the system and Document Control Center (DCC) for those TARs (including NOAs with denied claim lines) still being processed on the last day of Runout Startup. The result of this procedure shall be a reporting indicator that the subject document(s) has been transferred to the successor contractor;
 - 6) Develop a method, utilizing the Explanation of Benefits (EOB) form as the medium, for notifying providers of the status of documents transferred to the successor Contractor for processing. This notification process shall include a method for responding to providers' CIFs regarding documents that have been transferred to the successor Contractor;
 - 7) Organize and inventory the physical transfer, to the successor Contractor, of TARs, associated documentation (including but not necessarily limited to x-rays), and correspondence; State Hearing Case Files; Clinical Screening documentation; and Provider Enrollment files. All documents and records shall be transferred in covered boxes, accompanied by individual transmittal sheets identifying the contents of each box (exact status of and remaining activities to be performed on each document). The transfer shall be accomplished in full compliance with the requirements of Exhibit A, Attachment II, Security and Confidentiality section and Record Retention Requirement section. This transfer process shall be conducted in a manner that prevents any interruption of services to users, including but not necessarily limited to, provision of records retention services, during execution of the transfer;
 - 8) Develop a detailed functional area Work Turnover Report (WTR) for Runout Startup. The WTR shall describe, at the lowest level of detail practical, the work in progress under the Contractor's control to be transferred to the successor contractor's control for processing at the end of the COP. The format of the WTR shall be developed by the Contractor and submitted to the Contracting Officer for approval on the last business day of Month One Runout Startup;
 - 9) Transfer to the successor Contractor, on secured electronic medium and on a daily or weekly basis, as appropriate, all essential processing information. This includes providing files of all activity taking place on the system, including final claim/TAR/CIF disposition, and all records necessary to ensure all beneficiary history and activity remains synchronized with the successor contractors system.
 - 10) Accept and load, on a daily or weekly basis, as appropriate, all processing information received from the successor Contractor; and

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- 11) Furnish to the successor Contractor, at the end of the COP, one accurate and complete copy of electronic storage media for all records retained by the Contractor in compliance with the requirements of Exhibit A- Attachment II, Operations, Records Retention Requirements section. This electronic storage media shall be included in the inventory transfer at the end of the COP.

c. Runout Processing

During the six month Runout Processing period, (which begins at the assumption of claims processing), the Contractor's obligations and liabilities shall be as follows:

- 1) Remain responsible for the processing and final payment files of all approved claims/NOAs for which ALL dates of service(s) are prior to the last day of the COP with the exception of claims/NOAs received:
 - a) With multiple dates of service(s) - the latest date of service(s) will be used to determine Contractor liability for final adjudication.
 - b) With at least one date of service rendered after the last day of the COP, and received by the Contractor, shall be forwarded to the Department or successor Contractor (as directed by the Department) no later than one business day after receipt of the document.
 - c) As a treatment plan, the latest date of service will be used to determine which Contractor will process that document for final adjudication. If at least one date of service is after the last day of the COP, the successor Contractor shall process that claim/NOA. As a result of this procedure, no provider split-billing between Contractors will be required.
- 2) Receive all data files from the successor contractor and shall update various files (such as the Provider Master File) needed to process claims. All residual unprocessed claims at the end of the six month Runout Processing period shall be transferred to the successor contractor in accordance with the transfer requirements of this Exhibit.
- 3) Keep the beneficiary service history file operative through the end of the Runout Processing period to properly process claims for dates of service prior to the claims date-of-service transfer date and shall produce all CD-MMIS reports.
- 4) Complete all daily, weekly, and monthly CD-MMIS reporting and all S/URS CD-MMIS reporting in process throughout Runout Processing in accordance with the contract delivery requirements.
- 5) Supply the successor Contractor with claims processing history including, but not limited to, beneficiary and provider history. The data shall be provided on a weekly basis, or as directed by the Department, for the entire Runout Processing period. Data provided to the successor Contractor during the Turnover period shall also be provided at the end of the Runout Processing period.

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- 6) Develop a detailed functional area Work Transfer Report for Runout Processing. The work transfer report shall describe, at the lowest level of detail practical, the work in progress under the Contractor's control to be transferred to the successor Contractor's control for processing at the end of Runout Processing. The format of the work transfer report shall be submitted to the Contracting Officer for approval on the fourth (4th) week of the Runout Processing period.
- 7) Additional Contractor responsibilities during Runout Processing shall include:
 - a) Maintain staffing consistent with workload during the entire Runout Processing period by encouraging and/or providing incentives for staff retention;
 - b) Encourage experienced staff (after they are no longer needed), to become employees of the successor Contractor, thereby enhancing the continuity of CD-MMIS operations; and
 - c) Sharing payment information with the successor contractor. Such data includes but is not limited to: TAR processing, claims processing, copies of checks and EOBs issued, accounts receivable, etc.

11. Contract Closeout

The Contractor shall perform the following Contract Closeout activities, following the end of Runout Processing (seven months after the assumption of claims processing):

- a. Transfer of all residual claims and records to the successor contractor. This physical transfer shall be in an orderly and efficient manner, and in full compliance with Exhibit A, Attachment II, Security and Confidentiality section. The Contractor shall transfer to the successor Contractor, in covered boxes, all unprocessed CD-MMIS documents along with transmittal sheets indicating the contents of each box, the type(s) of document(s) contained in each box, the exact status of each document, and the remaining activities to be performed for each document. These documents include but are not limited to claims, appeals, adjustment requests, tracers, related correspondence, accounts receivable, dental scope State hearing case files, and Medi-Cal billing records. This transfer shall be accomplished with no disruption in services to users including, but not necessarily limited to, provision of records retention services during execution of the transfer. This transfer shall be completed no later than five business days after the conclusion of the Runout Processing period, and shall include, but not be limited to, the following:
 - 1) Claim/TAR/NOA/CIF/RTD records;
 - 2) Provider and beneficiary service history files (including provider appeals, beneficiary complaints and grievances, and State Hearing case files);
 - 3) Accounts Receivable;

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- 4) Appeals;
 - 5) Inquiries and correspondence;
 - 6) Returned mail;
 - 7) All backup files;
 - 8) Library of CD-MMIS Reports;
 - 9) Provider Enrollment files including all correspondence;
 - 10) S/URS documentation and files;
 - 11) Clinical Screening documentation;
 - 12) Files and data for all Problem Statements, Erroneous Payment Corrections, Miscellaneous Change Documents, System Development Notices, Amendments, and Dental Operating Instruction letters for the past six years;
 - 13) Change Order Files;
 - 14) Logs and correspondence on special review providers;
 - 15) Radiographs; and
 - 16) All other CD-MMIS related documents and records as identified by the State or the Contractor throughout Contract Closeout.
- b. Dispose of records under its custodianship in accordance with all provisions of the contract, including obtaining prior written authorization from the Contracting Officer before destroying any records;
 - c. Transfer to the Department or, at the Department's discretion to the successor Contractor, remaining U.S. Postal Service boxes used for receiving CD-MMIS related documents. This transfer shall be completed no later than one business day after conclusion of the Runout Processing period;
 - d. Perform a final audit of all contract-related documentation in preparation for federal or State-conducted audits of this contract;
 - e. If applicable, phase-out Contractor activities at Sacramento facility.

To ensure a smooth transition, two months prior to the physical transfer, the Contractor shall have met with Department and successor Contractor staff to:

- 1) Determine the format for the Work Turnover Report for Contract Closeout referenced below;

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- 2) Provide an estimate of the number of residual unprocessed claims, appeals, etc., that will be transferred; and
- 3) Establish a transfer schedule acceptable to the Department and successor Contractor.

The organization and transfer shall be conducted so as to prevent any interruption in services including delivery of records retention services while the transfer is executed.

- f. Within one business day of receipt, deliver to the successor Contractor's facility, all CD-MMIS related correspondence received during the phase-out period. Following the completion of the phase-out period, the Contractor shall return all CD-MMIS mail received to the sender via the U.S. Postal Service;
- g. Develop for delivery to the Department a detailed functional area WTR for Contract Closeout. The WTR will document, at the lowest level of detail practical, the work in process under the Contractor's control to be transferred to the successor contractor's control for processing. The final WTR shall be delivered to the Contracting Officer for approval on the fourth week prior to the end of COP;
- h. Transfer to the successor contractor, in boxes or bins, all unprocessed CD-MMIS documents along with transmittal sheets indicating contents of each box or bin, the type(s) of document(s) contained therein and the exact status of each document. These documents include, but are not limited to: claims, TARs, appeals, adjustment requests, tracers, correspondence, accounts receivables, Medi-Cal billing records, microfilm, microfiche, and dental scope State hearing cases, etc.;
- i. Transfer to the successor Contractor no later than one business day prior to the end of the COP, or terminate in the event the respective carriers prohibit transfer, all data lines used for Department terminal network communication; and
- j. Complete all daily, weekly and monthly CD-MMIS reporting and all S/URS CD-MMIS reporting in process on the last day of the COP, in accordance with contract delivery requirements, except that the Contractor shall have one (1) additional business day.

12. Runout Liabilities

The Contractor shall at the end of the COP, reimburse the Department for any of the following:

- a. TARs that were inappropriately denied based on Medi-Cal Dental Program policy by the Contractor and later approved by the successor contractor or the Department due to appeal, dental scope State hearing, or request for reconsideration;
- b. Claims which were inappropriately denied based on Medi-Cal Dental Program policy by the Contractor and subsequently approved by the successor contractor or the Department due to appeal or request for reconsideration (CIF); or

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- c. Claims/NOAs with date(s) of service(s) through the end of the COP processed by the successor Contractor during the Runout Processing or Contract Closeout periods of this contract.

Upon billing by the Department, the Contractor shall reimburse the Department within thirty (30) calendar days. The Contractor may dispute all such billings through the contract dispute provisions. This process shall continue for a period of fifteen (15) months following the end of the COP.

13. Post Contract Operations Phase

This phase shall begin when Operations are transferred to the successor Contractor, and shall terminate six months after the end of the COP.

- a. For ninety (90) calendar days after transfer of operations, and on a daily basis and with four (4) working hours, the Contractor shall make all misdirected contract-related mail available for pickup at the Contractor's site by the successor Contractor.
- b. For ninety (90) calendar days after termination of the COP, the Contractor shall ensure that key personnel who have not transferred to the successor Contractor are available to Department staff to answer questions regarding the operations of the system.