

**Exhibit A, Attachment II – Scope of Work
Operations – Telephone Call Center****1.0 TELEPHONE CALL CENTER****1.1 OVERVIEW**

The requirements contained in this section shall govern all functions performed through the Health Care Options (HCO) Telephone Call Center (TCC). These functions may include, but are not limited to, assisting applicants or beneficiaries in understanding, selecting, and enrolling in a Medi-Cal managed care plan. The objectives of the Telephone Call Center requirements described in this section include, but are not limited to:

1. Ensure the Contractor provides toll-free telephone access to Customer Service Representatives (CSR's) who are trained to assist applicants, beneficiaries, their Authorized Representatives (AR's) or approved Enrollment Assistants with accurate, unbiased, and relevant information in order for them to make informed decisions about the health plan enrollment options available in their geographical location.
2. Ensure the Contractor provides opportunities for applicants or beneficiaries to request or be referred to additional education and outreach services, such as face-to-face presentations and choice counseling services.
3. Ensure Contractor provides assistance to applicants or beneficiaries who use, or express a desire to receive, Managed Long Term Services and Supports (MLTSS)
4. Ensure Contractor meets or exceeds specific performance standards specified herein under Section 1.2.4 designed to ensure the beneficiary receives timely, accurate and unbiased information about their health care options.

1.2 REQUIREMENTS**1.2.1 TELEPHONE CALL CENTER SYSTEMS AND EQUIPMENT**

The Contractor shall provide telephone call center systems and equipment necessary to meet or exceed all TCC requirements as follows:

1. Establish and maintain a telephone call center accessible through a statewide toll-free helpline and staffed by the Contractor, which shall provide information and assistance to Medi-Cal consumers in all threshold languages specified by The Department of Health Care Services (DHCS). The threshold languages may change as a result of changes in the demographics and the population being served throughout the term of the contract or by State or federal law.
2. Maintain access to an internal and third-party translation service for non-threshold languages that cannot be serviced by the Contractor CSR's and provide translation services for those that are hearing-impaired.

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3. The TCC shall be located within a fifteen (15) mile radius of the State Capitol building in Sacramento.
4. The TCC helpline shall be available between the hours of 8:00 a.m. to 6:00 p.m. Pacific Standard Time (PST), Monday through Friday, excluding State holidays. DHCS reserves the right to request extended hours to support special enrollment campaigns and/or to meet anticipated increases in call activity.
5. Establish and maintain a Telecommunications Device for the Deaf (TDD)/ Teletypewriter (TTY) telephone line that is available during normal business hours for the hearing-impaired, and has a call back option available after normal business hours.
6. The TCC shall have the ability to retrieve the caller's Medi-Cal eligibility and enrollment information, and make this information available to the CSR at the time of the call in order to facilitate a response to the caller's needs.
7. The TCC shall include an automated Integrated Voice Response (IVR) system that provides, at a minimum, the following:
 - a. Recorded information and self-service options available in English and Spanish and all threshold languages, as specified by DHCS.
 - b. Basic managed care enrollment and disenrollment information, exception to plan enrollment request, telephone service hours, referral and/transfer to the DHCS Ombudsman, managed care plan telephone numbers, State Fair Hearing telephone and address information, mailing address, fax number for HCO, choice form completion information, Enrollment Service Representative (ESR)/Presentation Site locations and schedules, Medicare office phone numbers, access to information on the HCO website, and other information as defined by DHCS.
 - c. Automatically identify a caller's primary language if the caller's telephone number is known by the system. Once it has been through the IVR System, the call shall be automatically routed to a CSR who speaks the caller's primary language without the caller being required to identify his/her spoken language, as long as it is one of the threshold languages defined by DHCS, or is identified as hearing-impaired.
 - d. Allow the caller to request a copy of enrollment informing packets and choice forms, a list of available health care plans and other program materials as defined by DHCS. Allow the caller to request these materials either by entering a fax number into the system or through postal mail using the address listed in the beneficiary's profile.
 - e. Fax requests shall occur within five (5) minutes of the request; mail requests shall occur within one (1) business day of the request.

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- f. The system shall record and track the types of materials requested and faxed or mailed, the date requested, the date/time faxed or mailed, the beneficiary's fax number/ mailing address, and any notes associated with the request.
 - g. During non-business hours, State holidays, or after two (2) minutes placed in the queue, the IVR system shall have the capability to provide a call back option for the caller.
8. The TCC shall include features that allow for automated beneficiary outbound calls based on specified call types that may include, but not limited to, a form not returned, an incomplete/inaccurate form, program changes, response to voice mail or call back requests.
9. The TCC shall include an integrated call tracking system with the following capabilities:
 - a. Ability to record, track and index all calls received or placed with the date and time of call, CSR staff identifier, workstation identifier, beneficiary identification, reason for call – selected from an established list of categories determined by DHCS, disposition of call – selected from a list of categories determined by DHCS, and space for additional information as defined by DHCS.
 - b. A call traffic and staffing management process and reporting system.
 - c. A “single view” of a caller's encounter to help facilitate the CSR's response to the caller's request and aggregated reporting capabilities based on call types.
 - d. Record and maintain the applicant or beneficiary's identifiers, language selection, language designations on choice forms and/or enrollment exemption request forms, nature of all inquiries and/or issues, date and type of contact, status and resolution of each contact, and date of each resolution.
 - e. Track telephone numbers from callers whose calls were lost and conduct follow-up or a return call to the telephone number generating the lost call, if available. The Contractor shall retain all supporting documentation of telephone numbers that are not returnable.
10. The TCC shall include an Integrated Predictive Dialer System (IPDS) for outgoing calls made by the CSR. The IPDS shall, at a minimum, have the capability to detect answering machines and leave messages, detect and document disconnected telephone numbers, call back telephone numbers with busy signals, redial telephone numbers at multiple times and at various times of the day and week, and automatically transfer calls to a live Operator with screens displaying pertinent data that highlights the purpose of the outgoing call.
11. The TCC shall have capabilities to analyze and report on, at a minimum, the mood and tone of voice, the most frequent words used by callers, language used and requested, and the location and identification of the CSR.

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12. The TCC shall have the ability to provide scheduled and ad hoc reports and graphical views of call center data metrics and statistics.
13. The Contractor shall ensure that CSR's contact mandatory beneficiaries who have not returned an accurate and complete Choice Form within sixteen (16) calendar days from the mailing generation of the Intent to Assign (IA) letter and enrollment informing packet. The outbound call campaign shall include the following:
 - a. Attempt five (5) telephone calls to request a completed Choice Form from the applicant or beneficiary, or to complete the Choice Form and/or based on the information gathered during a telephone call.
 - b. Complete the five (5) attempts with the first (1st) and second (2nd) attempts at day sixteen (16) and day seventeen (17) from the mailing generation of the IA letter. The remaining third (3rd), fourth (4th) and fifth (5th) attempts will be followed at day thirty-two (32), day thirty-three (33) and day thirty-four (34) from the mailing generation of the IA letter.
 - c. Provide assistance, as necessary, to help the applicant or beneficiary on how to complete the Choice Form and how to properly return it.
 - d. Process health plan enrollment/disenrollment options per the caller's direct instructions.
14. The Contractor shall, as directed by DHCS, design and execute outbound call campaigns to beneficiaries for various reasons such as changes or corrections to enrollment or to provide education on new initiatives. Upon such request by DHCS, the Contractor shall conduct the following activities:
 - a. Provide a written work plan within five (5) business days of the request and update the work plan as directed by DHCS.
 - b. Develop necessary telephone scripts subject to DHCS' written approval.
 - c. Produce call campaign outcome reports based on the call campaign requirements approved by DHCS.
15. In the event that any of the Telephone Call Center systems experience unscheduled downtime, the Contractor shall implement the following procedures:
 - a. Notify the designated DHCS staff, either by telephone or in-person, as soon as the incident is known, and follow-up in writing via e-mail, no later than one (1) hour of the incident. Once the cause and projected duration of the unplanned interruption is known, the Contractor shall provide that information within fifteen (15) minutes, either by telephone or in-person, to the designated DHCS staff and follow-up in writing via e-mail within one (1) hour.

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- b. Notify the designated DHCS staff in writing via e-mail within twenty-four (24) hours of reactivating the system. The Contractor shall provide a description of all areas impacted, the measures taken to correct the problem or incident, and what additional measures have been put into place to prevent the problem or incident from reoccurring.
 - c. Notify the designated DHCS staff via e-mail of any planned system interruption, shutdown, or non-access to any files, at least three (3) business days prior to the scheduled interruption, and obtain written DHCS approval prior to implementing the shutdown.
 - d. Contractor shall generate a Problem Statement (PS) to document, at a minimum, the date, time and duration of all downtime occurrences in the appropriate status reports on a daily and weekly basis. Procedures for documenting and tracking Problem Statements are included in Exhibit A, Attachment II, Section 12.0 – Problem Correction Process.
 - e. The Contractor shall implement the use of temporary phone messages during unscheduled telephone downtime within two (2) minutes of the interruption.
 - f. The Contractor shall implement all DHCS' requests for TCC temporary phone messages within two (2) hours of the request, unless otherwise specified by DHCS. TCC phone messages shall be implemented during all State holidays and during non- business hours.
16. The Contractor shall provide DHCS with access to monitor all live and recorded incoming and outgoing calls. DHCS shall also have access to the Contractor's call tracking and call recording systems from DHCS workstations.
17. The Contractor shall provide DHCS with unrestricted access to all recorded calls and information maintained in integrated call tracking system.

1.2.2 TELEPHONE CALL CENTER STAFF SERVICES AND TRAINING

The Contractor shall ensure that TCC staff:

1. Are available to provide accurate and timely response to all caller inquiries and requests in all threshold languages defined by DHCS, and provide non-threshold language translation through DHCS approved language translation services. This includes oral interpretation and the use of auxiliary aids such as TTY/TDY and American Sign Language.
2. Are able to answer caller's questions about the Medi-Cal managed care programs, covered benefits and access to Managed Long Term Services and Supports (MLTSS).
3. Are able to answer enrollment, disenrollment, and exception to enrollment questions and provide status of enrollment/disenrollment.

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4. Are able to provide informing materials to applicants, beneficiaries, Authorized Representatives and approved Enrollment Assistants upon request and provide information about upcoming face-to-face presentations and choice counseling services available in the applicant's/beneficiaries' geographic location.
5. Are able to determine when a caller needs to be referred, or upon the caller's request, to other units within the Contractor's organization, the DHCS Ombudsman, the Health Insurance Counseling & Advocacy Program (HICAP), Medicare or other internal or external programs as defined by DHCS.
6. Are able to address, record and track complaints and concerns about health plan enrollment, access to covered services, and other related matters.
7. Are able to assist in navigating the grievance and appeal process within the health plan, as well as navigating the State Fair Hearing process when appealing adverse benefit determinations by the health plan.
8. Are properly trained to conduct outbound call campaigns as determined by DHCS.

1.2.4 TELEPHONE CALL CENTER PERFORMANCE STANDARDS

The Contractor shall ensure that the following performance standards are met or exceeded and weekly reports are implemented to demonstrate compliance with these standards:

1. The TCC telephone system, the IVR system, the IPDS, the integrated call tracking system are available one hundred percent (100%) of the time during normal business hours and approved extended hours of operations.
2. A calls are answered within three (3) rings, or implement a system that places the call in a queue.
3. The caller, after two (2) minutes in-queue, has the option to either leave a voice message or continue to stay in-queue.
4. All voice mail messages received before 4:00 PM during business days shall be returned within the current business day. All voice mail messages received after 4:00 PM during business days shall be returned by 12:00 PM the following business day. All voice mail messages received during non-business days shall be returned before 4:00 PM the following business day.
5. No more than one (1) call per CSR is in the queue at any one time.
6. Caller hold times (the time callers spend on-hold after speaking to a CSR) shall not exceed one (1) minute per call without the expressed consent of the caller. Average hold times overall for calls shall not exceed two (2) minutes.

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7. The average weekly abandonment rate for English and Spanish shall be no more than seven percent (7%) of the total call volume for the week. A call shall be considered abandoned when a caller chooses to disconnect after exiting the IVR system and spending three (3) minutes or more in-queue without being connected to a CSR.
8. The average monthly abandonment rate for all remaining threshold languages shall be no more than seven percent (7%) of the total call volume for the month.
9. Ensure that no calls are blocked due to a busy signal. If this occurs, the contractor shall immediately notify the designated DHCS staff and generate an urgent Problem Statement according to requirements in Exhibit A, Attachment II, Section 12.0 – Problem Correction Process.
10. Develop and implement a Caller Satisfaction Evaluation Tool with the following criteria:
 - a. Contact a randomly selected population and/or a population requested by DHCS of TCC callers to evaluate the effectiveness of the information provided by the CSRs.
 - b. Provide the opportunity for selected TCC callers to participate in the evaluation tool at the end of their calls.
 - c. Maintain electronic copies of completed satisfaction tools for one (1) year and make available to DHCS upon request. Provide quarterly reports of the findings to DHCS.

1.2.5 REPORTING REQUIREMENTS

Telephone Call Center specific reporting requirements identified in this section shall comply with general reporting provisions specified in Exhibit A, Attachment II, Section 7 – Reports. The following are the minimum reporting requirements for the Telephone Call Center. DHCS reserves the right to request additional reporting elements throughout the term of the contract.

1.2.5.1 General Telephone Call Center (TCC) Reports

1. The Contractor shall submit reports on a daily basis that are then compiled into and reported in the weekly reports and monthly reports. This information shall be cumulative. The daily reports include, but are not limited to:
 - a. **Unscheduled TCC downtime:** The minutes of telephone downtime shall be reported in the daily, weekly, and monthly reports. Downtime shall be reported in terms of the average number of minutes per calendar week over the reporting period.

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- b. The total number of telephone calls received and initiated, by TCC staff, by time of day, by day.
- c. Mandatory beneficiaries contact attempts and completions:
 - i. The total number of mandatory beneficiaries who are scheduled to be automatically assigned to a health plan(s) (default-assigned) that have been contacted in order to assist them with completing and returning a Choice Form; and
 - ii. The total number of mandatory beneficiaries who were provided assistance and have completed a Choice Form over the phone.
- d. 'In queue' and 'hold' time: 'In queue' and 'hold' time shall be reported in summary, and separately and as a combined total in the daily, weekly, and monthly reports. The Contractor shall ensure a process to track 'hold', 'in queue', and 'actual call minutes spent with callers', for each call received and/or placed by the TCC staff. Separate and combined 'in queue' and 'hold' time shall be reported in terms of the average number of minutes per call, averaged over all calls received during the reporting period.
- e. Voice mail referral rate: The voice mail referral rate shall be reported daily, and shall contain separate rates for calls received during business hours and calls received during non-business hours. Referral rates shall be reported in terms of the percentage of calls received during normal business hours that are referred to voice mail during the reporting period.
- f. Voice mail message return rate: A report that provides the number and percentage rate of voice mail messages that are returned within one (1) business day.
- g. Abandonment rate: A report that details the rate as the percentage of calls received during normal business hours that are abandoned during the reporting period. This rate is less the successful returned calls placed to the original caller that abandoned the initial call. The Contractor shall retain all supporting documentation of such telephone calls.
- h. Blocked call rate: A report that details the percentage of calls received during business hours that are blocked during the reporting period.
- i. Call Referral Rate: A report that details the total number of calls received pertaining to enrollment issues/problems and the total number of these calls that the TCC must refer to an outside entity for resolution, with the corresponding percentage rate. Along with the current month's rates, the corresponding rates for each of the preceding 12 (twelve) months shall also be reported. When significant increases or decreases in the percentage rate occur, DHCS may, at its discretion, require the Contractor to identify and report on the causes of those fluctuations. The overall referral rate, along with

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the rates falling into referral categories, which include but not be limited to the following:

- ii. Referrals to the Contractor's Complaints and Grievances operations;
 - iii. Referrals to County Social Services offices;
 - iv. Referrals to Medi-Cal managed care plans, reported by plan, by county;
 - v. Referrals to the other California agencies as specified by DHCS such as the Department of Social Services, Department of Aging, etc.
 - vi. Referrals to the DHCS Office of the Ombudsman
 - vii. Referrals to other entities specified by DHCS.
- j. **Issues Addressed:** A report that categorizes incoming TCC calls by the issue(s) addressed or call type in each call. The issue categories used in this report are to be periodically reviewed and revised, as needed, and approved by DHCS. The report shall provide the number of incoming calls that fall into each DHCS approved issue category. "Other" shall always be a category. The report shall include a narrative briefly summarizing the issues that fall into the "other" category in the current report. Calls that address more than one (1) issue shall be categorized by all issues discussed and a method devised to identify those calls and their particular issues.
- k. **Call Duration:** A report that details each TCC staff's average call duration compared to an overall TCC staff call duration range. The overall TCC staff call duration range shall consist of the upper and lower duration bounds within which ninety-five percent (95%) of all TCC calls fall. In addition to an overall call duration rate, rates shall also be reported by incoming and outgoing calls, by threshold language, by county, by plan and plan type, and any other categories the Contractor may wish to propose. All categories used must be approved by the DHCS. The Contractor shall provide the DHCS instant access to view this report information.
- l. **Calls Placed:**
- i. A report that details the number of telephone calls placed by and to TCC staff. Calls placed data shall be reported by language and by county; and
 - ii. Report the number of calls placed to beneficiaries who do not return a completed Choice Form, the total number of calls placed to each beneficiary called for such purpose, and the total number of Choice Forms completed and received at the Contractor's main operating facility as a result of these calls.
- m. Ad hoc report(s) that contain any other data pertaining to the TCC which the DHCS requests on an ad hoc basis and which the Contractor can reasonably be expected to produce.

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1.2.5.2 Integrated Voice Response System (IVR) Report

The Contractor shall submit reports on a daily basis, and then compiled into a weekly and monthly basis to include, but not be limited to:

1. IVR availability
2. Usage
3. Total number of calls received
4. Total number of requests for forms
5. Total number of materials faxed
6. Total elapsed time between receipt of request for faxed materials and the actual faxing of materials
7. Information requested, by type

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The Contractor shall submit reports on a weekly, and then compiled into a monthly, basis to include, but not be limited to:

1. IPDS availability;
2. Usage;
3. Total number of calls placed using the system;
4. Total number of messages left;
5. Total number of calls placed that were successful in reaching the original caller;
6. Total number of detected disconnected telephone numbers;
7. Total number of calls automatically transferred to a live operator; and
8. Information requested, by type.

1.2.5.4 Integrated Call Tracking Information System (CTI) Report

The Contractor shall submit reports on a weekly, and then compiled into a monthly, basis to include, but not be limited to:

1. CTI availability;
2. Usage;
3. Total recordings, by date and time;
4. Reason for calls, by type;
5. Disposition of calls, by type; and
6. Total number of completed Choice Forms.

1.2.5.5 Beneficiary Interaction Tracking (BIT) Report

The Contractor shall submit reports on a weekly, and then compiled into a monthly, basis to include, but not be limited to:

1. BIT availability
2. Usage
3. Total number of returned calls place
4. Total number of returned calls not placed due to locked identification tools

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5. Total number of encounters captured, by type, by county, by language

1.3 TELEPHONE CALL CENTER COMPLIANCE PLAN

1. The Telephone Call Center Compliance Plan shall describe how the Contractor will ensure adherence to all requirements throughout the term of the Contract.
2. The Telephone Call Center Compliance Plan shall include, but not be limited to:
 - a. Identifying each Contractual requirement
 - b. If the Contractor is currently meeting that requirement (Yes/No)
 - c. A description of how Contractor is complying that requirement
 - d. Any additional information the Contractor determines is relevant.
3. The Contractor shall formally submit the initial Telephone Call Center Compliance Plan to DHCS for review and approval in accordance to the requirements in Exhibit A, Attachment I – Takeover.
4. The Contractor shall review the Telephone Call Center Compliance Plan and submit an updated copy to DHCS for review and approval:
 - a. Annually through the term of Contract.
 - b. Upon DHCS request
5. If the Contractor determines no updates are needed, the Contractor shall certify to DHCS the Telephone Call Center Compliance Plan is complete and up to date.
6. At the same time, the Contractor shall also certify to DHCS, in writing, that:
 - a. The Contractor is in compliance with all related requirements for the reporting period.
 - b. If there are any compliance issues or risks in the current or future reporting periods, identify the issue/risk and a description of how the Contractor will correct and/or mitigate issue/risk and timelines for achieving compliance.

1.4 MANUALS AND RELATED DOCUMENTATION**1.4.1 Development and Maintenance**

1. Unless otherwise specified, the Contractor shall formally submit initial manuals and related documentation to DHCS for review and approval in accordance to the requirements in Exhibit A, Attachment I – Takeover.
2. The Contractor shall review manuals and related documentation and submit updated copy(ies) to DHCS for review and approval:
 - a. Annually, through the term of Contract

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- b. Upon DHCS request

 - c. As necessary if technical, operational or procedural change requires manual or documentation update.
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- 3. If during the annual review or DHCS requested review, the Contractor determines no updates are needed, certify to DHCS the manual or related documentation is complete and up to date.

1.4.2 Manuals and Related Documentation

The following are Telephone Call Center manuals and related documentation:

- 1. Telephone Call Center Compliance Plan (includes Procedures).

- 2. Reports identified herein in the Reporting Requirements Section 1.2.5.

**Exhibit A, Attachment II – Scope of Work
Operations – Education and Outreach****2.0 EDUCATION AND OUTREACH****2.1 OVERVIEW**

The requirements contained in this section shall govern all Education and Outreach functions performed by Enrollment Service Representatives (ESRs) that are employed or subcontracted by the Contractor. These functions may include, but are not limited to, assisting applicants and beneficiaries in understanding, selecting, and using managed care health plans through presentations, outreach events, and other assistive services.

The objectives of the Education and Outreach requirements described in this section include:

1. Ensure the Contractor provides accurate, unbiased, and relevant information to applicants or beneficiaries in order for them to can make informed choices about the Medi-Cal managed care health care options available in their geographical location.
2. Ensure the Contractor provides opportunities for applicants and beneficiaries to receive education and outreach through face-to-face presentations and outreach events.
3. Ensure the Contractor provides assistance to applicants and beneficiaries with resolving issues associated with mandatory and/or voluntary participation in the Medi-Cal managed care program.
4. Ensure disabled, hearing and/or visually impaired applicants or beneficiaries understand their health care options by providing presentations and informing materials in alternate formats that comply with the Americans with Disability Act (ADA), and section 1557 of the Patient Protection and Affordable Care Act, and comply with applicable Federal and State laws (including: Title VI of the Civil Rights Act of 1964 as implemented by regulations at 45 CFR part 80; the Age Discrimination Act of 1975 as implemented by regulations at 45 CFR part 91; the Rehabilitation Act of 1973; Title IX of the Education Amendments of 1972, regarding education programs and activities.

2.2 REQUIREMENTS**2.2.1 General Requirements**

The Contractor shall:

1. Ensure trained, full-time equivalent (FTE) employees, or other personnel provided by a subcontractor are available to conduct HCO presentations and outreach events, and assist applicants, beneficiaries and their Authorized Representatives (ARs) or Enrollment Assistants with completing managed care enrollment choice forms.

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2. Enter into a Memorandum of Understanding (MOU) or written agreement with the local county social service agencies, community based organizations (CBOs) or other organizations to provide a locale for the presentations.
3. Monitor employees through beneficiary evaluations to ensure the quality, accuracy and timeliness of the Health Care Options (HCO) presentations and outreach events.
4. Work directly with the county social services agencies or CBOs to ensure that HCO presentations and outreach events are conducted in close proximity to the county/district Medi-Cal application offices.
5. Send an enrollment information packet to individuals who do not choose a health plan after attending an HCO presentation or outreach event if the individuals were determined to be eligible for Medi-Cal managed care.
6. Ensure that presentation sites and supporting education and outreach material include information for beneficiaries who use, or express a desire to receive Managed Long Term Services and Supports (MLTSS).
7. Ensure disabled, hearing and/or visually impaired applicants or beneficiaries understand their health care options by providing presentations and informing materials in alternate formats that comply with the Americans with Disability Act (ADA), and section 1557 of the Patient Protection and Affordable Care Act, and comply with applicable Federal and State laws (including: Title VI of the Civil Rights Act of 1964 as implemented by regulations at 45 CFR part 80; the Age Discrimination Act of 1975 as implemented by regulations at 45 CFR part 91; the Rehabilitation Act of 1973; Title IX of the Education Amendments of 1972, regarding education programs and activities.

2.2.2 Presentation Site Space and Staffing Plan Implementation

1. The Contractor shall develop and receive approval from DHCS on a Presentation Site Space and Staffing Plan. The required components of the plan are outlined in Exhibit A, Attachment I, Takeover.
2. The Contractor shall conduct a site evaluation prior to requesting DHCS approval for new presentation sites. To obtain DHCS approval, the Contractor shall:
 - a. Submit a site evaluation and any other documentation necessary to determine the appropriateness of the proposed site. Sites shall be evaluated using the criteria developed in the Presentation Site Space and Staffing Plan.
 - b. Submit a written request for site approval to DHCS thirty (30) business days prior to its proposed use, unless DHCS approves an alternative timeframe due to special circumstances.
3. The Contractor shall provide or arrange to obtain appropriate furniture,

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equipment, office supplies, electrical outlets and electronic communication devices for HCO presentation locations. Presentation sites should be equipped with telephones, facsimiles, computer and internet connectivity.

4. The Contractor shall ensure Presentation Site facilities are physically accessible to individuals with disabilities pursuant to section 1557 of the Patient Protection and Affordable Care Act (45 CFR 92.203).
5. Unless otherwise specified by DHCS, the Contractor shall provide ESR staff with business cards or HCO county specific brochures listing staff phone numbers for distribution to applicants and beneficiaries.

2.2.3 Presentation Site Staffing Requirements

1. The Contractor shall ensure ESR staff can speak, read, and write English fluently, and/or in any threshold language for which they are presenting, at a level easily understood by the applicant or beneficiaries.
2. The Contractor shall ensure ESR staff have presentation skills and/or public speaking experience. Teaching, marketing, community outreach and education, or public relations experience is desirable.
3. The Contractor shall ensure ESR staff are capable of presenting the required information and materials about the Medi-Cal managed care program interactively and in a culturally and linguistically competent manner.
4. The Contractor shall ensure that ESR staff are able to deliver the HCO presentation scripts without reading or reciting them verbatim and can remain fair and unbiased at all times by not favoring one health plan over another.

2.2.4 Presentation Site Staffing Levels

1. Staffing levels will be based on factors including, but not limited to, the number and location of presentation sites, number of potential applicants or beneficiaries attending presentations, and the length of the presentation. Upon approval by DHCS, the Contractor may revise the staffing levels by county.
2. If DHCS instructs the Contractor to change staff levels in a county, the Contractor shall have forty-five (45) calendar days to decrease staff levels, and sixty (60) calendar days to increase staff levels.

2.2.5 Prohibition on Other Duties

Without written authorization from DHCS, the Contractor shall not allow ESR staff or supervisors to perform any functions under the terms of this Contract, except those specified in this section. This prohibition includes work relating to the rebid of the contract and similar business proposal work.

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1. The Contractor shall monitor and evaluate the effectiveness of each presentation site on a quarterly basis, and shall submit a quarterly report to DHCS on the results of the site evaluations.
2. The Contractor shall adhere to the productivity standard established by DHCS to determine if a site is underutilized by applicants or beneficiaries. The productivity standard shall be subject to periodic review and revision by DHCS.
3. To increase the productivity of presentation sites, the Contractor shall evaluate and consider adjusting times and dates of staff coverage, language availability, and accommodation of beneficiaries or applicants who have special communication needs.
4. The Contractor shall recommend site closures if a site is underutilized based on productivity standards established in the Presentation Site Space and Staffing Plan and approved by DHCS. Upon DHCS' approval, any closures shall be reflected in the presentation schedules submitted in accordance with Section 2.2.8, Scheduling Presentation.
5. Within thirty (30) calendar days of receiving written notification from DHCS, the Contractor shall discontinue using a site that DHCS has determined to be underutilized and/or unproductive.
6. DHCS reserves the right to close a presentation site for reasons other than underutilization.

2.2.7 Conducting HCO Presentations

1. The Contractor shall conduct HCO presentations for beneficiaries with mandatory and voluntary aid codes, and for Medi-Cal applicants whose eligibility status has not yet been determined, as specified by DHCS.
2. The Contractor shall adapt the presentations to each county's Medi-Cal intake application process, and to the redetermination process in counties where fee-for-service (FFS) is an option.
3. The Contractor shall assign staff to conduct presentations using DHCS-approved scripts and materials in a manner that accommodates county intake schedules, policies and procedures, and/or arrangements agreed to among the Contractor, the county, and DHCS.
4. The Contractor shall make changes to the presentation schedule, when directed by DHCS with a written notification.
5. The Contractor shall provide presentations according to DHCS' specifications, by using scripts and/or visual aids approved by DHCS. The HCO presentations

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shall include, but not limited to:

- a. Information designed to help applicants and/or beneficiaries understand how to complete an enrollment Choice Form and how to obtain assistance with form completion.
 - b. Ensure beneficiaries understand their rights and procedures for submitting complaints and grievances.
 - c. A description of all available Medi-Cal managed care plan options available in the areas where applicants or beneficiaries reside, a description of covered services and benefits, and of other available services as directed by DHCS.
 - d. A description of the applicant or beneficiary's enrollment and disenrollment rights and responsibilities.
 - e. Effective use of non-electronic and electronic audio and visual communication media, or employment of other presentation enhancements as approved by DHCS.
6. The Contractor shall maintain comprehensive presentation attendance records. The identities of all attendees shall be recorded and a monthly summary of presentation attendance shall be submitted to DHCS.
 7. The Contractor shall provide presentations in English and Spanish and in all threshold languages as defined by DHCS and shall meet county threshold language standards approved by DHCS.
 8. Upon receiving updates from DHCS on the approved threshold languages, the Contractor shall update all education and outreach materials and presentations according to the timelines specified in Exhibit A, Attachment II, Section 3.0 – Informing Materials.
 9. The Contractor shall assist disabled, hearing and/or visually impaired applicants or beneficiaries to understand their health care options by providing presentations and informing materials in alternate formats that comply with the Americans with Disability Act (ADA), and section 1557 of the Patient Protection and Affordable Care Act, such as the use of large print, audio, Braille or the use of oral interpretation and auxiliary aids such as TTY/TDY and American Sign Language.
 10. The Contractor shall alter HCO presentation scripts periodically by county as directed by DHCS, but no more than three (3) times annually. The Contractor shall have DHCS agree upon number of days to submit modified scripts.
 11. The Contractor may subcontract with agencies or programs to perform education, outreach and enrollment functions. All such subcontracts shall be reviewed and approved by DHCS, in writing, prior to implementing the

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subcontract.

12. The Contractor shall collect and process complete and accurate Choice Forms and Health Information Forms (HIF) signed by applicants or beneficiaries at the Presentation Sites on a daily basis, and securely deliver them to the Contractor's main operating facility for processing.
13. The Contractor shall ensure that any written referrals from county social services or CBO personnel which include client telephone numbers, shall be contacted by telephone within two (2) business days of receipt of the referral information.

2.2.8 Scheduling Presentations

1. The Contractor shall schedule group and individual HCO presentations at DHCS approved locations within counties to ensure that presentations are available to applicants or beneficiaries during their Medi-Cal application and eligibility determination processes, and/or their enrollment choice period, which follows the release of HCO enrollment informing packets.
2. On an annual basis, the Contractor shall submit to DHCS, for approval, the proposed HCO presentation schedules for the following year prior to implementation. The annual presentation schedules shall be:
 - a. Submitted to DHCS no later than the fifteen (15) calendar day of November for the following year.
 - b. County specific and contain dates, times, language availability, and addresses for all sites where presentations are available within each county.
 - c. Delivered to all active presentation sites no later than three (3) days after approval by DHCS.
3. The Contractor shall create presentation schedule binders for DHCS staff use, and be maintained electronically for DHCS access at all times.
4. The Contractor shall deliver DHCS-approved presentation schedules to presentation sites, health plans, advocacy groups, CBOs and Managed Care Operations Division (MCO) as specified by DHCS.
5. The Contractor shall conduct all scheduled presentations, and shall not revise the presentation schedules without prior approval from DHCS.
6. The Contractor shall develop a plan for back-up ESR coverage to address staff absences as well as increased enrollment activity, and shall ensure that back-up personnel are provided so there is no disruption in HCO presentations. In the event the Contractor cannot conduct a scheduled presentation, the Contractor shall:

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- a. Inform DHCS of the change within one (1) hour.
 - b. Notify the site administration (i.e. county social services and CBO's) of the change within one (1) hour.
7. The Contractor shall notify DHCS through an electronic fast alert process within one (1) hour of the time the Contractor learns that any presentation did not or will not take place. The Contractor shall inform DHCS of this failure in writing within one (1) business day of the electronic notification, and shall include a Problem Statement (PS) in accordance with Exhibit A, Attachment II, Section 12.0 – Problem Correction Process.

2.2.9 Presentation Materials

In cooperation with DHCS and counties where presentations are conducted, the Contractor shall:

1. Ensure that the most current DHCS approved enrollment informing packets and other appropriate materials are available for use and distribution at each presentation site. Materials shall be distributed to the appropriate presentation sites within ten (10) business days of the date the Contractor receives the approved printed material.
2. Submit to DHCS for review and approval all proposed procedures, materials and forms that are developed during HCO Operations that are to be used for HCO referrals and presentations. These materials shall be submitted at least sixty (60) calendar days prior to their proposed implementation and distribution, unless otherwise directed by DHCS.

2.2.10 Presentation Monitoring

1. All presentations shall be open to authorized federal, state, and county personnel.
2. All presentations and presentation sites are subject to DHCS staff evaluation, with or without prior notification to the Contractor, and DHCS retains the authority to notify the Contractor of any deficiencies.
3. Within ten (10) business days of receipt of notification of deficiencies from DHCS, the Contractor shall demonstrate that reported deficiencies have been corrected. Certain deficiencies will also require the submission of a Problem Statement in accordance with Exhibit A, Attachment II, Section 12.0 – Problem Correction Process.

2.2.11 Attendee Feedback Evaluation Tool

1. The Contractor shall use the DHCS approved Attendee Feedback Evaluation tool submitted during Takeover to monitor the effectiveness of the Education and Outreach programs and to make adjustments to the program to ensure beneficiary needs are met.
2. Make the approved tool available at each presentation site so applicants,

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beneficiaries, and other attendees can evaluate the presentation in a confidential manner.

3. Maintain copies of completed evaluations for one (1) year, filed by county, by presentation site, and by date. The Contractor shall retain these copies at its central operating facility, and make available to DHCS upon request.
4. Provide DHCS with a quarterly report on the evaluation findings.

2.2.12 Enrollment Services Representative Observation/ Evaluation Tool

1. The Contractor shall use the DHCS approved Observation/Evaluation tool submitted during Takeover, to monitor and evaluate one (1) presentation per ESR staff at least once per month for staff with less than one (1) year experience, and quarterly for those with more than one (1) year experience. The evaluations shall be submitted to DHCS within five (5) days of the evaluation.
2. The Contractor shall initiate a Problem Statement (PS) if a supervisor observes a problem with a specific staff presentation. The supervisor shall monitor the staff's performance no less than weekly until the corrective action has been taken and the problem has been resolved.
3. The Contractor shall maintain a ninety-eight percent (98%) positive response rate for all ESR staff Observation/Evaluation tools received each month.

2.2.13 Retention/Modification of Evaluation Tools

1. The Contractor shall maintain copies of the completed Attendee Feedback Evaluation tool and the ESR staff Observation/Evaluation tool for one (1) year, filed by county, staff, and month of observation/evaluation.
2. The Contractor shall retain these forms at its central operating facility, and shall provide a monthly report summarizing each staff evaluation and performance.
3. The Contractor may modify the Attendee Feedback Evaluation and/or staff Observation/Evaluation tool with written approval from DHCS.

2.2.14 Outreach and Enrollment Assistance Sessions

The Contractor shall be responsible for the following outreach and enrollment assistance activities:

1. Annually, the Contractor shall create and submit for DHCS review and approval an outreach event schedule for all outreach sessions it proposes to attend regardless of whether or not the events occur during normal business hours. At a minimum, the outreach event schedule shall include:
 - a. The organization sponsoring the event and the general purpose of the event (e.g., Women's Health Week).

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- b. The location, date, and time of the event.
- c. The anticipated number of applicants or beneficiaries attending, if known.
2. Monthly, the Contractor shall submit to DHCS for review and approval updates to the outreach event schedule. The monthly update shall include additional detail for upcoming outreach events and changes to planned activities including, but not limited to, the name of the ESR staff or other Contractor representatives who will be attending the event. This updated schedule shall be submitted on the tenth (10th) calendar day of the month preceding the proposed outreach sessions
3. The Contractor may request expedited approval to attend outreach events that were not included in the approved monthly outreach event schedule. At a minimum, all monthly outreach event schedules and requests shall include:
4. Upon DHCS request, the Contractor shall attend special events or forums identified by DHCS.
5. The Contractor shall prepare enrollment assistance materials for use by ESR staff and other Contractor representatives conducting outreach and enrollment assistance.
6. The Contractor shall submit the enrollment assistance materials to DHCS for approval prior to use by ESR staff and other Contractor representatives for outreach and enrollment assistance sessions.

2.2.15 Customer Service Portal

The Contractor shall produce, maintain, and indicate the domain name, with DHCS approval, of the Internet site(s) that provide HCO program information and answers to frequently asked questions. This portal shall have the ability for applicants, beneficiaries or their Authorized Representatives to download HCO presentation schedules, informing materials and choice forms. Provide links health plan websites, to view eligibility status, make enrollment requests and updates, request enrollment assistance from the Contractor and perform health plan Provider Information Network (PIN). The portal will be available, at a minimum, in both English and Spanish, and other threshold languages as defined by DHCS.

The Contractor shall:

1. Review and update the portal to assure that site content is current and accurate at all times. All out-of-date and/or inaccurate information shall be corrected within one (1) business day of notification by DHCS.
2. Ensure compliance with the California Web Accessibility Standards and applicable provisions the Americans with Disability Act (ADA), section 1557 of the Patient Protection and Affordable Care Act, and 42 CFR 438.

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3. Develop the capability for applicants, beneficiaries, or their ARs to view the beneficiary/applicant eligibility status and review the available health care options.
4. Develop the ability for providers, health plans, or other authorized personnel to check health plan eligibility status.
5. Create an interactive link for applicants or beneficiaries to email questions and comments to the Contractor online. The Contractor shall respond to inquiries by the next business day of receipt of the inquiry.
6. Make the portal available seven (7) days per week, twenty-four (24) hours per day.
7. Provide help desk support for technical assistance. The help desk shall be available from 7:00 a.m. to 6:00 p.m. PST, Monday through Friday, excluding State holidays.
8. The site content and Uniform Resource Locator (URL) used by the Contractor for HCO purposes are the property of DHCS.

2.2.16 Provider Information Network (PIN)

The Contractor shall maintain a State-wide PIN listing that is available through the Customer Service Portal (CSP) to include all managed care health plans and their providers that are contracted with the Medi-Cal Managed Care program. The purpose of the PIN is to provide beneficiaries with health plan and provider information.

The Contractor shall:

1. Include, at a minimum, the provider name, county, address, telephone number, provider type and specialty, and National Provider Identifier (NPI).
2. Generate all plan and provider listings by medical specialty, zip code, city and county with the capability to select the provider's gender, preferred language, and name.
3. Calculate distances from any city or zip code in California, such that all providers located approximately within a specified time and distance of the zip code can be identified.
4. Provide mapping capabilities and accurate driving directions, based on the publicly available map databases, to any provider site selected by the applicant or beneficiary.
5. Sort the listings of plans and providers produced by the PIN in such a fashion as to not provide an advantage to one plan or provider over another.
6. Track links between professional and institutional providers by health plan.

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7. Update the PIN from provider files produced by the health plans, and provided by DHCS on a monthly basis. The provider files will be used to create DHCS designated Provider Directories (PD) and to list the selected providers in the Personalized Provider Directory (PPD).

2.2.17 Reporting Requirements

Education and Outreach specific reporting requirements identified in this section shall comply with general reporting provisions specified in Exhibit A, Attachment II, Section 7 – Reports. The following are the minimum reporting requirements for the Education and Outreach requirements. DHCS reserves the right to request additional reporting elements throughout the term of the contract.

2.2.17.1 Education and Outreach Reports

1. The Contractor shall submit reports on a weekly basis to include, but not be limited to, highlights of enrollment services activities, including outreach and education events, and issues relating to outreach activities.
2. The Contractor shall submit reports on a monthly basis to include, but not be limited to:
 - a. Presentation Attendance: A report that provides aggregate attendance summary data for presentation and customer service sessions, total customer contacts reported by county, by site, and by individual Enrollment Service Representatives (ESR's); with totals broken out by presentations, customer services, total contacts, and invoiced ESR hours by county, site and ESR.
 - b. ESR Presentation Monitoring results: A report that provides a summary of the results of all ESR monitoring. Results shall be reported collectively for all ESR's. The collective summary report shall be broken out by site and county and also totaled for the entire project.
 - c. Presentation Site Productivity. The Contractor shall provide DHCS with a comprehensive monthly report on the productivity of each presentation site. The productivity metrics shall be:
 - i. Average minutes of site operation per presentation given. The Contractor may propose a method for adjusting this measure to account for time spent providing customer service that does not constitute a full presentation. Upon DHCS approval that adjustment may be utilized; and
 - ii. The ratio of presentations given to site Full Time Equivalent (FTE)s. This measure shall be expressed in terms of the number of presentations per FTE. As with the minutes of operation per presentation measure described above, the Contractor may propose an adjustment to account for customer service time that does not constitute a full presentation. Upon DHCS written approval that adjustment may be utilized.

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3. The Contractor shall submit reports on a quarterly basis to include, but not be limited to, ESR Attendee Feedback Evaluation Tool Results. The ESR Attendee Feedback Evaluation Tool Results report provides a summary and evaluation of the evaluation forms completed and returned by persons who attended an ESR presentation and/or obtained assistance from an ESR. This report shall be rolled up into the monthly report at the end of each quarter.

2.2.17.2 Customer Service Portal (CSP) Reports

The Contractor shall submit reports on a weekly basis. The weekly reports shall be compiled and submitted to DHCS via the monthly report, to include, but not be limited to:

1. CSP availability
2. Usage
 - a. Total number of assistance requests; and
 - b. Number of assistance requests sought, by type, by language.

2.2.17.3 Provider Information Network Reports

The Contractor shall submit reports on a weekly basis. The weekly reports shall be compiled and submitted to DHCS via the monthly report, to include, but not be limited to:

1. Provider Information Network availability
2. Usage
 - a. Total number of visits; and
 - b. Number of visits, by type, by language

2.3 EDUCATION AND OUTREACH COMPLIANCE PLAN

1. The Education and Outreach Compliance Plan shall describe how the Contractor will ensure adherence to all requirements throughout the term of the Contract.
2. The Education and Outreach Compliance Plan shall include, but not be limited to:
 - a. Identifying each Contractual requirement
 - b. If the Contractor is currently meeting that requirement (Yes/No)
 - c. A description of how Contractor is complying that requirement

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- d. Any additional information the Contractor determines is relevant.
3. The Contractor shall formally submit the initial Education and Outreach Compliance Plan to DHCS for review and approval in accordance to the requirements in Exhibit A, Attachment I – Takeover.
4. The Contractor shall review the Education and Outreach Compliance Plan and submit an updated copy to DHCS for review and approval:
 - a. Annually through the term of Contract.
 - b. Upon DHCS request
5. If the Contractor determines no updates are needed, the Contractor shall certify to DHCS the Education and Outreach Compliance Plan is complete and up to date.
6. At the same time, the Contractor shall also certify to DHCS, in writing, that:
 - a. Contractor is in compliance with all related requirements for the reporting period.
 - b. If there are any compliance issues or risks in the current or future reporting periods, identify the issue/risk and a description of how contractor will correct and/or mitigate issue/risk and timelines for achieving compliance.

2.4 MANUALS AND RELATED DOCUMENTATION**2.4.1 Development and Maintenance**

1. Unless otherwise specified, the Contractor shall formally submit initial manuals and related documentation to DHCS for review and approval in accordance to the requirements in Exhibit A, Attachment I – Takeover.
2. The Contractor shall review manuals and related documentation and submit updated copy(ies) to DHCS for review and approval:
 - a. Annually, through the term of Contract
 - b. Upon DHCS request
 - c. As necessary if technical, operational or procedural change requires manual or documentation update.
3. If during the annual review or DHCS requested review, the Contractor determines no updates are needed, certify to DHCS the manual or related documentation is complete and up to date.

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2.4.2 Manuals and Related Documentation

The following are Education and Outreach manuals and related documentation:

1. Education and Outreach Compliance Plan (includes Procedures).

2. Reports identified herein in the Reporting Requirements Section.

**Exhibit A, Attachment II – Scope of Work
Operations – Informing Materials****3.0 INFORMING MATERIALS****3.1 OVERVIEW**

This section applies to all informing materials distributed to Medi-Cal Managed Care applicants, beneficiaries, and other Department of Health Care Services (DHCS) authorized parties, and includes, but is not limited to, enrollment packets, booklets, notices, postcards, any and all audio-visual, video, multi-media, web-based, or online materials, regardless of the distribution method. All new and revised informing materials must be approved by DHCS prior to use.

All informing materials maintained, edited, updated, translated and/or developed by the Contractor for use by the Health Care Options (HCO) program shall be the property of DHCS. Information contained in informing materials may include, but not limited to, health plans available in each service area, any new or revised information regarding a health plan, and new beneficiary groups and/or service areas added to the HCO program. The Contractor shall maintain all existing materials and ensure that only modifications approved by DHCS occur. Additionally, these requirements shall also apply to any informing materials developed and/or maintained by any Subcontractors contracting with the Contractor.

DHCS and the Contractor shall work collaboratively to ensure that the content of all informing materials is accurate and consistent with DHCS' directions. The Contractor is responsible for making certain all proofs of new and/or revised materials are accurate per DHCS instructions prior to providing the proofs for DHCS approval.

The objectives for the development, production, distribution and mailing of informing materials include, but are not limited to:

1. Ensure applicants, beneficiaries, and other interested parties are provided accurate, timely, and unbiased materials.
2. Ensure materials are culturally and linguistically appropriate and are at the approved reading level as directed by DHCS.
3. Ensure visually-impaired, hearing-impaired, and other special needs populations such as mobility, cognitive, and specific learning disabilities are provided materials in formats that provide the most comprehensive assistance, and comply with the Americans with Disability Act (ADA) and section 1557 of the Patient Protection and Affordable Care Act.
4. Ensure all materials are delivered and/or shipped accurately and timely;
5. Ensure all materials in all required threshold languages, as directed by DHCS, are available at HCO presentation sites to assist applicants and beneficiaries who speak languages other than English.
6. Ensure accurate and sufficient inventory of all materials.
7. Ensure all reusable materials are restocked, as directed by DHCS, when returned as undeliverable.

**Exhibit A, Attachment II – Scope of Work
Operations – Informing Materials****3.2 REQUIREMENTS****3.2.1 Development of Materials**

1. The Contractor shall develop, maintain, edit, update, translate, and develop all HCO informing materials as directed by DHCS. Development of materials includes, but is not limited to, drafting of content, page layout construction, threshold language translation and review and quality assurance to ensure that all disseminated documents are free of errors. The Contractor is responsible for reviewing, researching, and ensuring materials are not duplicated to minimize additional costs to the State.
2. The Contractor shall produce an image file of all sample beneficiary informing materials and correspondence developed and used during the term of this Contract. The image files may be in an Adobe Acrobat™ Portable Document Format (PDF), or a format agreed to by DHCS. New informing materials and/or correspondence shall be available in the format agreed to by DHCS, at the same time they begin use in mailings.

3.2.2 Translation Services

1. The Contractor shall translate all informing materials using benchmark English source materials into all threshold languages specified by DHCS. Threshold languages are subject to change at any time during the contract term. DHCS will notify the Contractor of any changes to threshold languages in writing.
2. The Contractor shall provide translation services conducted by qualified translators, editors, proofreaders, and reviewers to ensure contextual accuracy and ease of understanding by the intended audience.
3. The Contractor shall obtain DHCS written approval prior to initiating translation services.
4. DHCS shall retain the authority to designate standards for translating informing materials, including, but not limited to, translator qualifications, methods, and performance standards.
5. The Contractor shall be responsible for translating, editing, checking quality, certifying to DHCS that thresholds are accurate based on the English source materials within three (3) business days of request by DHCS. Translation turnaround times may be adjusted due to the size, scope, and urgency of a project with DHCS' approval.

3.2.3 Alternative Formats and Americans with Disabilities Act (ADA) Compliance

1. The Contractor shall be responsible for providing, at a minimum, the informing and enrollment materials in alternate formats including, but not limited to, large print (no smaller than 18 point), audio, Braille, and text-only Word documents rather than the standard PDF format. The alternate format materials produced by the Contractor shall comply with ADA 42 U.S.C., Section 12101 et. Seq., which requires the availability of appropriate alternative methods of communication for enrollees and their family members.

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2. The Contractor must include appropriate instructions on how to access, or receive assistance with accessing desired materials in an alternative format.
3. The alternate format materials shall be provided at all HCO presentation sites, available upon request, and available whenever required; in order to meet the special communication needs of all applicants and beneficiaries.

3.2.4 Readability

Health literacy is defined as the “capacity to obtain, interpret, and understand basic health information/services, and the competence to use such information/services to enhance health”.

1. The Contractor shall provide health literacy services with expert staff and tools.
2. The Contractor shall review all informing materials produced for DHCS to ensure documents do not exceed a sixth (6th) grade reading level, as determined by a commonly accepted scoring mechanism such as Smog, Gunning-Fogg, or the Fleisch Readability Index.
3. The Contractor will ensure contextual accuracy and ease of understanding by the intended audience.
4. In the circumstances where a section of text must exceed the sixth-grade reading level, the Contractor shall consult with DHCS for approval.

3.2.5 Schedule for the development of informing materials

1. Within eight (8) business days of receiving DHCS’ direction to develop new or to revise existing informing materials, the Contractor shall submit a project work plan and timeline to DHCS.
2. Upon DHCS review and approval of the work plan, the Contractor shall have the DHCS approved number of days specified in the work plan to prepare drafts of all new and/or revised materials in English and all threshold languages, and submit them to the DHCS for review and approval.
3. At the request of DHCS, the Contractor shall expedite development and/or revision of informing materials. Under an expedited schedule, the Contractor shall have three (3) business days to submit a project work plan and timeline to DHCS. The Contractor shall have the agreed upon number of days in the work plan to submit new and/or updated informing materials, including translations of the materials. Time frames can be extended upon DHCS’ approval.

3.2.6 Production of Materials

The Contractor shall:

1. Produce the informing materials required in this Contract, or enter into an arrangement with a Subcontractor to produce the informing materials according to the schedule(s) approved by DHCS.

**Exhibit A, Attachment II – Scope of Work
Operations – Informing Materials**

2. Produce, upon DHCS demand, all Contractor-produced informing materials, including, but not limited to, customized letters, booklets, and pre-printed Choice Forms. Other pre-printed informing materials should be maintained at a reasonable inventory level to reduce warehouse size and other costs associated with inventory maintenance.
3. Produce, upon demand, the Personalized Provider Directory (PPD). The PPD shall contain provider information that is tailored for each individual case based on the address provided for the beneficiary in the Medi-Cal Eligibility Data System (MEDS). Provider and beneficiary addresses shall be geo-coded.
 - a. The PPD shall be incorporated into informing booklets, as directed by DHCS.
 - b. Applicants/beneficiaries shall have the option of requesting a different PPD based upon a preferred address such as an alternate residence, school or workplace.
 - c. Applicants/beneficiaries shall have the option of requesting a different PPD by contacting the Contractor's Telephone Call Center (TCC) and/or by submitting a post card.

3.2.7 Control Binders

1. Control Binders, hard copy and electronic images of all versions, shall serve as the repository for official reference copies of all DHCS-approved informing materials in production.
2. The Control Binders shall accurately and comprehensively represent contents for all informing material mailings, informing materials posted to the Customer Service Portal, and materials used and distributed in Education and Outreach activities, including materials distributed to the HCO Presentation Sites.
3. Control Binders shall maintain informing materials for each county served by the Contractor.
4. The Contractor shall update the informing materials in the Control Binders within one (1) business day following implementation of DHCS approved changes to any documents contained in those Control Binders, and make those changes available to DHCS immediately.
5. A searchable, control index of all current and historical informing materials shall be kept in the Control Binder. A historical list detailing the changes made to each document, and the dates on which those changes were made shall also be kept in each Control Binder.
6. The Contractor shall develop a system to easily distinguish informing materials currently in production from previous and retired versions.
7. DHCS shall have full access to the hard copy and electronic Control Binder and the ability to print images on demand.

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8. DHCS staff shall have the ability to run production queries and reports in the electronic control binder database, and be able to create and run ad hoc queries and reports against the database.
9. The Contractor shall be responsible for training DHCS staff on how to access and query the informing materials database so that queries and reports can be run unassisted.

3.2.8 Mailing of Informing Materials

This section describes the various types of mailings conducted by the HCO program and Contractor requirements and timelines for conducting the mailings.

The Contractor shall:

1. Mail informing materials to Medi-Cal beneficiaries who reside in counties in which Medi-Cal managed care delivery systems are in operation. Requirements and timelines for mailing enrollment informing packets are described in Exhibit A, Attachment II – Enrollment/Disenrollment.
2. Evaluate new zip code information provided by the United States Postal System (U.S.P.S.) and make use of the U.S.P.S. Change of Address Database, as it applies to new and existing cases. The Contractor shall use an address and telephone locator service as it applies to new and existing cases.
3. Mail language and county appropriate informing materials to Medi-Cal beneficiaries who are designated by the State as eligible for receiving informing materials and to HCO Presentation Sites, health plans, and other entities, as designated by the DHCS.
4. Mail informing materials to beneficiaries residing in counties in which managed care delivery systems become operational at any time following the effective date of the contract.
5. Provide appropriate storage of informing materials, effective and accurate inventory management, maintenance and tracking of informing materials, disposition of returned, re-usable and obsolete informing materials, and retrieval within two (2) business days of any sample informing materials requested by the DHCS.
6. Ensure all informing materials which are included in all mailings are the most recent DHCS approved versions.
7. Any Post Office Boxes used by the Contractor for the HCO purposes shall be completely and wholly owned by DHCS.

3.2.9 Fulfillment Mailing Standards

1. Informing materials shall be mailed in the DHCS approved envelopes of sufficient size and strength to accommodate the informing materials.

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2. All informing materials mailed to beneficiaries shall be accurate, based upon a comparison of informing materials contained in the DHCS approved Control Binders.
3. Within forty-five (45) calendar days of Assumption of Operations (AOO), the Contractor shall present to DHCS, an assessment of the current postal rate structure in use for mailings and the options available, if any, for reducing postage costs. At DHCS' discretion, DHCS may direct the Contractor to present further information on one or more alternatives, direct the Contractor to implement an alternative, or decide to continue operating under the existing rate structure.
4. For the first 24 months of the Contract, the Contractor shall perform a semi-annual assessment of the postal costs of informing material mailings to determine if lower costs exist. In the remaining years of the Contract, this assessment shall be performed annually. The results of each assessment shall be reported to DHCS in a written report thirty (30) calendar days after the assessment period ends.

3.2.10 Processing Returned Mail and Address Changes

The Contractor shall:

1. Develop and maintain a tracking system to record and report on packets, notices and/or other informing materials that are returned as undeliverable. Undeliverable items shall be recorded within two (2) business days of receipt of returned item.
2. The Medi-Cal Eligibility Database (MEDS) is the only source to be used by the Contractor for accessing the beneficiary's' addresses for mailing purposes. If there is an invalid address for the beneficiary, the Contractor shall make at least two (2) attempts to call the beneficiary at the telephone numbers listed on the case file, and request that the beneficiary update the mailing address information through their county social services eligibility worker. The Contractor shall document its efforts in obtaining the beneficiary's updated mailing information.
3. Retain on the default path mandatory beneficiaries whose addresses have been identified as undeliverable in order for them to be auto-assigned to a managed care health plan. The auto-assignment process is only used for beneficiaries who are mailed informing materials, but fail to respond.
4. Unless otherwise directed by DHCS, the Contractor shall not mail materials of any kind to beneficiaries whose addresses have been identified as undeliverable by the Contractor. Mailing informing materials to beneficiaries marked as undeliverable may resume once updated information is received from the beneficiary's U.S.P.S., or through MEDS. Updated addresses are received in the daily new eligibles file and monthly reconciliation reports.

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5. Resume mailings within three (3) business days following the receipt of updated address information or eligibles with an undeliverable address. Mandatory beneficiaries who fail to respond within forty-five (45) calendar days to informing material mailings triggered by the receipt of updated address information shall be auto-assigned to a health and/or dental plan using the standard auto-assignment algorithm.
6. Place specific confidential beneficiary information contained in returned mail in confidential shred containers within one (1) business day from the date of receipt.
7. Within ten (10) business days of receipt, disassemble returned informing materials and return reusable materials to inventory. Reusable materials are defined as materials that are still current, are not damaged or marred per DHCS' standards, and can be restocked and reused without incurring a net cost.
8. Flag the applicant or beneficiary's file to indicate that informing materials were not delivered. All documents returned to the Contractor and are specific to a beneficiary, shall be scanned and stored as an image view. Examples of informing materials that were returned may be scanned and stored with the exception of any materials that are beneficiary specific. The Contractor shall document in the case file; the date the document was returned to the Contractor, a description of the returned document, and the date the document was resent to the beneficiary, if applicable.
9. Update inventory control data records weekly to reflect the returned stock of reusable materials.
10. Recycle or destroy materials deemed non-reusable. Materials containing Protected Health Information (PHI) shall be destroyed.
11. The Contractor shall develop a process to submit a file containing incorrect beneficiary addresses and/or updated addresses to DHCS on a monthly basis. The file shall contain, at a minimum; the beneficiary's address on MEDS, the updated address based on Contractor communications with the beneficiary, and an 'undeliverable' indicator.

3.2.11 Inventory of Materials

1. The Contractor shall maintain sufficient stocks of informing materials to meet Contract requirements for timely mailing and delivery of all informing materials, and shall be responsible for the storage and stocking of all informing materials that are not generated on-demand at the time mailings are being assembled.
2. DHCS shall have direct access to all informing materials.

3.2.12 Location of Materials

Exhibit A, Attachment II – Scope of Work Operations – Informing Materials

All informing materials shall be stored at a single central warehouse location within a forty-nine (49) mile radius as determined by the shortest freeway access of the State of California Capitol building in Sacramento.

3.2.13 Inventory Control

The Contractor shall:

1. Be responsible for effective and accurate inventory management, maintenance, tracking and disposition, and timely retrieval of all informing materials.
2. The Contractor shall develop and maintain an inventory control system that allows DHCS and the Contractor instant access to the information contained in the system. The system shall ensure that sufficient quantities of the appropriate HCO informing materials are available to meet the fulfillment requirements of this Contract at all times. The inventory control system shall:
 - a. Accurately account for every item of inventory at all times.
 - b. Generate reports that accurately reflect inventory on-hand for each inventory item.
 - c. Project upcoming inventory needs.
 - d. Provide the disposition of returned, reusable and obsolete informing materials.
 - e. Provide timely retrieval of all informing materials.
 - f. Track and identify the inventory reorder point for each inventory item.
3. Provide an inventory control system whose data shall be verifiable through routine DHCS monitoring.
4. Ensure the inventory control system has a ninety-nine percent (99%) accuracy rate.

3.2.14 Reporting Requirements

The Informing Materials specific reporting requirements identified in this section shall comply with general reporting provisions specified in Exhibit A, Attachment II, Section 7 – Reports. The following are the minimum reporting requirements for the Informing Materials Requirements specified herein. DHCS reserves the right to request additional reporting elements throughout the term of the contract.

1. On a daily basis, letters mailed, for all Medi-Cal managed care health plans
 - a. Report by type sent and received, to include, but not be limited to, the following:

**Exhibit A, Attachment II – Scope of Work
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- i. Intent to Assign
 - ii. Intent to Default
 - iii. All Health Plan Membership Status letters
 - iv. Exemptions/exception to enrollment mailings
 - v. Packet Requests
 - vi. Special Mailings
- b. Compute each day's sent and received times between the Contractor and the mail/fulfillment Subcontractor. If the Contractor chooses to perform the mail/fulfillment functions themselves, this reporting requirement is waived.
2. On a weekly basis, the following additional reports to include, but not be limited to:
- a. A compilation of the daily mail functions as reported in the daily status report
 - b. All significant issues and/or changes
 - c. Inventory Production to include, but not be limited to:
 - i. Inventory on hand;
 - ii. Inventory usage;
 - iii. Outstanding inventory on back order; and
 - iv. Inventory to be replenished.
3. On a monthly basis, the following additional reports to include, but not be limited to:
- a. Production
 - i. Whether all requirements, including but not limited to, Materials Development and Production, and Mailing Functions contained in Exhibit A, Attachment II, Section 2, Informing Materials, were met;
 - ii. A detailed listing of those requirements not met;
 - iii. A description of the documents developed and produced during the reporting time period; and
 - iv. Reasons the Contractor did not meet contractual requirements.
 - b. Inventory Control

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- i. Inventory on hand;
 - ii. Whether the Contractor met contractual timeliness requirements;
 - iii. A detailed listing of those requirements not met;
 - iv. Reasons the Contractor did not meet contractual timeliness requirements; and
 - v. Interim reports that shall be made available upon request, submitted to DHCS within one (1) business day of request.
- c. Returned Mail
- i. Achievement of meeting contractual timeliness requirements for returned mail; and
 - ii. Reasons for not meeting contractual timeliness requirements.
4. Forms Tracking Process (FTP) Report
- The Contractor shall submit the FTP Report on a monthly basis to include, but not limited to:
- a. FTP availability;
 - b. Total number of forms tracked; and
 - c. Total number of days lapsed between receipt and processing of each form.

3.3 INFORMING MATERIALS COMPLIANCE PLAN

1. The Informing Materials Compliance Plan shall describe how the Contractor will ensure adherence to all requirements throughout the term of the Contract.
2. The Informing Materials Compliance Plan shall include, but not be limited to:
 - a. Identifying each Contractual requirement
 - b. If the Contractor is currently meeting that requirement (Yes/No)
 - c. A description of how Contractor is complying or justification and plan to meet that requirement
 - d. Any additional information the Contractor determines is relevant
3. The Contractor shall formally submit the initial Informing Materials Compliance Plan to DHCS for review and approval in accordance to the requirements in Exhibit A, Attachment I – Takeover.

**Exhibit A, Attachment II – Scope of Work
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4. The Contractor shall review the Informing Materials Compliance Plan and submit an updated copy to DHCS for review and approval:
 - a. Annually through the term of Contract
 - b. Upon DHCS request
5. If the Contractor determines no updates are needed, the Contractor shall certify to DHCS the Informing Materials Compliance Plan is complete and up to date.
6. At the same time, the Contractor shall also certify to DHCS, in writing, that:
 - a. Contractor is in compliance with all related requirements for the reporting period. If there are any compliance issues or risks in the current or future reporting periods, identify the issue/risk and a description of how contractor will correct and/or mitigate issue/risk and timelines for achieving compliance.

3.4 MANUALS AND RELATED DOCUMENTATION**3.4.1 Development and Maintenance**

1. Unless otherwise specified, the Contractor shall formally submit initial manuals and related documentation to DHCS for review and approval in accordance to the requirements in Exhibit A, Attachment I – Takeover.
2. The Contractor shall review manuals and related documentation and submit updated copy(ies) to DHCS for review and approval:
 - a. Annually, through the term of Contract
 - b. Upon DHCS request
 - c. As necessary if technical, operational or procedural change requires manual or documentation update.
3. If during the annual review or DHCS requested review, the Contractor determines no updates are needed, certify to DHCS the manual or related documentation is complete and up to date.

3.4.2 Manuals and Related Documentation

The following are Informing Materials manuals and related documentation:

1. Informing Materials Compliance Plan (includes Procedures).
2. Reports identified in the Reporting Requirements Section.

**Exhibit A, Attachment II – Scope of Work
Operations – Enrollment/Disenrollment Processing**

4.0 ENROLLMENT/DISENROLLMENT PROCESSING**4.1 OVERVIEW**

The Contractor is responsible for enrollment of beneficiaries into, and disenrollment of beneficiaries out of Medi-Cal managed care health plans, as directed by Department of Health Care Services (DHCS). This activity includes processing electronic enrollment/disenrollment requests transmitted by health plans, DHCS, enrollment portals, Choice Forms received from applicants, beneficiaries, their authorized representatives and/or Enrollment Assistants, exception to plan enrollment requests, special disenrollment request forms, assignment to an available health plan, as directed by the DHCS, those beneficiaries who do not make an active choice during the initial enrollment informing process, and informing applicants/beneficiaries of the status of their health plan membership.

The Enrollment/Disenrollment requirements described in this section shall:

1. Ensure that effective techniques are used to enroll and disenroll the Medi-Cal population into and out of managed care plans.
2. Ensure DHCS has access and tools to monitor the Enrollment/Disenrollment Processing functions.
3. Provide enrollment program changes in an accurate and timely manner.

4.2 REQUIREMENTS**4.2.1 General Enrollment/Disenrollment Processing Requirements**

The Contractor shall:

1. Develop and maintain a process to accept, log, track and process all enrollment/disenrollment related forms and transactions, including but not limited to:
 - i. Electronic transmissions from health plans DHCS, and/or on-line submissions;
 - ii. Choice Forms;
 - iii. Emergency disenrollment request forms and
 - iv. Exemption/exceptions to plan enrollment request forms.
2. Record and assign a tracking number to all paper and electronic enrollment/disenrollment requests within one (1) business day of receipt.

Exhibit A, Attachment II – Scope of Work Operations – Enrollment/Disenrollment Processing

3. Allow DHCS to be able to locate in real-time the stage of processing that each enrollment/disenrollment request is in, current and historical dispositions, and the number of days it has taken to process the form.
4. Maintain a beneficiary information record accuracy rate of ninety-nine percent (99%) for each field in the beneficiary record. “Accuracy” is defined as an exact correspondence between the contents of a given field in a Contractor’s information record and the corresponding field on the original form submitted by the applicant/beneficiary.
5. Ninety-five percent (95%) of process inquiries entered by all users shall be processed with three (3) seconds. Process response time consists of the time that elapses between the moment a user begins the activity to the moment the activity is complete.
6. Verify that all enrollment/disenrollment transactions are transmitted and accepted in the Medi-Cal Eligibility Data System (MEDS).
7. Research enrollment/disenrollment transactions rejected in MEDS and re-submit within one (1) business day of notification of the rejection. The Contractor shall notify DHCS in writing within one (1) business day of rejection, if the corrected information is re-submitted and again rejected, along with the reason for rejection.
8. Mail the appropriate health plan membership status letter to the beneficiary indicating the final outcome of their health plan choice within one (1) business day of receiving the MEDS transaction log indicating the status of that beneficiary’s transaction.
9. Ensure continuity of enrollment history for each beneficiary regardless of changes in their Medi-Cal record or and/or beneficiary identification.

4.2.2 Choice Form Processing Requirements

A Choice Form is the document that applicants, beneficiaries or their Authorized Representatives (AR’s) complete, sign, and submit to the Contractor in order to enroll into, change, or disenroll from a Medi-Cal managed care health and/or dental plan(s). The Contractor shall process Choice Forms according to the following general requirements. These processing requirements may be altered throughout the contract term based on program specific requirements as determined by DHCS:

1. Transport all completed Choice Forms collected from beneficiaries at Presentation Sites to the Contractor’s operating facility. If the day that Choice Forms are collected is within three (3) business days of the monthly MEDS cutoff date, transport the collected Choice Forms within one (1) business day of receipt.
2. Within one (1) business day of receipt of each Choice Form at the Contractor’s operating facility, review for completeness and accuracy.

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Operations – Enrollment/Disenrollment Processing**

3. For beneficiaries who show on MEDS as eligible for Medi-Cal managed care plan enrollment, and the transaction is determined to be complete and accurate, process the Choice Form within two (2) business days of receipt.
4. For beneficiaries whose eligibility has not been determined in MEDS, place the Choice Form in 'pend' status within two (2) business days of receipt, for up to 120 calendar days.
 - a. Send a "Pend Letter" to the beneficiary within one (1) business day of placing in 'pend' status, and check MEDS each business day during the 120 calendar day 'pend' period for changes in eligibility.
 - b. If MEDS indicates during the 'pend' period that the beneficiary has become eligible, process the Choice Form within one (1) business day of confirmation of eligibility from MEDS.
 - c. If eligibility is not verified by the end of the 'pend' period, remove the Choice Form from 'pend' status within one (1) business day of the end of the 'pend' period and send the beneficiary an "Unable to Process" letter.
5. For incomplete and/or inaccurate Choice Forms, record the information into the beneficiary record within one (1) business day of acknowledgment of status.
 - a. Determine if the beneficiary is on the auto-assignment path within one (1) business day of receipt of an incomplete and/or inaccurate form, and if he/she is on the auto-assignment path, extend the default time line by thirteen (13) calendar days to allow the beneficiary time to correct and return a completed form, and/or provide the information needed to correct the form.
 - b. The Contractor's designated staff may correct the original form using information obtained while speaking with the verified beneficiary, their Authorized Representative or approved Enrollment Assistant on the phone in a recorded conversation and document the correction in writing to consider the form complete for processing.
 - c. If the Contractor cannot correct the information on the original form within one (1) business day from the final attempt to contact the beneficiary, the Contractor shall send an "Unable to Process" letter to the beneficiary.

4.2.3 Electronic Enrollment/Disenrollment Request Processing Requirements

Electronic enrollment/disenrollment requests may be transmitted to the Contractor from various sources, including but not limited to: the Contractor developed on-line enrollment portal, health plans, DHCS, and other DHCS authorized entities.

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The Contractor shall be responsible for accepting and processing electronic enrollment/disenrollment requests according to the following general requirements:

1. Within two (2) business days of receipt of the electronic enrollment/disenrollment request, edit the transaction for completeness and accuracy according to DHCS approved criteria. Send an acknowledgement of receipt response file to the sender upon receipt of the transaction.
2. For beneficiaries who show on MEDS as eligible for Medi-Cal managed care plan enrollment, and the transaction is determined to be complete and accurate, process the transaction within one (1) business day and send a health plan confirmation letter to the beneficiary.
3. For beneficiaries whose eligibility has not been determined in MEDS, place the enrollment transaction in 'pend' status within two (2) business days of receipt, for up to 120 calendar days.
 - a. Send a "Pend Letter" to the beneficiary within one (1) business day of placing in 'pend' status, and check MEDS each business day during the 120 calendar day 'pend' period for changes in eligibility.
 - b. If MEDS indicates during the 'pend' period that the beneficiary has become eligible, process the enrollment transaction within one (1) business day of confirmation of eligibility from MEDS.
 - c. If eligibility is not verified by the end of the 'pend' period, remove the enrollment transaction from 'pend' status within one (1) business day of the end of the 'pend' period and send the Contractor an "Unable to Process" letter.
 - d. Send a response file to the sender with the status of the pending transactions.
4. For incomplete and/or inaccurate electronic enrollment/disenrollment requests, return the transaction to the sender within two (2) business days of receipt of the transaction with the reason for rejecting the transaction. The sender will be responsible for correcting the transaction and resending to the Contractor.

4.2.4 Exemption Request Forms

State regulations allow beneficiaries with mandatory enrollment eligibility, certain medical conditions, and/or other circumstances to either remain in or return to Fee-For-Service (FFS) health care for up to twelve (12) months in accordance with Title 22, California Code of Regulations, Section 53887. Beneficiaries who believe they qualify for such an exemption are required to submit a DHCS

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approved Exemption Request form to the Contractor requesting to remain in FFS or be disenrolled from their health plan to FFS.

The Contractor shall process all Exemption Request forms according to the following general requirements:

1. Record the information from the Exemption Form into the beneficiary's information record and review for completeness and accuracy within two (2) business days of receipt.
2. For exemption forms that are determined to be incomplete and/or inaccurate per DHCS criteria, the Contractor shall follow the processes outlined in Section 4.2.3 for Choice Forms, or as otherwise directed by DHCS.
3. For Exemption Requests requiring DHCS review and approval, the Contractor shall forward within one (1) business day of receipt the Exemption Request form to the DHCS designated location. DHCS review time is not counted against the Contractor's two (2) business day processing requirement.
4. The Contractor shall forward the disposition of the exemption request to MEDS (e.g. member disenrollment transaction) within one (1) business day from the date the information was recorded into the Contractor's beneficiary information record, and verify that the transaction was accepted by MEDS.

4.2.5 Beneficiary Auto-Assignment

The Contractor shall:

1. Auto-assign mandatory beneficiaries if they do not submit a complete and accurate Choice Form according to specified timelines or have not been granted an approval of their exemption request. Auto-assignment generally takes place after forty-five (45) days of release of the enrollment choice packet, or as otherwise instructed by DHCS.
2. Enroll a mandatory beneficiary into one of the available managed care plans in the beneficiary's county of residence, within the specified time frame, and using the auto-assignment algorithm approved by DHCS.

4.2.6 Web-Based Enrollments

The Contractor may develop and implement a secure web portal to enroll/disenroll Medi-Cal beneficiaries into and from a Medi-Cal managed Care plan. Upon approval by DHCS, the web-based enrollment system shall, at a minimum, include the following components:

1. Provide to beneficiaries and/or their Authorized Representatives the ability to electronically select a Medi-Cal managed care plan based on options available to them in their county.

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2. Provide access to all currently available managed care network providers in a searchable format. Searching must minimally be available by provider name, type and specialty, address, zip code, county, affiliated provider groups, and managed care plans.
3. Obtain all information on the on-line application necessary to complete, validate and process the enrollment/disenrollment request based on DHCS approved criteria.
4. Notify the beneficiary of the health plan selection and enrollment status via a beneficiary enrollment status letter.
5. Compliance to the California Web Accessibility Standards and applicable provisions the Americans with Disability Act (ADA), section 1557 of the Patient Protection and Affordable Care Act, and 42 CFR 438.

4.2.7 Health Plan Enrollment Status Letters

The Contractor shall:

1. Mail an enrollment/disenrollment status letter within one (1) business day of the enrollment/disenrollment transaction being accepted or rejected.
2. Mail the Intent to Assign and/or Welcome to Medi-Cal Managed Care Letters within three (3) business days of receipt of the daily new eligibles files to the beneficiaries contained therein along with applicable packet informing materials.
3. Mail an Intent to Assign Letter within one (1) business day of the final unsuccessful attempt to contact and assist mandatory beneficiaries.
4. Mail the appropriate follow-up letters within sixteen (16) business days of mailing the Intent to Assign Letter/HCO informing materials to mandatory beneficiaries when no response is received indicating a choice in enrollment.
5. Mail a notice to beneficiaries who have become ineligible for enrollment explaining the date eligibility expired, and the last date of health plan enrollment within two (2) business days of receiving notification of loss of eligibility.
6. When exemption to plan enrollment approval time frames are approaching their expiration dates, mail notices to beneficiaries forty-five (45) calendar days before their exemption time frames are set to expire.
7. When a beneficiary's enrollment status has not changed for twelve (12) months, mail an Annual Re-Notification Letter ten (10) months after their enrollment anniversary date informing them of their health care options and right to exercise those options at any time.
8. Notify beneficiaries of non-routine changes via Special Mailings, as directed by the DHCS.

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4.2.8 Special Transitions to Medi-Cal Managed Care Plans

In addition to the standard Contractor processing functions described in this Section, the Contractor must also be able to successfully fulfill DHCS needs to transition special populations into Medi-Cal managed care health plans in accordance with time frames and requirements provided by DHCS. These special transitions may require a process that is on a different track from Contractor's normal processes for noticing and enrollment. Special transitions must be successfully completed, according to DHCS approved timelines, without disrupting the Contractor's normal mailing and enrollment processes.

4.2.9 MEDS Interface

The Contractor shall:

1. Process DHCS supplied eligibility and enrollment information files as follows:
 - a. MEDS Daily Files: eligibility information for newly Medi-Cal eligible beneficiaries, potential health plan enrollees, and/or changes to beneficiary eligibility records possibly affecting current enrollment status;
 - b. MEDS Error Transaction Log Files: the status of each enrollment and disenrollment transaction received and applied to MEDS, and information to assist in identifying and correcting errors;
 - c. Monthly Reconciliation Files: eligibility information used to reconcile the Enrollment/Disenrollment Processing with MEDS on a monthly basis; and
 - d. Special files and/or connectivity: as required by DHCS.
2. Generate and transmit to DHCS each business day a file containing records that accurately characterize all changes in the beneficiary's health plan enrollment status. The format of the file and transmission protocols shall be determined by the DHCS.
3. The Contractor shall ensure that data transmissions to MEDS are secure according to Exhibit A, Attachment II, Section 9.0 – Security and Confidentiality.

4.2.10 Health Plan Interface

1. On a weekly basis or as specified by DHCS, the Contractor shall provide the Medi-Cal managed care health plans with an accurate and complete file containing records for each new or updated enrollment into, or disenrollment from the health plans.
2. Enrollment data exchange between the Contractor and the Health Plan shall be in HIPAA compliant formats and/or as determined by DHCS. The

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Contractor shall determine transmission protocols with the Medi-Cal managed care health plans.

3. The Contractor shall ensure that data transmissions to managed plans are secure according to Exhibit A, Attachment II, Section 9.0 – Security and Confidentiality.

4.2.11 Other Interfaces

1. Upon request by DHCS, the Contractor shall establish a method to allow scheduled and/or adhoc retrieval and delivery of complete and accurate enrollment information to designated entities determined by DHCS. Data exchange may include but are not limited to the DHCS Management Information System and Decision Support System (MIS/DSS).
2. The file layout and delivery protocols shall be determined by DHCS and communicated to the Contractor through a formal written directive.
3. The Contractor shall ensure that data transmissions to any entity approved by DHCS are secure according to Exhibit A, Attachment II, Section 9.0 – Security and Confidentiality.

4.2.12 Reporting Requirements

The Enrollment/Disenrollment specific reporting requirements identified in this section shall comply with general reporting provisions specified in Exhibit A, Attachment II, Section 7 – Reports. The following are the minimum reporting requirements for the Enrollment/Disenrollment requirements specified herein. DHCS reserves the right to request additional reporting elements throughout the term of the contract.

The Contractor shall create and make available to DHCS daily Enrollment/Disenrollment data. The Contractor shall provide reports as requested by DHCS. The reports shall include, but not be limited to, the following data:

1. Forms production activity
 - a. Total number of Choice Forms received, by type, by county, by plan;
 - b. Total number of Choice Forms processed, by type, by county, by plan;
 - c. Total number of informing materials packets returned, by type, by county;
 - d. Total number of health plan membership status letters mailed, by type;
 - e. Beginning and ending daily balances of all Choice Forms received and processed;

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- f. Average completion time for both batch and on-line Choice Forms processed, for all Choice Forms received, by type; and
 - g. Total number of Choice Forms processed within the contractual cycle time, by day.
2. Auto assignment summary report for beneficiaries assigned to a plan.
3. Expedited and retroactive disenrollments, and exception to plan enrollment request forms activity. All medical and dental information shall be reported as separate totals.
- a. Total number of expedited disenrollment requests received;
 - b. Total number of expedited disenrollment requests processed;
 - c. Total number of expedited requests processed as approved;
 - d. Total number of expedited requests processed as denied;
 - e. Total number of retroactive disenrollment requests received;
 - f. Total number of retroactive disenrollment requests processed;
 - g. Total number of retroactive requests processed as approved;
 - h. Total number of retroactive requests processed as denied;
 - i. Total number of medical, non-medical and dental exception to enrollment requests received;
 - j. Total number of medical, non-medical and dental exception requests processed;
 - k. Total number of medical, non-medical and dental exception requests processed as approved;
 - l. Total number of medical, non-medical and dental exception requests processed as denied;
 - m. Total number of approved medical, non-medical and dental exception requests processed prior to enrollment;
 - n. Total number of approved medical, non-medical and dental exception requests processed which resulted in a disenrollment;
 - o. Beginning and ending balances of all disenrollment and exception to plan enrollment forms received and processed;

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- p. Compute the average completion time for expedited and retroactive disenrollment and exception to plan enrollment forms processed;
 - q. Total number of all disenrollment and exception to plan enrollment forms processed within the contractual cycle time, by day; and
 - r. Total number of all disenrollment and exception to plan enrollment forms not processed within the contractual cycle time, by day.
4. Daily Data Entry transactions sent to MEDS
- a. Total number of enrollments and disenrollments; and
 - b. Total number of disenrollments for voluntary beneficiaries.
5. The Contractor shall submit reports on a weekly basis to include, but not be limited to, a compilation of the daily enrollment and disenrollment operations as identified in the daily reports.
6. The Contractor shall submit reports on a monthly basis to include, but not be limited to (for medical and dental where applicable and keeping each separate from the other):
- a. A monthly enrollment summary, by county, by plan;
 - b. Status of remaining eligibles in mandatory enrollment eligibility that are eligible to receive medical and/or dental enrollment mailings;
 - c. Disenrollments by reason summary;
 - d. Disenrollments by reason, by county, by zip code, by plan, by aid code (mandatory and voluntary), by language;
 - e. Beneficiary status counts, by county;
 - f. Approved expedited disenrollments by reason, by plan, by aid code (mandatory and voluntary);
 - g. Medical, non-medical and dental exception to plan enrollment summary, by type;
 - h. Medical, non-medical and dental exception to plan enrollment requests by reason, by county, by aid code;
 - i. Approved exception to plan enrollment requests prior to enrollment, by reason, by county, by aid code;

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- j. Approved exception to plan enrollment requests that result in disenrollments;
- k. Defaults, by type, county, zip code and language;
- l. Auto assignment summary report;
- m. Monthly mandatory eligibles report (due two (2) business days after reconciliation);
- n. Exception to plan enrollment expiration report, by county, by month of expiration (to report those exceptions set to expire within ninety (90) calendar days.); and
- o. Forms Tracking Process (FTP) availability and usage.

4.3 ENROLLMENT / DISENROLLMENT COMPLIANCE PLAN

1. The Enrollment / Disenrollment Compliance Plan shall describe how the Contractor will ensure adherence to all requirements throughout the term of the Contract.
2. The Enrollment / Disenrollment Compliance Plan shall include, but not be limited to:
 - a. Identifying each Contractual requirements
 - b. If the Contractor is currently meeting that requirement (Yes/No)
 - c. A Description of how Contractor is complying or justification and plan to meet that requirement
 - d. Any additional information the Contractor determines is relevant
3. The Contractor shall formally submit the initial Enrollment / Disenrollment Compliance Plan to DHCS for review and approval in accordance to the requirements in Exhibit A, Attachment I – Takeover.
4. The Contractor shall review the Enrollment / Disenrollment Compliance Plan and submit an updated copy to DHCS for review and approval:
 - a. Annually through the term of Contract.
 - b. Upon DHCS request
5. If the Contractor determines no updates are needed, the Contractor shall certify to DHCS the Enrollment / Disenrollment Compliance Plan is complete and up to date.
6. At the same time, the Contractor shall also certify to DHCS, in writing, that:

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- a. There is compliance to all related requirements for the reporting period. If there are any compliance issues in the current reporting period, identify the issue and all provide all necessary information.
- b. The Contractor anticipates continued compliance through the term of the contract. If there is an issue or a risk that will impact future compliance, identify the issue or risk and provide all necessary information.

4.4 MANUALS AND RELATED DOCUMENTATION

4.4.1 Development and Maintenance

1. Unless otherwise specified, the Contractor shall formally submit initial manuals and related documentation to DHCS for review and approval in accordance to the requirements in Exhibit A, Attachment I – Takeover.
2. The Contractor shall review manuals and related documentation and submit updated copy(ies) to DHCS for review and approval:
 - a. Annually, through the term of Contract
 - b. Upon DHCS request
 - c. As necessary if technical, operational or procedural change requires manual or documentation update.
3. If during the annual review or DHCS requested review, the Contractor determines no updates are needed, certify to DHCS the manual or related documentation is complete and up to date.

4.4.2 Manuals and Related Documentation

The following are Enrollment/Disenrollment manuals and related documentation:

1. Enrollment/Disenrollment Compliance Plan (includes Procedures).
2. Reports identified in the Reporting Requirements Section herein.

**Exhibit A, Attachment II – Scope of Work
Operations – Complaints and Grievances Resolution**

5.0 COMPLAINTS AND GRIEVANCES RESOLUTION

5.1 OVERVIEW

The requirements contained in this section shall govern all functions performed by the Contractor related to the collection, tracking, research and resolution of complaints and/or grievances raised by applicants, beneficiaries and/or their Authorized Representatives (ARs) either in writing or by telephone. The objectives of Complaints and Grievances requirements included in this section include but are not limited to:

1. Ensure the Contractor has a formal structure of policies and procedures to appropriately address complaints and grievances from applicants, beneficiaries and/or their Authorized Representatives (ARs).
2. Ensure beneficiaries understand their rights and procedures for submitting complaints and grievances.
3. Ensure the Contractor has the information, tools and resources necessary to ensure beneficiaries receive timely, unbiased and accurate information in order to respond to and/or resolve their complaints and grievances.

5.2 REQUIREMENTS

The Contractor shall conduct research to investigate inquiries, complaints and/or grievances associated with mandatory and/or voluntary participation in the Medi-Cal managed care program that are raised by applicants, beneficiaries and other interested parties either in writing, by telephone or in person, or who have been referred by the Contractor's Customer Service Relations (CSR) staff or, Enrollment Service Representatives (ESR) staff, and/or DHCS.

5.2.1 General Requirements

The Contractor shall:

1. Ensure that beneficiaries or their ARs have the ability to request information on how to file a complaint/grievance against their health plan via the toll-free telephone number, or by written communication. Complaints/grievances received by DHCS may be referred to the Contractor for research and resolution.
2. Forward any complaints about the Contractor's Operations to DHCS contract administration staff, as determined by DHCS.
3. The Contractor shall develop processes and procedures to receive, record, track, resolve and report on complaints and grievances according to the following

**Exhibit A, Attachment II – Scope of Work
Operations – Complaints and Grievances Resolution**

guidelines:

- a. Within one (1) business day of receipt of the complaint or grievance, record the complaint/grievance and send an acknowledgement of receipt to the originating beneficiary or Authorized Representative (referred to as complainant).
 - b. Within three (3) days of receipt of the complaint or grievance, determine if the issue can be resolved and responded to by the Contractor staff. If the issue can be resolved by the Contractor staff, send a response to the complainant within ten (10) days of receipt of issue with a status of research. The Contractor shall have thirty (30) days to resolve the issue and respond to the complainant. If additional time is needed to resolve the issue, the Contractor shall notify DHCS of the issue with an explanation for the need for additional time.
 - c. If the Contractor determines that it cannot resolve the issue, the Contractor shall forward the complaint or grievance to the appropriate DHCS designated entity within three (3) days of receipt of the complaint or grievance.
 - d. The Contractor shall immediately forward to DHCS any complaint or grievance that may pose a serious and immediate threat to a beneficiary's health and welfare.
4. Ensure that the identity of those submitting complaints and grievances is protected unless the complainant provides written or audio approval to reveal his or her identity. The beneficiary or their AR submitting the complaint shall be informed that anonymity cannot be guaranteed if DHCS, or other duly authorized entities, accesses the Contractor's records.
 5. Conduct an investigation to collect the necessary information in order to resolve and/or refer the complaint or grievance to the appropriate DHCS designated entity for resolution.
 6. If the complainant is a member of a health plan and the problem is associated with the health plan:
 - i. Refer the complaint to the appropriate health plan's member services.
 - ii. Ensure that the complainant is informed of their right to request a State Hearing. If the complainant requests information about the State Fair Hearing process, refer the complainant to DSS State Hearing Division.
 7. For each beneficiary complaint/grievance issue referred by DHCS to the Contractor, the Contractor shall provide a written response to DHCS within ten (10) business days of receipt of the referral. The response shall include, but not limited to:
 - a. The date of the original request.
 - b. A description of the original issue.
 - c. The current status of the issue.
 - d. The findings, resolution and/or recommendation.

**Exhibit A, Attachment II – Scope of Work
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8. The Contractor shall make available oral interpretative services in all threshold languages for all complainants.
9. The Contractor shall ensure secure information transmission links between the Contractor's operation facilities in which complaints and grievances are maintained, and the entities in which the complaints and grievances are referred.
10. The Contractor shall retain the complaint and grievance records for no less than ten (10) years.
11. The Contractor must maintain all records accurately in a manner accessible to DHCS, and make available, upon request, all such records to DHCS, duly authorized DHCS representatives, and/or federal representatives.
12. The Contractor shall provide DHCS staff with a designated contact who will be responsible for resolving issues/problems for beneficiaries or other entities that have contacted DHCS directly.

5.2.2 Reporting Requirements

1. The Contractor shall create an incident report for all complaints and grievances received and make all incident reports available to DHCS upon request. The incident reports shall be summarized in a log, which shall be available to DHCS at all times. The incident report shall include, but not limited to, the following:
 - a. Date complaint and/or grievance was received. Whether received in writing, by telephone, in person, or from a DHCS entity.
 - b. Complainant's name, address, telephone number, beneficiary identification number, name, address, and telephone number of AR, if applicable.
 - c. Log number of the complaints.
 - d. Name of involved health plan if complaint involves enrollment issues by a particular plan.
 - e. Related complaints and their log numbers if the same person has other complaints, or if the complaint is about the same plan.
 - f. Nature and general description of the reason for the complaint.
 - g. Actions taken to research, resolve and respond to the complaint. Actions are to be listed chronologically, by date.
 - h. Date of each review or, if applicable, review meeting
 - i. Date of resolution at each level, if applicable
 - j. If applicable, name and date the complainant was referred to the DHCS Ombudsman Unit, DMHC, or other entity.
 - k. A description of the resolution and the date the resolution was achieved.

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- I. Date the complainant or their AR was notified of the resolution.

5.3 COMPLAINTS and GRIEVANCES RESOLUTION COMPLIANCE PLAN

1. The Complaints and Grievances Resolution Compliance Plan shall describe how the Contractor will ensure adherence to all requirements throughout the term of the Contract.
2. The Complaints and Grievances Resolution Compliance Plan shall include, but not be limited to:
 - a. Identifying each Contractual requirements
 - b. If the Contractor is currently meeting that requirement (Yes/No)
 - c. A Description of how Contractor is complying, or justification and plan to meet that requirement
 - d. Any additional information the Contractor determines is relevant
3. The Contractor shall formally submit the initial Complaints and Grievances Resolution Compliance Plan to DHCS for review and approval in accordance to the requirements in Exhibit A, Attachment I – Takeover.
4. The Contractor shall review the Complaints and Grievances Resolution Compliance Plan and submit an updated copy to DHCS for review and approval:
 - a. Annually through the term of Contract.
 - b. Upon DHCS request
5. If the Contractor determines no updates are needed, the Contractor shall certify to DHCS the Complaints and Grievances Resolution Compliance Plan is complete and up to date.
6. At the same time, the Contractor shall also certify to DHCS, in writing, that:
 - a. Contractor is in compliance with all related requirements for the reporting period. If there are any compliance issues or risks in the current or future reporting periods, identify the issue/risk, a description of how contractor will correct and/or mitigate issue/risk, and timelines for achieving compliance.

5.4 MANUALS and RELATED DOCUMENTATION

5.4.1 Development and Maintenance

1. Unless otherwise specified, the Contractor shall formally submit initial manuals and related documentation to DHCS for review and approval in accordance to the requirements in Exhibit A, Attachment I – Takeover.

**Exhibit A, Attachment II – Scope of Work
Operations – Complaints and Grievances Resolution**

2. The Contractor shall review manuals and related documentation and submit updated copy(ies) to DHCS for review and approval:
 - a. Annually, through the term of Contract.
 - b. Upon DHCS request.
 - c. As necessary if technical, operational or procedural change requires manual or documentation update.
3. If during the annual review or DHCS requested review, the Contractor determines no updates are needed, certify to DHCS the manual or related documentation is complete and up to date.

5.4.2 Manuals and Related Documentation

The following are Complaints and Grievances manuals and related documentation:

1. Complaints and Grievances Materials Compliance Plan (includes Procedures).
2. Reports identified in the Reporting Requirements Section.

**Exhibit A, Attachment II – Scope of Work
Operations – Quality Management Program****6.0 QUALITY MANAGEMENT PROGRAM****6.1 OVERVIEW**

The Contractor shall establish and maintain a Quality Management Program (QMP) to measure, review and report the Contractor's overall levels of performance within each area of Contract responsibility. The QMP shall complement the Department of Health Care Services (DHCS) monitoring activities, and shall provide for oversight of all corrective actions required to ensure Contract compliance. This program shall be a separate and distinct operation whose staff remains autonomous from other Contract operations and reports directly to the Contractor's Representative. The objectives of the QMP include, but are not limited to:

1. Ensure that all Health Care Options (HCO) operational areas meet or exceed minimum quality assurance (QA) standards;
2. Ensure continuous and routine measurement of the HCO Operations to verify Contractor's compliance with all Contract responsibilities and requirements;
3. Ensure that the Contractor's performance standards are regularly monitored, evaluated, and revised to ensure compliance with Contract requirements;
4. Ensure that performance problems in any operational area are detected, described, and tracked, and that effective corrective action plans are implemented for every problem identified;
5. Ensure that communication and dissemination of QA and improvement information occurs throughout all levels of the Contractor's operations and concurrently to the DHCS;
6. Ensure that the Contractor's QMP is certified to the International Organization for Standardization (ISO) Quality Management Standards; and
7. Ensure system and/or operational problems are logged, tracked and resolved in a timely manner.

6.2 REQUIREMENTS**6.2.1 General Requirements**

The Contractor shall:

1. Develop and implement a process for tracking and reporting its achievement in meeting all contractual requirements as stated in this section;
2. Establish a comprehensive QMP to ensure compliance with all contractual requirements.
3. Ensure that any and all instances of failed QA audits are both reported via the QA reporting process described in this section, and processed according to the provisions contained in Exhibit B, Attachment I, Special Payment Provisions.

**Exhibit A, Attachment II – Scope of Work
Operations – Quality Management Program****6.2.2 Quality Assurance Unit**

1. The Contractor shall organize and maintain, for the term of the Contract, a QA Unit to coordinate, conduct, and report the results of QA monitoring under the terms of this Contract. The QA Unit staff shall be experienced in general statistical sampling, analysis, and specific QA methods.
2. The QA Unit's responsibilities shall include, but are not limited to:
 - a. Using QMP audits to measure and review Contractor and subcontractor performance in each operational area.
 - b. Reporting compliance findings to DHCS according to a DHCS approved reporting schedule.
 - c. Interfacing with DHCS monitoring activities.
 - d. Objectively and systematically measuring and reporting on Contractor Operations performance, as well as reviewing Operations policies and procedures for the purpose of providing recommendations for improvements to DHCS for approval.
 - e. Identifying and tracking processes, Contractor Operations, and/or performance problems and corrective action plans.
 - f. Communicating and disseminating QA and improvement information throughout all levels of Contractor Operations.
 - g. Upon DHCS request, making available all working papers including reports that support any and/or all QA findings.

6.2.3 Quality Assurance Standards and Procedures Manual (QASPM)

1. The QASPM shall include the MPQMP Plan, the MPQMP organizational structure, policies, standards, procedures, methodologies, statistical and mathematical formulas, and calculations used in the QA monitoring process. Error rate limits for each area of the Contractor's and all subcontractors' operations shall also be contained in the QASPM.
2. The Contractor shall update the QASPM annually, with updates submitted for DHCS review and approval by the 10th business day, following the 1st day of each Contract phase. The Contractor shall continue to adhere to the requirements contained in the latest approved QASPM, pending DHCS written approval of the updated manual.
3. Ensure the QASPM is continuously updated and maintained to reflect all new procedures, changes, and methodologies.
4. Ensure the QASPM be incorporated into everyday operations of all units within the Contractor's Operations. The procedures shall be made available to all new staff as a reference tool in each applicable work area(s).
5. Ensure that all QMP documentation is available for DHCS review at any time.

**Exhibit A, Attachment II – Scope of Work
Operations – Quality Management Program**

6. Maintain an updated copy of the QASPM for DHCS access at any time.
7. Ensure that all changes or updates to the QASPM are reviewed and approved by DHCS before implementing change. DHCS reserves the right to require changes and updates to the QASPM prior to implementation.

6.2.4 Quality Assurance Plan

1. The Contractor shall develop and maintain an internal QA Plan. The Plan will be included in the QASPM, by which the Contractor shall ensure that Contract requirements are met, and that processes are in place to assure continuous quality improvement.
2. The QA Plan shall include:
 - a. The policies and procedural framework necessary to audit all areas of the Operations under this Contract.
 - b. Procedures to monitor the Contractor's ability to meet all applicable QA standards. The Contractor shall establish QA standards for accuracy, timeliness, and any other relevant parameters, for operational areas that lack sufficient Contract requirements and standards.
 - c. Specify methods to monitor Contractor and subcontractor performance appropriate to the function being tested. All QA samples shall be statistically valid and randomly selected. Samples shall be of sufficient size to produce ninety-five percent (95%) confidence intervals with no more than a two percent (2%) error rate.
 - i. Base sample sizes on actual volumes of workload for the month prior to the report month.
 - ii. Report each specific set of QA audit results using two significant digits.
 - iii. Describe the sampling, testing, and reporting methods used in step-by-step detail in the QASPM. Descriptions must use standard mathematical and statistical notation and terminology, and must be written for the non-technical reader.
3. DHCS approved audit plans for each group of operational areas that shall be monitor on a monthly basis.
4. The procedures used to identify, research, and report operational and/or systems "errors". The Contractor shall not attribute shortcomings revealed by the QA Plan to "human error." The Contractor shall determine the root cause(s) of the error(s) discovered, and shall develop systematic processes to eliminate these errors. A Problem Statement (PS) shall be generated if a process is not operating as designed or intended, and a corrective action plan submitted each time error rates are out of compliance.
5. Procedures used to evaluate and improve the Contractor's and subcontractor's staff performance (both system and non-system Operations).

**Exhibit A, Attachment II – Scope of Work
Operations – Quality Management Program****6.2.5 International Organization for Standardization (ISO) Quality Management Standards**

The Contract shall:

1. Ensure that the QA procedures comply with ISO standards, upon Contract Effective Date (CED), by maintaining, at a minimum, six (6) documented procedures that best suit the needs of the Contractor as applied to the HCO Program.
2. Attain ISO certification within twelve (12) months of the CED.
3. Ensure that any subcontractor to the Contractor that is responsible for complying with any operational standard, as defined by the DHCS, must be ISO certified upon execution of the subcontract. No subcontractor may remain uncertified for more than twelve (12) months without written authorization from DHCS.
4. Ensure that subcontractors retained by the Contractor prior to the CED shall have twelve (12) months from the CED to obtain ISO certification, unless written authorization is obtained from the DHCS.
5. Ensure that all such subcontractors shall be ISO certified within twelve (12) months of the CED, or provide DHCS with a written finding that the QA standards and procedures used by the subcontractor(s) are substantially equivalent to ISO standards, and procedures in all operational areas that are material to the requirements of the subcontract(s).

6.2.6 Quality Assurance Performance Measurement

The Contractor shall:

1. Ensure that all sampling performed for purposes of meeting the requirements of this Contract produces unbiased, statistically valid random samples, and that all analysis of the QA data collected employs standard inferential statistical methods, and complies with specifications and standards found in the Contractor's QA Plan within the Contractor's QASPM.
2. Ensure that any errors revealed by QA monitoring are described (by type, when possible), and incorporated into error rates and clearly reported in the Monthly Quality Assurance Performance Report (MQAPR)). A PS shall be generated for all cases in which error rates are out of compliance with applicable contractual requirements and/or thresholds established in the QA Plan.
3. Upon request, ensure DHCS has access to the Contractor's QA working papers.
4. Ensure that all QA pass-fail thresholds take into consideration all applicable Contract and other policy requirements, and that QA data collection methods are designed to prevent the introduction of errors that do not exist in the data set from which the sample is being drawn. Utilize a standard format for reporting QA results in the MQAPR. The format shall provide for the clear identification of the applicable pass-fail threshold(s), the QA score(s) obtained, and the final test result(s) (pass or fail).

**Exhibit A, Attachment II – Scope of Work
Operations – Quality Management Program**

6.2.7 Quality Assurance Key Operational Areas

The Contractor's performance in the following areas:

- a. Enrollment/Disenrollment Processing.
- b. Information Updates.
- c. Telephone Call Center.
- d. Complaints and Grievance Resolution Procedures.
- e. Informing Material.

**Exhibit A, Attachment II – Scope of Work
Operations – Quality Management Program****6.2.7.1 Enrollment/Disenrollment Processing**

Unbiased, statistically valid random samples shall be drawn from, but not limited to, Choice Forms, Special Disenrollment Request Forms, and Exception to Enrollment Request Forms processed during the month. A sample shall be drawn from the population of each form type. Processing includes the handling of these forms received from all sources, including those received from applicants whose eligibility status has not been determined as of the date of receipt of the form.

1. The Contractor shall ensure the timeliness of processing functions as follows:
 - a. Identify the date when each form is received at the Contractor's main operating facility for processing. If any of the forms are returned to applicant/beneficiary for correction and/or completion, all business days from the date the form is mailed to the applicant/beneficiary to the date the corrected form is received from the applicant/beneficiary shall be subtracted from the overall forms processing time period.
 - b. Identify the date the processed transaction from each form is accepted into MEDS.
 - c. Identify the number of business days that elapsed between these two dates.
 - d. Identify the number of cases in which the number of days that elapsed between the receipt of the form and the subsequent transaction exceeded applicable Contract requirements and/or QA pass-fail thresholds found in the QA Plan.
2. Calculate population level accuracy rate for each form type using standard inferential statistical techniques.
3. The Contractor shall ensure the accuracy of processing functions as follows:
 - a. Compare the original Choice Form, emergency disenrollment requests, and exemption/exception to enrollment request forms from the random sample with the corresponding data maintained by the Contractor.
 - b. Determine all exceptions found, including QA pass-fail thresholds found in the QA Plan that were not met.
 - c. Using standard inferential statistical methods, determine a monthly accuracy rate for the population of enrollment/disenrollment requests processed during the month.
 - d. Determine all exceptions listed by error type. The Contractor shall record the Client Index Number (CIN), Document Control Number (DCN), applicant/beneficiary's county, transaction type, such as enrollment or disenrollment, data field and affected health plan (identified by name and plan number) for each exception; however, it shall not include this information in the MQAPR, but make it available to DHCS upon request.
 - e. Calculate population-level accuracy rate using standard inferential statistical techniques.

**Exhibit A, Attachment II – Scope of Work
Operations – Quality Management Program****6.2.7.2 Information Updates**

The Contractor shall draw an unbiased, statistically valid random sample, from all Daily Eligible and Monthly Reconciliation files for the prior month of eligibility. The Contractor shall compare the information in this sample to the corresponding information in the Enrollment/Disenrollment Processing, or the Process to determine whether the Enrollment/Disenrollment Processing information accurately reflects the information in the daily and reconciliation files.

The Contractor shall:

1. Compare the results of the analysis for each applicant/beneficiary's eligibility determination in the sample with the medical and/or dental plan enrollment status shown for that applicant/beneficiary in the Enrollment/Disenrollment Processing.
2. Determine the eligibility of each applicant/beneficiary in the sample for managed care plan membership by using all applicable Contract sections and all applicable policy directives from DHCS. These include, but are not limited to, the following:
 - a. Aid code
 - b. County and zip code of residence
 - c. Whether the applicant/beneficiary submitted a Choice Form, Special Disenrollment Request Form, Exception to Enrollment Request Form or Special Plan Enrollment/Disenrollment Request Form prior to eligibility determination. If the form was submitted, whether the choice(s) made on that form were correctly honored when that beneficiary's eligibility information was transmitted to the Contractor in a daily or reconciliation file, and whether additional packet mailings to that beneficiary were suppressed.
 - d. Exemption status
 - e. All other applicable indicators
3. Determine the number of cases in which the corresponding information in the Enrollment/Disenrollment Processing does not accurately reflect the information in the daily and reconciliation files, and in which the QA pass-fail thresholds found in the QA Plan that were not met.
4. Calculate population-level accuracy rate using standard inferential statistical techniques.

6.2.7.3 Telephone Call Center

The Contractor shall draw an unbiased, statistically valid random sample from all telephone calls made to and received from Medi-Cal applicants, beneficiaries, and other interested parties by Telephone Call Center (TCC) staff during the month. The QA evaluation for telephone calls made and/or received shall consider response time, contacts made, and accuracy as follows:

1. The Contractor shall ensure appropriate TCC response times by conducting the following activities:

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- a. Identify the average response time, in terms of the number of rings, for calls received.
 - b. Identify the average number of calls in queue per TCC staff.
 - c. Identify the average length of time each call remains in 'hold' status.
 - d. Identify the average length of time each call remains 'in queue'.
 - e. Identify the average number of calls referred to voice mail.
 - f. Identify the average length of time taken to return all voice mail calls received.
 - g. Identify the average number of calls abandoned
 - h. Identify the average number of calls blocked.
 - i. Identify the average length of time for a call.
 - j. Determine the average call closure rate for issues received during initial incoming telephone calls.
 - k. Determine if Contract requirements were met and if the QA pass-fail thresholds found in the QA Plan were met.
 - l. Calculate monthly population-level accuracy rate using standard inferential statistical techniques.
2. The Contractor shall ensure the appropriate TCC contacts are made by conducting the following activities:
- a. Identify the average number of beneficiaries that were called due to not returning Choice Forms within the required time frames as stated in Exhibit A, Attachment II, Section 1.0 – Telephone Call Center.
 - b. Identify the average number of beneficiaries who complete a Choice Form based on the phone calls placed by the TCC staff.
 - c. Identify the average number of telephone calls placed to each beneficiary that was called due to not returning a Choice Form within the required time as stated in Exhibit A, Attachment II, Section 1.0 – Telephone Call Center.
 - d. Determine if Contract requirements were met and if the QA pass-fail thresholds found in the QA Plan were met.
 - e. Calculate monthly population-level accuracy rate using standard inferential statistical techniques.
3. The Contractor shall ensure the accuracy of TCC by conducting the following activities:
- a. Determine the accuracy of all information provided by the TCC during incoming and outgoing calls.
 - b. Identify all instances in which inaccurate information was provided to applicants, beneficiaries and other interested parties.

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- c. Determine the types of inaccurate information, by category, and the number of instances in which inaccurate information was provided to applicants, beneficiaries, and other interested parties.
- d. Determine if Contract requirements were met, and if the QA pass-fail thresholds found in the QA Plan were met.
- e. Calculate population-level accuracy rate using standard inferential statistical techniques.

6.2.7.4 Enrollment Service Representatives Presentations

1. On a monthly basis, the Contractor shall audit the presentations made by Enrollment Service Representatives (ESRs) in such a way as to assure that the audited presentations comprise an unbiased, statistically valid, random sample from the population of all presentations given during the month.
2. The Contractor shall include in the MQAPR, a table listing the dates on which audits were last performed for each ESR and each ESR Presentation Site. The Contractor shall be deemed to be out of compliance for sites that have gone unmonitored for more than ninety (90) calendar days. All such sites shall be clearly identified in the MQAPR table.
3. The Contractor shall determine the number of instances in which inaccurate information was relayed by an ESR during sampled presentations.
4. The Contractor shall determine if Contract requirements were met and if the QA pass-fail thresholds found in the QA Plan were met.
5. The Contractor shall calculate the inferred monthly population-level inaccuracy rate.

6.2.7.5 Complaints and Grievances Resolution Process

1. The Contractor shall draw an unbiased, statistically valid random sample from the population of all requests for assistance received by Contractor staff each month.
2. The Contractor shall ensure the timeliness of response and resolution to complaints and grievances by conducting the following activities:
 - a. Determine the dates when each request for assistance was received by Research.
 - b. Determine the dates when responses to each request were transmitted to the requestor.
 - c. Calculate the number of business days that elapsed between these two dates listed above.
 - d. Determine if Contract requirements were met and if the QA pass-fail thresholds found in the QA Plan were met.

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- e. Calculate monthly population level accuracy rate using standard inferential statistical techniques.
3. The Contractor shall ensure the accuracy of response and resolution to complaints and grievances by conducting the following activities:
 - a. Determine if Contract requirements were met and if the QA pass-fail thresholds found in the QA Plan were met.
 - b. Calculate the monthly inferred population-level accuracy rate.
 - c. Determine all inaccurate disposition of requests by error.
 - d. Provide a description of the nature of each reported inaccuracy.

6.2.7.6 HCO Informing Materials Mailed

1. The Contractor shall draw an unbiased, statistically valid random sample from all informing materials mailed during the month.
2. The Contractor shall ensure the timeliness of informing materials mailings by conducting the following activities:
 - a. Determine the date on which each applicant/beneficiary record in the sample was received for processing. In the case of mailings generated by an applicant/beneficiary packet request, the date the request was received shall be reported.
 - b. Determine the dates the informing materials generated by those data records or packet requests were received by the United States Postal Service (or other DHCS-approved mailing subcontractor).
 - c. Calculate the number of business days that elapsed between these two dates.
 - d. Determine the number of cases in which the number of reported elapsed days exceeded the applicable mailing cycle time standards established in Exhibit A, Attachment II, Section 4.0 – Informing Materials.
 - e. Identify the type of mailing that occurred (or was supposed to have occurred).
 - f. Identify the actual number of days it took to generate that mailing.
 - g. Determine if Contract requirements were met and if the QA pass-fail thresholds found in the QA Plan were met.
 - h. Calculate the monthly population level accuracy rate using standard inferential statistical techniques.
3. The Contractor shall determine whether the informing materials were assembled accurately according to the correct informing material types, and that the packet contents accurately reflect the corresponding control binder documents, by conducting the following activities:

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- a. Calculate the accuracy of the contents of each informing material booklet and informing material packet as compared to the approved materials.
- b. Determine the number of beneficiaries who were sent the wrong type of informing packet.
- c. Determine if Contract requirements were met and if the QA pass-fail thresholds found in the QA Plan were met.
- d. Calculate a monthly population-level incorrect packet mailing rate. The number of errors discovered in the sample shall be reported, and a population-level error rate inferred and reported.

6.2.8 Special Quality Assurance Studies

1. The Contractor shall perform special QA studies whenever directed to do so by DHCS.
2. The Contractor shall develop the study design and methods and submit them for DHCS approval within seven (7) business days of receipt of the study request from DHCS.
3. The Contractor shall complete the study as directed and forward the findings to DHCS within forty-five (45) calendar days of request.

6.2.9 Change Support Program

1. The Contractor shall develop and maintain a change support program that shall provide DHCS designated staff access to information regarding all HCO Program activities, processes and information, in order for DHCS staff to make informed program decisions, and review the impact of previous program policy or process modifications.
2. Information accessible through the change support program shall include, but not be limited to, beneficiary enrollment encounter, and enrollment information, as required by DHCS.
3. A change support program meeting shall be held at least once a month, more often if the DHCS deems necessary, to discuss with DHCS staff all changes that may be made to the Contractor's Operations, including but not limited to policy and procedures.
4. The Contractor shall maintain and update, (with DHCS' written approval), the Change Support Program Plan submitted during Takeover. The plan shall include, but is not limited to, the following:
 - a. A control process designed by the Contractor and approved by DHCS for the term of the Contract, used to monitor HCO program internal standards.
 - b. Tracking and monitoring of processes and procedures requiring change or remediation to facilitate Contractor compliance with Contract requirements, and conversely, to include any process or procedure deemed by DHCS to

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impact its ability to adequately monitor the Contractor's compliance with Contract requirements.

- c. Clearly defined procedures and reportable outcomes, including a mechanism to ensure that any process or procedure change or remediation be tracked, monitored, designated for implementation or closure within the control system, whether initiated by the Contractor or by DHCS, is approved by DHCS prior to the Contractor's implementation or closure.
- d. Inclusion of DHCS staff in the design and implementation phases of the control process.
- e. After implementation, inclusion of DHCS staff to continue as designees for all matters related to the overall processes, and procedures of the control process.

6.2.10 Reporting Requirements

The Quality Assurance (QA) specific reporting requirements identified in this section shall comply with general reporting provisions specified in Exhibit A, Attachment II, Section 7 – Reports. The following are the minimum reporting requirements for the QA requirements specified herein. DHCS reserves the right to request additional reporting elements throughout the term of the contract.

The Contractor shall present all QA performance audit results to DHCS in the MQAPR. In addition to reporting QA audit results in keeping with the reporting specifications contained in the QA Plan, the MQAPR shall describe error rate trends for all areas audited, and propose process improvement to reduce problematic error rates. In analyzing error rate trends, the MQAPR consider not only error rates from formal QA audits, but also PSs generated outside of the QA audit process. The Contractor shall submit the MQAPR to DHCS no later than the tenth (10th) business day of each month following the reporting month.

The Contractor shall ensure:

1. The MQAPR is accurate and thorough, and is prepared in keeping with the specifications and standards found in Exhibit A, Attachment II, Section 4.6.2, Quality Assurance Review, and in the Contractor's Quality Assurance Standards and Procedures Manual (QASPM).
2. Each monthly report not only identifies each operational area reviewed during the reporting month, and the results of the audits performed on those areas, but also lists the operational areas not reviewed during the reporting month. For each area that was not reviewed, the date on which it was last reviewed shall be reported.
3. The report contains at a minimum:
 - a. Graphs showing the error rate for each operational area from the beginning of the HCO Operations through most current month in which an audit was performed (up to and including the current reporting month);

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Operations – Quality Management Program**

- b. A discussion of the specific operational areas with the highest and/or most persistent error rates. This discussion shall identify, to the extent possible the root causes of the problematic error rates identified;
- c. A discussion of all adverse impacts of the problematic error rates identified in the previous item; and
- d. Recommended process and/or policy changes that are likely to reduce the reported high or persistent error rates, and specific proposals for implementing those recommendations.

6.3 QUALITY MANAGEMENT PROGRAM COMPLIANCE PLAN

1. The Quality Management Program Compliance Plan shall describe how the Contractor will ensure adherence to all requirements throughout the term of the Contract.
2. The Quality Management Program Compliance Plan shall include, but not be limited to:
 - a. Identifying each contractual requirement.
 - b. If the Contractor is currently meeting that requirement (Yes/No).
 - c. A Description of how Contractor is complying or justification and plan to meet that requirement.
 - d. Any additional information the Contractor determines is relevant.
3. The Contractor shall formally submit the initial Quality Management Program Compliance Plan to DHCS for review and approval in accordance to the requirements in Exhibit A, Attachment I – Takeover.
4. The Contractor shall review the Quality Management Program Compliance Plan and submit an updated copy to DHCS for review and approval:
 - a. Annually through the term of Contract.
 - b. Upon DHCS request
5. If the Contractor determines no updates are needed, the Contractor shall certify to DHCS the Quality Management Program Compliance Plan is complete and up to date.
6. At the same time, the Contractor shall also certify to DHCS, in writing, that:
 - a. There is compliance to all related requirements for the reporting period. If there are any compliance issues in the current reporting period, identify the issue and all provide all necessary information.
 - b. The Contractor anticipates continued compliance through the term of the contract. If there is an issue or a risk that will impact future compliance, identify the issue or risk and provide all necessary information.

**Exhibit A, Attachment II – Scope of Work
Operations – Quality Management Program****6.4 MANUALS AND RELATED DOCUMENTATION****6.4.1 Development and Maintenance**

1. Unless otherwise specified, the Contractor shall formally submit initial manuals and related documentation to DHCS for review and approval in accordance to the requirements in Exhibit A, Attachment I – Takeover.
2. The Contractor shall review manuals and related documentation and submit updated copy(ies) to DHCS for review and approval:
 - a. Annually, throughout the term of Contract.
 - b. Upon DHCS request.
 - c. As necessary if technical, operational or procedural change requires manual or documentation update.
3. If during the annual review or DHCS requested review, the Contractor determines no updates are needed, certify to DHCS the manual or related documentation is complete and up to date.

6.4.1 Manuals and Related Documentation

The following are Quality Management Program manuals and related documentation:

1. Quality Management Program Compliance Plan (includes Procedures).
2. Reports identified in the Reporting Requirements Section.

**Exhibit A, Attachment II – Scope of Work
Operations – Reports****7.0 REPORTS****7.1 OVERVIEW**

This section is intended to facilitate the identification of reporting responsibilities as well as to ensure consistent application of requirements for all Health Care Options (HCO) reports. Reports are defined as any compilation or reflection of data provided in any media. Given the desire for continuing innovation in the area of reporting, Department of Health Care Services (DHCS) will, for the life of the Contract, allow the Contractor to recommend technology-based data solutions as an alternative to existing paper-based reporting functions. Recommendations shall not be implemented without DHCS written approval.

All reports produced by the Contractor, whether for internal or external use, shall conform to the requirements described in this section unless otherwise specified in the Contract or in writing by DHCS.

7.2 REQUIREMENTS**7.2.1 General Requirements**

The Contractor shall:

- A. Develop, generate, produce, maintain, and deliver all report deliverables in accordance with any and all requirements specified herein.
- B. Ensure that at least two (2) FTEs are dedicated solely to reporting functions and available from 8:00 AM until at least 6:00PM Pacific Time, Monday through Friday, excluding State holidays, to perform general reporting staff liaison activities, and to assist DHCS with any reporting questions or issues that may arise. The primary responsibilities shall be to assist DHCS by performing the following reporting functions:
 1. Data processing;
 2. Data Warehouse development/maintenance;
 3. Statistical and research reporting;
 4. Report production and delivery;
 5. Research/report problem solving activities;
 6. Report accuracy and data validity;
 7. DHCS MIS/DSS development and maintenance, as directed by DHCS; and

**Exhibit A, Attachment II – Scope of Work
Operations – Reports**

8. Development of techniques to obtain more effective and efficient use of HCO and MEDS data, as directed by DHCS.
- D. Organize and maintain an electronic Master Library which contains all reports produced throughout the life of the Contract. Reports that contain Protected Health Information (PHI) and/or Sensitive or Confidential Information shall be secured, and access shall be limited to Contractor staff, with full access provided to DHCS. The data housed in this library shall be instantly accessible at all times to DHCS staff.
 - E. Create, maintain and provide to DHCS, a Report User Manual(s) (RUM) which covers all HCO report deliverables, except for ad-hoc reports. This manual shall be delivered to DHCS three (3) months prior to Assumption of Operations, and quarterly thereafter throughout the term of the Contract, in accordance with the requirements contained in Exhibit A, Attachment I, Takeover. The medium in which the RUM is produced and stored shall be approved by DHCS. The documentation in the manual(s) shall consist of the following items:
 1. A composite listing of all reports produced, displaying the report number, report name, operational areas to which the report applies, reporting frequency, and report distribution.
 2. Each report generated shall contain the following components:
 - a. The standard report heading.
 - b. The report definition/description, which includes a brief statement of purpose, a detailed description and definition of report elements, the report number, the report name, the operational areas to which the report applies, reconciling routines, control and audit functions, frequency of report distribution, report revision history, and historical report number.
 - c. An example of the produced report, which displays all information, summary total data, and all representative formats within each report. Reports that contain PHI/confidential data shall have that data redacted.
 - d. Identify when the report is a functional equivalent to a required report. This listing shall identify all reports for which DHCS has waived production requirements, and provide an audit trail with reference to DHCS approval of each functional equivalent and waiver.
 - e. Include any cross-reference to other corresponding reports that support summary totals or data.
 - f. Describe the procedures to be used to balance, verify, and reconcile all Enrollment/Disenrollment Processing operation reports and jobs, where applicable. It shall also describe all weekly reports that present the results of balancing, verification, and reconciliation procedures.

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Operations – Reports**

- F. Provide ad hoc reporting capability. Ad hoc reports can either be prepared by DHCS staff using standard user interfaces or can be prepared by the Contractor for submission to DHCS.
- G. Distribute reports in contractually required time frames based upon DHCS-approved Reports Distribution List. This list shall be developed jointly by DHCS and the Contractor during Takeover, and shall be approved by DHCS.
- H. Make all reports available in a standard electronic format (or formats) as directed by DHCS. Electronic copies of reports must be readily available to DHCS over a local area network, a wide area network, an Intranet, the Internet, or other suitable form of interconnectivity, as specified by DHCS.
- H. Maintain DHCS approved Reports Distribution List. The list shall be delivered to DHCS monthly, and updated as needed, but no less than monthly. This list shall include:
1. All contact group and/or entity names, distribution addresses (both email and physical) that receive HCO reports.
 2. The reports, identified by report number and name, to be distributed to the persons and groups on the list.
 3. Delivery date requirements.
 4. The number of copies produced and their destinations.
 5. The medium and/or media in which the report(s) is/are produced; and
 6. Other information deemed necessary.
- This list may be modified by DHCS at any time throughout this Contract. The Contractor shall provide to DHCS for review and approval updates of this list within ten (10) business days of receipt of a change request initiated by DHCS.
- I. Provide DHCS, in the format as instructed, with access to or delivery of all Contractor produced reports.
- J. Participate in and/or perform statistical and/or research studies as directed by and approved by DHCS. Studies are to be completed and submitted to DHCS within fifteen (15) business days from the date of DHCS request.
- K. Notify designated DHCS staff and DHCS staff report owner by e-mail within one (1) business day, to be followed up with a formal written notification within five (5) business days, upon detection of any discrepancy of report information (e.g.,

**Exhibit A, Attachment II – Scope of Work
Operations – Reports**

invalid statistical data, dates, dollar amounts), or other problems affecting the accuracy, reliability, production, availability, and/or distribution of HCO reports. Discrepancy(ies) located within report(s) shall be corrected and provided to all parties on the distribution list within five (5) business days of detection. The Contractor shall also submit a Problem Statement (PS) within one (1) business day of the notification of the report discrepancy and/or problem

- L. Upon DHCS approval, modify report delivery locations, number of report copies generated, reporting medium and/or delivery frequency by report recipient, at no additional cost to DHCS. If business requirements dictate that a report medium from hardcopy to electronic media (e.g., diskette, CD, or Internet, etc.) it will be done at no additional cost to DHCS. Changes shall be made upon request according to the following schedule as per individual report specification: (Due dates do not include DHCS review and approval time periods.)

REPORT PRODUCTION DATES	DATE CHANGE REQUIRED
Monthly, bi-monthly, quarterly, semi-annually, annually (e.g., Monthly Progress)	Next report production cycle, if report is due in less than fifteen (15) calendar days of request; Current report production cycle, if report is due in more than fifteen (15) calendar days of request.
Daily, weekly, special/ research/ statistical reports, ad-hoc (e.g., Daily Status, Weekly Narrative)	Within thirty (30) calendar days of the request

- M. Provide suggestions to DHCS that could enhance reports and/or reporting activities. Suggested changes may include elimination or creation of reports, modifications to report format, information, production frequency, reporting medium, or information descriptions.
- N. Starting no later than the end of the calendar year, within which this Contract becomes effective, and by the end of each calendar year thereafter, the Contractor shall produce a semi-annual report for DHCS review and approval that list recommended improvements to HCO reporting. y This list shall state those reports that may need to be deleted, expanded or revised, and the reasons for such recommendations.
- O. The Contractor shall provide all reports produced from changes requested to existing report criteria within two (2) business days of DHCS request of the change. The Contractor shall verify the accuracy of the data in these reports within that same time period.

7.2.2 PRODUCTION OF REPORTS

The Contractor shall:

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Operations – Reports**

- A. Ensure that all report headings have a standard format as agreed upon by DHCS.
- B. Produce all reports in a legible format, approved by DHCS.
- C. Include Report Summary prior to report data, when applicable.
- D. Verify that the information and/or records used in the production of all reports are the most current and accurate available. The Contractor shall also verify that the information and/or records used are the most appropriate for the report on which they are based.
- E. Verify that the reports balance.
- F. Verify that the reports reconcile with other reports with similar data.
- G. Generate corrected copies of any report within five (5) business days of the date DHCS or the Contractor determines that the report is inaccurate or deficient. Corrected copies shall be generated for any reports containing report deficiencies identified by DHCS up to six (6) months from the report production date. Ensure that all corrected and re-run reports are clearly identified as corrected/re-run in the report header, and that all corrections made are highlighted. A Problem Statement (PS) shall be issued, per requirements stated in Problem Correction Process, covering each corrected report. The Contractor shall issue one (1) PS per incident if all errors are related to the same issue.
- H. Make all reports available in an ADA (Americans with Disabilities Act) compliant format, upon DHCS request.

7.2.3 DELIVERY OF REPORTS

The Contractor shall:

- A. Deliver reports to report users as listed in DHCS-approved Reports Distribution List, as defined by DHCS.
- B. Copies of Existing Reports: The Contractor shall provide DHCS, on request, additional copies of any existing report.
- C. Deliver printed reports utilizing, but not limited to, the Contractor's courier service, U.S. Mail, or parcel service. The service used shall maintain compliance of all HIPAA requirements.

7.2.4 MONTHLY PROGRESS REPORT

The Contractor shall submit a Monthly Progress Report each month to include, at a minimum, the following information:

- A. Table of Contents;

**Exhibit A, Attachment II – Scope of Work
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- B. Narrative of the month's activities and issues, and a forecast of upcoming and future activities;
- C. Monthly Report Summary;
- D. A summary computation reflecting levels of performance for all Contract requirements and to include a twelve (12) month running history;
- E. A compilation of the daily and weekly status reports for the month; and
- F. Dashboard-level reporting.

7.2.5 REPORT DELIVERABLES

- 1. The Contractor shall submit, DHCS-approved, reports required in all Operational areas of this contract as listed on the Report Distribution List, which include but not limited to:
 - a. Telephone Call Center
 - b. Education-Outreach
 - c. Informing Materials
 - d. Enrollment/Disenrollment Processing
 - e. Complaints and Grievances
 - f. Quality Management Program
 - g. Reports
 - h. Records Retention
 - i. Security and Confidentiality
 - j. Disaster Prevention and Recovery
 - k. System Development and Maintenance
 - l. Problem Correction Process
 - m. Additional Provisions
- A. Comply with all applicable federal and state laws and regulations, regardless of whether or not those laws and regulations have been reduced to writing in this Contract.

**Exhibit A, Attachment II – Scope of Work
Operations – Reports****7.3 REPORTING COMPLIANCE PLAN**

1. The Reporting Compliance Plan shall describe how the Contractor will ensure adherence to all requirements throughout the term of the Contract.
2. The Reporting Compliance Plan shall include, but not be limited to:
 - a. Identifying each Contractual requirement.
 - b. If the Contractor is currently meeting that requirement (Yes/No).
 - c. A Description of how Contractor is complying or justification and plan to meet that requirement.
 - d. Any additional information the Contractor determines is relevant
3. The Contractor shall formally submit the initial Reporting Compliance Plan to DHCS for review and approval in accordance to the requirements in Exhibit A, Attachment I – Takeover.
4. The Contractor shall review the Reporting Compliance Plan, and submit an updated copy to DHCS for review and approval:
 - a. Annually through the term of Contract
 - b. Upon DHCS request
5. If the Contractor determines no updates are needed, the Contractor shall certify to DHCS the Reporting Compliance Plan is complete and up to date.
6. At the same time, the Contractor shall also certify to DHCS, in writing, that:
 - a. There is compliance to all related requirements for the reporting period. If there are any compliance issues in the current reporting period, identify the issue and all provide all necessary information.
 - b. The Contractor anticipates continued compliance through the term of the contract. If there is an issue or a risk that will impact future compliance, identify the issue or risk and provide all necessary information.

7.4 MANUALS AND RELATED DOCUMENTATION**7.4.1 Development and Maintenance**

1. Unless otherwise specified, the Contractor shall formally submit initial manuals and related documentation to DHCS for review and approval in accordance to the requirements in Exhibit A, Attachment I – Takeover.
2. The Contractor shall review manuals and related documentation and submit updated copy(ies) to DHCS for review and approval:
 - a. Annually, through the term of Contract.

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- b. Upon DHCS request.
 - c. As necessary if technical, operational or procedural change requires manual or documentation update.
3. If during the annual review or DHCS' requested review, the Contractor determines no updates are needed, certify to DHCS, the manual or related documentation is complete and up to date.

7.4.2 Manuals and Related Documentation

The following are Education and Outreach manuals and related documentation:

- 1. Education and Outreach Compliance Plan (includes Procedures).
- 2. Reports identified in the Reporting Requirements Section.

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**Exhibit A, Attachment II – Scope of Work
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8.0 RECORDS RETENTION AND RETRIEVAL**8.1 OVERVIEW**

1. Information and requirements for records retention and retrieval in this section applies to Contractor Operations records. Contractor records include but are not limited to, all correspondence, forms and reports that are part of, produced from, or generated as a result of HCO Program activities.
2. Information and requirements for the maintenance and disposition of the Contractor's corporate and/or business financial records are contained in Exhibit E, Additional Provisions.
3. The objectives of this section are to:
 - a. Ensure all Contractor records are retained appropriately in formats readily accessible to allow for easy retrieval; and
 - b. Ensure compliance with DHCS and federal laws governing security and confidentiality of all documents containing Protected Health Information (PHI).

8.2 REQUIREMENTS**8.2.1 General Requirements**

1. The Contractor records, to which the requirements in this section apply, include but are not limited to, all correspondence, forms and reports that are part of, produced from, or generated as a result of HCO Program activities.
2. The Contractor shall be responsible for serving as the custodian of all Contractor Operations records.
3. All Contractor records, generated and/or received by the Contractor shall be maintained by the Contractor in order to allow for retrieval for use by the Department of Health Care Services (DHCS).
4. If an enabling technology is proposed, the requirements for an automated system do not supersede, modify, or in any way alter other provisions in this Contract that establish requirements for the Records Retention and Retrieval requirements established in this section to retrieve HCO Program information.
5. The document management process shall be capable of identifying PHI and/or confidential information.

8.2.2 Retention of HCO Program Records

The Contractor shall:

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1. Preserve, protect and maintain all Contractor records that are a part of, or result from, the Contractor's operations under this Contract for a period of no less than ten (10) years.
2. Maintain a document management process, which shall store all Contractor Operations records.
 - a. This process shall enable users to easily identify documents in any DHCS approved format in which each such document is stored.
 - b. All documents maintained by this process, regardless of format, must be complete, fully legible, fully cross-referenced (or have the ability to text search/references) with all other closely related documents, and clearly reflect all data and original signatures.
 - c. All records not subject to public disclosure shall be identified, along with the reason the public disclosure is not allowed (e.g., contains confidential or proprietary information).
 - d. At any time during the term of this Contract, DHCS may designate additional documents for retention and retrieval.
 - e. DHCS shall have full access to the entire document management system for all HCO Program records maintained throughout the term of the Contract. DHCS shall have full access to the entire document management process for those records retained after Contract Effective Date (CED). This access shall extend to printing the documents or saving copies of stored documents on DHCS workstations or servers, if the information is available electronically. The document management process should also be available upon Turnover of the contract.
3. In keeping with all applicable Takeover requirements, if the information is available electronically, submit proposed Document Management Process specifications to DHCS for review and approval two (2) months prior to Assumption of Operations. Implement the DHCS-approved Document Management Process in accordance with Exhibit A, Attachment I Takeover. If the DHCS determines that some documents must also be retained in alternative formats (such as original copies, photocopies, databases, etc.), it will provide the Contractor with a list of all affected documents, and provide retention and retrieval specifications for each listed document type.
4. Preserve, protect and maintain all HCO Program records for a minimum period of ten (10) years following the last date of Contract payment or the last date of litigation, whichever is longer.
5. Keep all records, which have been involved in matters of litigation, for a period of not less than ten (10) years following the termination of such litigation,

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regardless of the expiration or termination of this Contract, or the expiration of the ten (10) year general record storage requirement.

6. Make all documents, which are subject to the storage and maintenance requirements in this section, fully accessible to and retrievable DHCS authorized staff. For HCO Program records maintained by the Contractor after CED, the access and retrieval requirements in this section shall remain in effect for the time periods specified above even after this Contract has expired or has been terminated.
7. Develop and maintain a system for certifying the authenticity of all HCO Program records maintained during the term of the Contract as well as for those HCO Program records retained after CED.
8. Purge, with prior DHCS approval, records that exceed required retention periods. Contractor may dispose of HCO Program records only after receipt of written approval from the DHCS specifying the time, place, method of disposal, and specific records or group of records to be destroyed.
9. Transfer all DHCS-designated HCO Program records to DHCS upon CTD or to a subsequent Contractor, upon Turnover of this Contract. DHCS shall retain the full authority to designate the manner and method by which the records shall be transferred.
10. Comply with all DHCS standards and findings concerning the legibility, completeness, and appropriate cross-referencing of all documents.

8.2.3 Retrieval of HCO Program Records

1. The Contractor shall submit to the DHCS copies of any requested HCO Program records within five (5) business days of receiving a request for those records, or as directed by DHCS. If retrieved records must be mailed to a beneficiary, the Contractor shall have five (5) business days to place the requested records in the mail.
2. All electronic formats and/or transmission methods used shall be fully secure according to Exhibit A, Attachment II, 9.0 – Security and Confidentiality.
3. The Contractor shall be responsible for identifying documents that contain PHI and/or confidential data and when requested by the DHCS, provide those documents containing PHI and/or confidential data separately from those that do not.
4. The Contractor shall maintain a Master Index for all HCO Program records under the Contractor's custodianship. For each record listed, this index shall provide all information needed to locate, access, and/or retrieve that record. This Master Index shall be updated when records are added and/or deleted, within two (2) business days of the change. DHCS and its authorized users

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shall have the ability to instantly access, and run reports from, the Master Index. The Master Index shall include the following information about each HCO Program record maintained by the Contractor:

- a. The name and identification number of each record, grouped in categories and ranges. However, at the request of DHCS, the Contractor shall be able to provide DHCS the Master Index by individual name and identification of each record.
 - b. The medium or media of retention (e.g., the Contractor's document management process, paper, other medium).
 - c. The process to be used to access the record.
 - d. The length of time the record has been and will continue to be maintained.
 - e. Final disposition (e.g., indefinite retention, removal and destruction, archive).
 - f. The initial Master Index of records shall be delivered to the DHCS in accordance with Exhibit A, Attachment I Takeover.
 - g. The summary shall be organized by record type (e.g., Choice Form, plan correspondence, operation report).
5. In the event of unsuccessful access of an HCO Program record, which is subject to the requirements of this section, a Problem Statement shall be generated. This requirement applies equally to failures on the part of the DHCS staff and managers to directly retrieve records from the document management process, and to failures on the part of the Contractor to retrieve documents requested by the DHCS. If a record access attempt fails due to misspecification of the search criteria (the specified CIN or DCN does not exist, for example), the Contractor shall inform DHCS in writing of the reasons for the retrieval failure.
6. The Contractor shall accept and respond to all Subpoenas Duces Tecum, litigation discovery, and Public Records Act (PRA) requests served on the Contractor, and assist DHCS in fulfilling its responsibilities for each, served upon DHCS for the submission of HCO Program records under the custodianship of the Contractor. The Contractor shall:
- a. Upon direction from DHCS, the Contractor shall timely retrieve and submit to the parties specified in each Subpoena Duces Tecum, litigation discovery and PRA requests all required HCO Program records. Prior to release, the documents shall be submitted to DHCS for approval.

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- b. Report to DHCS which records have been provided under each Subpoena Duces Tecum, litigation discovery and PRA requests, and provide copies of the produced records upon DHCS request.
 - c. Ensure that deadlines set by the DHCS for responding to Subpoenas Duces Tecum, litigation discovery and PRA requests are met, and when necessary, provide expert witness testimony regarding the named records by the deadlines established by the Court.
 - d. Notify DHCS in writing prior to responding to Subpoenas Duces Tecum, litigation discovery and PRA requests and/or providing expert witness testimony.
7. The DHCS shall provide no additional reimbursement to the Contractor for complying with the terms of Subpoena Duces Tecum, litigation discovery and PRA requests. The Contractor may request payment for such services from the court or the party issuing the Subpoena Duces Tecum, litigation discovery and PRA requests. These requirements shall extend to records generated under prior contracts between a prior contractor and DHCS, when such records remain in the Contractor's possession.

8.2.4 Assistance with Investigations, Disputes, and Litigation

The Contractor shall assist DHCS in the identification, retrieval, and certification of HCO Program records and any other information needed to support the investigation, prosecution, or defense of cases involving the Medi-Cal Managed Care Program. This requirement applies equally to medical and dental records and information.

1. Such cases may include, but not be limited to: fraud investigations and/or prosecutions, Notices of Dispute filed by medical and/or dental plans, denials of exemption requests, DHCS recovery efforts, Public Records Act (PRA) request and actions against DHCS.
2. DHCS shall have the authority to review, modify, and approve in writing the procedures, methods, criteria, or overall approach the Contractor employs to comply with this requirement.
3. Documents requested by DHCS for use in the State Fair Hearings process shall be delivered to DHCS within five (5) business days of date of request, or as directed by DHCS

8.2.5 Access

1. The Contractor shall establish and maintain procedures, consistent with the security provisions in Exhibit A, Attachment II, Section 9.0 – Security and Confidentiality, for providing DHCS authorized access. These access procedures shall be approved by DHCS and maintained in the Retrieval Policy

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and Procedures (RP&P) manual. All such procedures shall be subject to modification by DHCS at any time.

2. The Contractor shall maintain accurate records of all document/record access operations, whether carried out in the form of information searches against the Contractor's document management process, or of the access of records from other repositories in response to requests from DHCS.

8.2.6 Reporting Requirements

The Records Retrieval specific reporting requirements identified in this section shall comply with general reporting provisions specified in Exhibit A, Attachment II, Section 7 – Reports. The following are the minimum reporting requirements for the requirements specified herein. DHCS reserves the right to request additional reporting elements throughout the term of the contract.

The Contractor shall submit reports on a monthly basis to include, but not limited to a Records Retrieval Performance Report (RRPR).

1. The report shall include, at a minimum, the following information for total unduplicated requests for each type of record requested:
 - a. Date of request;
 - b. Total number of copies requested;
 - c. Date request fulfilled;
 - d. Total number of copies delivered;
 - e. Total number of copies delivered late;
 - f. Total number of requests partially fulfilled;
 - g. Total number of requests not fulfilled, but still in process (including requests carried forward from previous reporting months); and
 - h. Total number records determined to be either undeliverable, irretrievable, or both in the current reporting period.
2. For records the Contractor delivered late, and for requests that were either partially fulfilled or unfulfilled, the RRPR shall specify:
 - a. The document type/category (Choice Form, plan correspondence, C Letter, etc.);
 - b. The document identification number(s) (Document Control Number, C Letter number, report number, etc.);

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- c. For records that were delivered late, the number of days each was late;
 - d. For undelivered records (including those carried over from previous reporting months), the number of days late for each record, and the expected delivery date;
 - e. The number of documents determined to be undeliverable and/or irretrievable during the current reporting period; and
 - f. The reasons behind each delayed, undelivered, undeliverable and irretrievable record.
3. The RRPR shall summarize, by requestor, the number of HCO Program records requested during the reporting month. This summary shall contain subtotals by document type, and overall totals for each requestor.
 4. All records reported as 'not delivered' or declared as undeliverable or irretrievable shall be carried forward and included in the next monthly report. The final disposition of every record request must be reported before that request is no longer carried forward into the next reporting period. If requests are dropped from the monthly progress prior to being either delivered or declared undeliverable or irretrievable, a PS shall be submitted.

8.3 RECORDS RETENTION AND RETRIEVAL COMPLIANCE PLAN

1. The Records Retention and Retrieval Compliance Plan shall describe how the Contractor will ensure adherence to all requirements throughout the term of the Contract.
2. The Contractor shall formally submit the initial Records Retention and Retrieval Compliance Plan to DHCS for review and approval in accordance to the requirements in Exhibit A, Attachment I – Takeover.
3. The Contractor shall review the Records Retention and Retrieval Compliance Plan and submit an updated copy to DHCS for review and approval:
 - a. Annually, through the term of Contract
 - b. Upon DHCS request
4. If the Contractor determines no updates are needed, certify to DHCS the Records Retention and Retrieval Compliance Plan is complete and up to date.

8.4 MANUALS AND RELATED DOCUMENTATION

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8.4.1 Development and Maintenance

1. Unless otherwise specified, the Contractor shall formally submit initial manuals and related documentation to DHCS for review and approval in accordance to the requirements in Exhibit A, Attachment I – Takeover.
2. The Contractor shall review manuals and related documentation and submit updated copy(ies) to DHCS for review and approval:
 - a. Annually, through the term of Contract
 - b. Upon DHCS request
 - c. As necessary if technical, operational or procedural change requires manual or documentation update.
3. If during the annual review or DHCS requested review, the Contractor determines no updates are needed, certify to DHCS the manual or related documentation is complete and up to date.

8.4.2 Records Retention and Retrieval Policy and Procedures Manual

1. The Retrieval Policy and Procedures (RP&P) manual shall describe the specific steps the Contractor must follow to achieve full compliance with the records retention and retrieval requirements established in this section.
1. The RP&P shall govern both Contractor and the DHCS records retention and retrieval procedures.
2. The Contractor shall:
 - a. Initially develop, submit and maintain the RP&P in accordance with the requirements contained in Exhibit A, Attachment I, Takeover.
 - b. Maintain and update the RP&P manual to ensure that it accurately reflects all changes to the Contractor's records retention procedures.
 - i. Procedural changes and all corresponding RP&P manual revisions shall be submitted to the DHCS for approval prior to implementation.
 - ii. Once DHCS approval of proposed RP&P revisions has been granted, the Contractor shall have fifteen (15) calendar days to update all Contractor maintained copies of the RP&P to reflect all approved revisions.
 - iii. The Contractor shall provide the DHCS with written certification each time the DHCS approves changes to the RP&P that the approved changes have been made within the required fifteen (15) calendar day time frame and that the RP&P is accurate, current and comprehensive.

**Exhibit A, Attachment II – Scope of Work
Operations – Security and Confidentiality****9.0 SECURITY AND CONFIDENTIALITY****9.1 OVERVIEW**

The Contractor is responsible for following industry best practices for ensuring that the Contractor's Health Care Options (HCO) facility(ies) are safe and securely protected, and that all HCO Program information designated as confidential information be maintained, secure from breach, and not provided, either intentionally or accidentally, to parties not authorized to have access to such information.

The provisions in this section supplement do not replace or supersede, the provisions of Exhibit D(F), Special Terms and Conditions, and Exhibit H, Health Insurance Portability and Accountability Act (HIPAA), Business Associate Addendum.

The objectives of this section are to:

1. Ensure security and confidentiality of all data, regardless of transmission method or medium, and all facilities, equipment and staff associated with this Contract;
2. Ensure compliance with all State and federal statutes and regulations – including the HIPAA of 1996 regulations regarding security and privacy of Protected Health Information (PHI); Exhibit D(F), Provision 13; OMB Circular A-130, National Institute of Standards and Technology (NIST) SP; and Exhibit H, HIPAA Business Associate Addendum(BAA);
3. Ensure the development and maintenance of a Security and Confidentiality Plan outlining the policies and procedures for the storage, processing and handling of all information (including Protected Health Information (PHI)) by the Contractor and subcontractors, as well as the security of all facilities, equipment and staff associated with this Contract to ensure compliance with regulations;
4. Ensure compliance with International Organization for Standardization; and
5. Establish a security and confidentiality training program as part of the Security and Confidentiality Plan that is specifically designed for all levels of Contractor staff.

9.2 REQUIREMENTS**9.2.1 General Requirements**

1. The Security and Confidentiality requirements in this section shall implement administrative, physical and technical safeguards that protect the confidentiality, integrity and availability of the public, confidential, sensitive and personal information that is created, processed, stored and transmitted by the Contractor.
2. The Contractor shall submit a Security and Confidentiality Plan, a Security and Confidentiality Compliance Plan, Manuals and related documentation in

**Exhibit A, Attachment II – Scope of Work
Operations – Security and Confidentiality**

accordance with requirements in this section and Exhibit A, Attachment I, Takeover.

3. All electronic media transmissions shall be encrypted using industry-standard protection approved by DHCS in writing.
4. If a subcontractor performs work on behalf of the Contractor, the Contractor must ensure that the subcontractor complies with all requirements set forth in this Section.
5. In the event of a data breach or security incident, the Contractor shall take the steps outlined in Exhibit H, HIPAA BAA.
6. All procedures, deliverables and/or related documentation required in this section shall be developed and formally submitted to the DHCS for review and written approval prior to implementation.
7. Provide all procedures, deliverables and/or related documentation to DHCS within one (1) business day after receipt of a request from DHCS.
8. All processes, procedures, standards, documents and deliverables shall be compliant with the following applicable authorities, including, but not limited to, as directed by DHCS:
 - a. Office of Management and Budget (OMB) Circular A-130,
 - b. NIST 800 Series Publications,
 - c. 45 Code of Federal Regulations, Section 205.50,
 - d. California Public Records Act (California Government Code §6250 et seq.)
 - e. Welfare and Institutions Code Sections 10850, 10850.1, 10850.2 and 14100.2,
 - f. Title 22, California Code of Regulations, Section 51009,
 - g. California State Administrative Manual (SAM), Section 5300-5399,
 - h. Information Practices Act of 1977 (Civil Code §1798 et seq.),
 - i. Confidentiality of Medical Information Act (California Civil Code §56 et seq.),
 - j. The Health Insurance Portability and Accountability Act of 1996 (HIPAA),
 - k. Federal Information Processing Standards (FIPS) Publications,
 - l. The Department of Health Care Services (DHCS) Information Security Office/Information Systems Security Requirements for Projects (ISO/SR1)
 - m. State Information Security Office Information Security Program Guide for SAM, and Health Administrative Manual (HAM),
 - n. Federal Information Security Management Act (FISMA) Compliance, and
 - o. other requirements of California and federal law, including related regulations and published guidelines, to the extent that these authorities contain requirements applicable to the Contractor's performance under this section.

**Exhibit A, Attachment II – Scope of Work
Operations – Security and Confidentiality****9.2.2 Security and Confidentiality Plan**

- A. The Security and Confidentiality Plan submitted with the Narrative Proposal shall be implemented within one (1) business day after the Contract Effective Date (CED).
- B. The Contractor shall review and maintain the Security and Confidentiality Plan annually and through the term of the contract.
- C. If the Contractor is initially using temporary facilities, two Security and Confidentiality Plans are required to be submitted:
 - 1. An interim Security and Confidentiality Plan for the temporary facility.
 - 2. The Security and Confidentiality Plan for the permanent facility.
- D. The Security and Confidentiality Plan shall, at a minimum:
 - 1. Provide an executive summary that serves as a guide to the structure of the plan, the procedures for plan maintenance, updating, and distribution.
 - 2. Identify and describe the processes and procedures that meet or exceed all security and confidentiality requirements and standards identified in this section.
 - 3. Provide the processes and procedures to ensure adequate physical and operational security for the various operations related to those portions of the network not supported by the California Office of Technology Services (OTECH) as well as prevents unauthorized disclosure of Confidential Information.
 - 4. Provide detailed standards and procedures for the following items:
 - a. Identifying and marking of Sensitive Information as defined by DHCS and/or PHI,
 - b. Storing of Sensitive Information, including custodial responsibility,
 - c. Access, retrieval, and duplication of Sensitive Information.
 - d. Disclosure of Sensitive Information, including approving authority, and
 - e. Disposal of inactive Sensitive Information, including secure archives and shredding/pulverizing/melting.
 - 5. Provide detailed standards and procedures for addressing the following potential categories of threats to sensitive information:

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Operations – Security and Confidentiality**

- a. Accidental disclosure, modification and/or destruction because of hardware error, process error, human error, or any combination of these.
 - b. Casual access, resulting in unauthorized disclosure, modification and/or destruction by, but not limited to:
 - i. Non-technical persons such as terminal operators, support staff, janitors, maintenance workers, vendors or subcontractors,
 - ii. Skilled technicians such as operations staff, or others who have significant expertise in all process areas,
 - iii. Managers, supervisors, and others with authorized access,
 - iv. Premeditated criminal acts,
 - v. Natural disasters, and
 - vi. Labor strikes.
6. Include all Contractor facilities associated with this Contract. Facilities shall include, but not be limited to: the computer room, software and data libraries, data preparation area, job entry and programming area, mail room/pickup areas, record retention sites, computer terminals (on/off-site), telephone room and any junction boxes between telephone room and computer room, and safe storage vaults (on/off-site).
 7. Identify all transportation and data holding resources, both temporary and permanent, used by the Contractor and the facilities which handle both electronic and/or hard copy data.
 8. Identify how processes, procedures, standards, documents and deliverables identified are compliant with the authorities cited in the General Requirements Section.
 9. Provide a template for the monthly report that will identify: All current and authorized staff and their levels of access to the operational facility(ies) and to specific areas of information based on job assignment.

9.2.3 Security and Confidentiality Requirements

The Contractor shall:

1. Upon DHCS request, the Contractor shall conduct a compliance assessment to demonstrate compliance with new State and/or federal requirements. The assessment and supporting documentation will be formally submitted to DHCS for review and approval. The requirement will be considered met once the Contractor receives formal written approval from DHCS.
2. Permit authorized DHCS staff to access any facility, equipment, and related materials covered by this Contract. Such access shall be at the discretion of the DHCS as described in Exhibit E, Additional Provisions, unless applicable law grants independent access to representatives of other DHCS and federal

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Operations – Security and Confidentiality**

agencies. Only authorized DHCS representatives shall have twenty-four (24) hour access to any HCO or subcontractor facility for the purpose of unannounced inspections and monitoring activities.

3. Secure all Contractor facilities, including disaster back-up sites, so that only authorized persons designated by the DHCS are permitted entry into the facility, and that such persons are restricted to those areas that they are permitted to access. Access control requirements shall include:
 - a. Facility entry and control points shall be locked or guarded at all times. An up-to-date copy of the security policy must be maintained in the security station, and its location and contents made aware to all security guards while on duty.
 - b. The Contractor shall provide the DHCS with a written certification that is signed by each security guard that he/she has reviewed the security policy, including all new material that has been updated or deleted.
 - c. The Contractor shall run a monthly status report to ensure that all cards with no activity in a month's time are deactivated unless explicitly authorized by DHCS. Control points shall be established for each of the following areas: main entrance to the facilities, service entrances, loading platform and garage entrances; inside entrance to the facility, and secondary entrances.
 - d. The facility(ies) shall be monitored by security guards twenty-four (24) hours per day, seven (7) days a week, including State holidays, unless directed by DHCS.
 - e. The security staff shall be responsible for entry into the facility between the hours of 7:00 AM and 6:00 PM, Pacific Standard Time, Monday through Friday, excluding State holidays, unless otherwise directed by DHCS. The Contractor staff shall be responsible for the issuance and monitoring of facility badges and contacting the appropriate staff for escorting guests into the facility(ies).
 - f. The Contractor shall monitor closed-circuit TV(s) which shall record vulnerable areas (e.g., using surveillance cameras with video recording equipment), including but not limited to: the reception area; all outside entrances to the facility(ies); inside entrances to the HCO Program areas, if other Contractor accounts are served from the same location; loading docks and garages; operations facilities/room; and on/off-site vault storage areas. The Contractor shall audit each twenty-four (24) hour record within one (1) business day of recording. The closed-circuit TV(s) and recording system shall link up to a monitoring station that is operative twenty-four (24) hours a day, seven (7) days a week. The recorded information for each twenty-four (24) hour period shall be logged and kept for a minimum of one-hundred eighty (180) calendar days from the date recorded. A copy

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of the recorded information, in a media determined by DHCS shall be provided to the DHCS within twenty-four (24) hours of request.

- g. Upon change of duty or termination of Contractor staff, access authority shall be updated or removed immediately, and upon change of employment status, DHCS should be notified of such change.
- h. Require a badge, with a recent photo, and key card system using a two (2)-factor authentication system, for staff. Staff badges shall denote the level of access allowed to the individual. Temporary badges shall be required for visitors. Visitor badges shall denote whether escort by Contractor or authorized DHCS staff is required. The key card for all Contractor staff and visitors shall be re-coded every six (6) months throughout the Contract term, unless the Contractor proposes and the DHCS accepts an equivalent system that shall provide equal protection for the facility environment.
- i. Require a key card system for entrance to all DHCS-designated areas. All entrance doors to DHCS-designated areas shall have a key card system that requires the use of the key card at all times including normal business hours and records access of staff (Contractor and Department) entering after non-business hours.
- j. The Contractor shall record access of all staff entering the DHCS designated areas and submit a security access report to the DHCS each month. The report must include, but not be limited to, badge number, name of employee assigned to the badge number, designated section or unit the employee is assigned to work, whether any Contractor or DHCS staff were denied entry, and the date, time, and location of the access.
- k. Log the entry and exit of visitors and messengers by visitor name, agency represented, date and time of arrival and departure, telephone number, and name of individual to whom visit is made. Identification and/or credentials of all visitors and messengers shall be verified and validated. Visitors and messengers shall be given badges and escorted to their destination by the Contractor staff, DHCS employee, or security guard. All temporary badges shall be monitored, tracked and retrieved from visitors and messengers upon their departure and the entry log updated. The entry log shall be audited daily. The Contractor shall, at the end of each business day, disable all temporary access badges that are not returned at the end of that business day. The Contractor shall not issue any temporary badge on a permanent basis to any entity. A copy of the entry log shall be submitted to the DHCS monthly.
- l. Secure and lock the telecommunications area and any junction boxes between the telephone room and the operations room at all times with key control under the supervision of the building and/or data processing management. The appropriate DHCS staff shall have access to all

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operations rooms and phone rooms, as part of standard network staff badge access as directed by the DHCS.

- m. Secure and lock the operations and equipment room/facilities at all times. Access must be monitored and auditable (i.e. use of individual access cards).
 - n. Protect the facility(ies) against intrusion with a surveillance alarm extended to a manned monitoring center.
4. Protect all information files, whether hard copy or electronic copy, to prevent unauthorized access.
 5. Develop and submit to the DHCS procedures for the handling, packaging, and transportation of Sensitive and Confidential Information, PHI and resources. The procedures shall ensure against unauthorized access. The Contractor shall use a traceable bonded courier service when transporting any document(s) or report(s) or any other type of media that contains PHI.
 6. Ensure only authorized persons may access in accordance with a person's duties (role-based access), the following:
 - a. Sensitive or confidential Information and PHI;
 - b. Process programs and process documentation, including procedure manuals;
 - c. Operations room, information libraries, and vaults
 7. Establish and maintain DHCS approved internal security procedures and set safeguards in effect, which protect against possible collusion between Contractor employees and any other party, as well as safeguard against other potential security breaches. These procedures must be reviewed and approved by DHCS.
 8. Upon employee termination or layoff notification the Contractor shall immediately revoke key card access and access to all systems/applications and escort the employee from the Contractor's premises. Employees shall not be allowed to return to their work area unescorted after being notified that they have been terminated or laid off.
 9. Protect every Department automated file by the Resource Access Control Facility (RACF)/Access Control Facility/2 (ACF/2), or equivalent software, to prevent unauthorized access.
 10. Require passwords to access HCO Contractor functions and/or any associated applications via computer terminal.
 11. Establish a Network Access Help Desk to assist DHCS authorized users in resolving password/access inquiries. Upon request from a DHCS user, in

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- writing, the Contractor shall reset expired passwords or resolve other password problems.
12. Develop and submit to DHCS for approval, procedures for the handling, packaging, and transportation of sensitive/confidential data or resources. The procedures shall ensure against unauthorized access. The Contractor shall use a traceable bonded courier service when transporting any document(s) or report(s) or any other type of media that contains PHI.
 13. Be required to encrypt all “at rest” data. This includes but is not limited to compact discs (CD’s), flash drives, and any electronic format that stores PHI data
 14. Provide a scalable solution for the telecommunications links among the California Office of Technology Services primary and secondary sites and the HCO primary and secondary sites.
 15. Implement a solution that tracks the system access of all employees including Contractor and State employees. Applications to be tracked include, but are not limited to, HCO and all subsystems, State Fair Hearings, Project Management System, Document Management System, Electronic Imaging Management Systems and any other applications that contain PHI or confidential information. The solution must be able to report the following at a minimum:
 - i. Employee name;
 - ii. Date and time access was granted;
 - iii. Name of system(s)/application(s);
 - iv. Access level granted;
 - v. Access changes (including system, date/time, access level); and
 - vi. Person granting the access or modifying the access (including revoking access).
 16. Implement a solution to enable:
 - a. A Host-Based Intrusion Detection System (HIDS) that integrates with the existing Medi-Cal environment on Department servers containing Medi-Cal information;
 - b. Internet Protocol (IP) source filtering to allow only authorized network access to database servers containing PHI; and
 - c. Server-hardening standards for all existing and new servers to include HIDS congruent with the DHCS Information Security Office standards.

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17. Implement a solution that provides for:
- a. Encrypting email communications;
 - b. Database client authentication;
 - c. Appropriate logging and auditing;
 - d. Specific security enhanced modifications; and
 - e. Includes validation mechanism that verifies with the original sender all new email addresses registered from their e-mail.
18. Implement a solution in place that provides for secure transfer of data between the data centers, the Contractor and Otech data centers.

9.2.4 Risk Analysis/Assessment Requirements

In order to ensure that all data, hard copy or electronic, including PHI, shall remain secure and confidential, the Contractor shall perform an analysis of the risks that exist to keep that information private.

The Contractor shall:

- A. Submit a Risk Analysis/Assessment report for DHCS review and approval in accordance with requirements in Exhibit A, Attachment I Takeover and semi-annually through the term of the Contract.
- B. Perform and document a detailed Risk Analysis/Assessment report, which defines all risks associated with collection, storage, processing, transition, transportation, discarding or use of information under this Contract. This analysis/assessment shall be completed by an approved Risk Assessor and reviewed by the Contractor's Information Security Officer prior to submission to the DHCS.
- C. Provide the Risk Analysis/Assessment report that contains timeframes for implementing the specified safeguards.
- D. Ensure the Risk Analysis/Assessment report be submitted as a separate document.
- E. Ensure all backup documentation and safeguard review materials are delivered to the DHCS simultaneously with the Risk Analysis/Assessment report. Quarterly, or as the Contractor or DHCS deem necessary the Contractor shall perform additional Risk Analyses/assessments; review implemented safeguards; and modify, add, or delete safeguards as the need arises and as the DHCS requests.
- F. Ensure the Risk Analysis/Assessment report is submitted to the DHCS for review and written approval. and that safeguard implementation is completed, two (2) months prior to Assumption of Operations and annually thereafter. As risks not

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addressed or addressed insufficiently are found, the Contractor shall have performed and then submit additional Risk Analysis/Assessment reports, review implemented safeguards, and modify, add, or delete safeguards as the need arises or as the DHCS requests.

- G. Perform a risk analysis, and submit a Risk Analysis/Assessment report and a Corrective Action Plan for each identified issue to the DHCS no later than ten (10) business days of written notification and/or Contractor identification of the risk.

9.2.5 Security and Confidentiality Training Program Requirements

The Contractor shall:

1. Establish a security and confidentiality training program as part of the Security and Confidentiality Plan that is specifically designed for all levels of Contractor staff. All persons and all Contractor staff having responsibility for data processing equipment and/or the handling or processing of, or the exposure to confidential data shall participate. Such training shall occur no later than two weeks of the Department's approval of the training program. Once fully established and presented, an annual training program for all staff shall be maintained to ensure a continual awareness of security and confidentiality requirements. Additionally, new employees shall receive security and confidentiality training within one work week (five days) of their start date before they are given any exposure to confidential data. The Contractor shall also include fire and safety training in the training. The training shall cover a full range of security and confidentiality concerns including, but not limited to:
 - a. Definition of confidential data and examples of the various types, both paper and electronic;
 - b. Federal and State law pertaining to confidential data; (Health Insurance Portability and Accountability Act (HIPAA), Information Practices Act, W&I Code section 14100.2, National Institute of Standards and Technology (NIST), etc.;
 - c. Staffs' ongoing responsibility to ensure that unauthorized disclosure does not occur, with practical and realistic examples as to how such disclosure can occur, and what actions will be taken by all staff to minimize or preclude the occurrence of unauthorized disclosure; and
 - d. Both manual and automated processes and the procedures that have been developed to protect these processes.
2. Ensure all Contractor staff having access to DHCS' data and/or networks must attend DHCS' Information Security Training annually. Failure to complete such training will result in the employee being removed from the Contracting Officer's network until such requirements are met. Any employees found to be in violation

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of the policies set forth in this agreement, as well as the agreements set forth in the DHCS training course, will be removed from the Contracting Officer's network indefinitely. All changes in employee status (e.g., new hires, promotions, or separations) must be reported to the Contracting Officer immediately.

3. Submit annually, a report documenting employee attendance at Security and Confidentiality Training during the previous year. This report must include, at minimum:
 - a. Employee name;
 - b. Contractor's section/unit employee works in;
 - c. Date of last training; and
 - d. Due date for next training.

The report must reflect if the employee is overdue for training, and identify reasons for delays in training or non-attendance.

4. Ensure that the contents of this section are included in the standard language of any subcontract entered into to perform work arising from or related to this Contract; including completion and approval of the BAA by the DHCS and all parties.
5. Submit documentation acceptable to DHCS to demonstrate compliance with security and confidentiality requirements and certification, in writing, that all requirements of this section have been, and will continue to be met, throughout the term of the Contract.

9.2.6 Information Security/Privacy Office Requirements**9.2.6.1. Overview**

The Information Security/Privacy Office provides oversight of the Contractor's Information Security Program and Contractor's Privacy Program. These programs encompass all sensitive systems (i.e., automated and manual, physical and logical, and confidential information).

9.2.6.2 Staff Requirements

1. The Contractor shall employ an Information Security and Privacy Officer to manage the Information Security/Privacy Office.
2. The Information Security Officer and Privacy Officer shall be fulltime, dedicated employees located at the Contractors' facility.
3. The HCO Information Security Officer shall possess a current Certified Information Systems Security Professional (CISSP) certification. The following Security Administration Networking and Security (SANS)

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certifications are additional desired qualifications: Certified Information Systems Auditor (CISA), Global Information Assurance Certificate (GIAC), Security + Cisco Certified Internetwork Expert (CCIE), Certified Wireless Security Professional (CWSP), Systems Security Certified Practitioner (SSCP), and Certified Ethical Hacker.

4. Contractor staff identified in this section shall require DHCS approval.

9.2.6.3 Office Requirements

1. The Contractor shall, for the life of the Contract, establish and maintain an Information Security and Privacy Office.
2. The established Information Security and Privacy Office shall properly execute the functions of the Information Security and Privacy Office as intended by the terms and conditions throughout this Contract.
3. The Information Security/Privacy Office duties shall include, but is not limited to: Develop security policies, procedures, and criteria for the collection, storage, access, and destruction of information assets. The policies and procedures provide the operational guidelines and delineate the roles and responsibilities of the Contractor's entities for assuring the security and integrity of information assets.

9.2.7 Reporting Requirements

The Security and Confidentiality specific reporting requirements identified in this section shall comply with general reporting provisions specified in Exhibit A, Attachment II, Section 7 – Reports. The following are the minimum reporting requirements for the requirements specified herein. DHCS reserves the right to request additional reporting elements throughout the term of the contract.

The Contractor shall submit reports on a monthly basis to include, but not be limited to, a Security and Confidentiality Report (S&CR). The report shall include, at a minimum, the following information:

1. Total number of threats to Sensitive and/or Confidential Information by accidental disclosures, modifications and/or destruction;
2. Total number of threats to Sensitive and/or Confidential Information by casual access, resulting in unauthorized disclosure, modification and/or destruction;
3. Total number of threats to the security of the HCO facility(ies);
4. Threats made, by type;
5. Total number, by type, of authorized DHCS, federal and all other DHCS approved entities, of approved access to all HCO facilities, equipment and related materials (except for the normal day-to-day access to DHCS/HCO staff); and

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6. A summary of the daily video surveillance monitoring.

9.3 SECURITY AND CONFIDENTIALITY COMPLIANCE PLAN

1. The Security and Confidentiality Compliance Plan shall describe how the Contractor will ensure adherence to all requirements throughout the term of the Contract.
2. The Security and Confidentiality Compliance Plan shall include, but not be limited to:
 - a. Identifying each Contractual requirement
 - b. If the Contractor is currently meeting that requirement (Yes/No)
 - c. A description of how the Contractor is complying or justification and plan to meet that requirement
 - d. Any additional information the Contractor determines is relevant
3. The Contractor shall formally submit the initial Security and Confidentiality Compliance Plan to DHCS for review and approval in accordance to the requirements in Exhibit A, Attachment I – Takeover.
4. The Contractor shall review the Security and Confidentiality Compliance Plan and submit an updated copy to DHCS for review and approval:
 - a. Annually throughout the term of Contract.
 - b. Upon DHCS request.
5. If the Contractor determines no updates are needed, the Contractor shall certify to DHCS the Security and Confidentiality Compliance Plan is complete and up to date.
6. At the same time, the Contractor shall also certify to DHCS, in writing, that:
 - a. There is compliance to all related requirements for the reporting period. If there are any compliance issues in the current reporting period, identify the issue and all provide all necessary information.
 - b. The Contractor anticipates continued compliance through the term of the contract. If there is an issue or a risk that will impact future compliance, identify the issue or risk and provide all necessary information.

9.4 MANUALS AND RELATED DOCUMENTATION**9.4.1 Development and Maintenance**

1. Unless otherwise specified, the Contractor shall formally submit initial manuals and related documentation to DHCS for review and approval in accordance to the requirements in Exhibit A, Attachment I – Takeover.
2. The Contractor shall review manuals and related documentation and submit updated copy(ies) to DHCS for review and approval:
 - a. Annually, throughout the term of Contract,
 - b. Upon DHCS request, and

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- c. As necessary if technical, operational or procedural change requires manual or documentation update.
3. If during the annual review or the DHCS requested review, the Contractor determines no updates are needed; certify to DHCS the manual or related documentation is complete and up to date.

9.4.2 MANUALS AND RELATED DOCUMENTATION

The following are Security and Confidentiality manuals and related documentation:

1. Security and Confidentiality Plan (includes Procedures),
2. Reports identified in the Reporting Requirements Section,
3. Information handling Procedures, and
4. Master Index of Records.

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**Exhibit A, Attachment II – Scope of Work
Operations – Disaster Prevention, Disaster Recovery, and Business Continuity**

10.0 DISASTER PREVENTION, DISASTER RECOVERY, AND BUSINESS CONTINUITY**10.1 OVERVIEW**

This section describes the requirements for Disaster Prevention, Disaster Recovery and Business Continuity for Health Care Options (HCO) Operations performed by the Contractor.

The Contractor is responsible for following industry best practices and the requirements in this Contract to prevent emergencies and disasters, ensure prompt detection of emergencies and disasters, report such incidents to appropriate authorities, adequately handle all types of emergencies and disasters, and have contingency plans for adequate back-up and recovery for all HCO Operations.

The Disaster Prevention, Disaster Recovery, and Business Continuity Plans in this section shall:

- A. Ensure that staff for DHCS and the Contractor, as well as the facilities in which they work, are safe and secure from emergencies and disasters, and if such occur, staff are protected from harm, and that Contract requirements continue to be met.
- B. Ensure the protection and recovery of all information, facilities and equipment associated with this Contract in the event of a disaster.

10.2 REQUIREMENTS**10.2.1 GENERAL REQUIREMENTS**

1. The requirements in this section shall be implemented by Contract Effective Date (CED).
2. The requirements in this section shall apply to any and all subcontractors that perform work for this Contract.
3. The Contractor shall submit Plans, Manuals and related documentation in accordance with requirements in this section and Exhibit A Attachment I Takeover.
4. If the Contractor initially uses temporary facilities, interim plans shall be submitted as a separate part of the Disaster Prevention, Business Continuity, and Disaster Recovery Plan that clearly addresses how the Contract requirements shall be met in the temporary facilities.
5. If the Contractor is initially using temporary facilities, two separate Plans are required to be submitted for:
 - a. An interim Plan for the temporary facility
 - b. The Plan for the permanent facility

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For each of the Disaster Prevention Plan, Disaster Recovery Plan and Business Continuity Plan.

10.2.2 DISASTER PREVENTION AND INITIAL RESPONSE PLAN REQUIREMENTS

The section identifies the tasks, activities and procedures the Contractor will implement to prevent a disaster or an emergency or use in the event of an emergency or a disaster for notification and evacuation.

The Disaster Prevention and Initial Response Plan (DPIRP) shall, at a minimum:

- a. Provide an executive summary that serves as a guide to the structure of the plan, the procedures for plan maintenance, updating, and distribution.
- b. Describe the necessary tasks and procedures to meet or exceed the protection requirements identified in this Section.
- c. Describe procedures for prompt detection and reporting of disasters to appropriate authorities and the emergency handling by staff of all emergencies and disasters.
- d. Identify the procedures for coordinating with DHCS in the event of a disaster.
- e. Describe the procedures for notifying DHCS, Managed Care Plans, Beneficiaries, and other relevant parties detailing the status of the system and any alternative phone numbers and/or business plans in the event of a disaster.
- f. Include a communication strategy noting information flow, decision making, and interrelationships among DHCS' core resources for response, recovery, and resumption.
- g. Identify procedures for dealing with safety measures, evacuation of the facility(ies) and regular emergency preparedness drills. These procedures shall include, but are not limited to planning for:
 - i. Assignment and publication of trained emergency and medical response teams for each area, updated monthly, who can be easily identified by employees.
 - ii. Safe Designation of meeting places for staff after evacuation.
 - iii. Posting of exit signs and "evacuation route" maps throughout the facility(ies).

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- iv. Clearing of personnel from all areas including, but not limited to, desks/workstations, work areas, restrooms, conference rooms, and lounge areas.
- v. Evacuation of persons with disabilities.
- vi. Facility(ies) re-entry procedures that includes validating individual identification.
- vii. Disaster/fire prevention training (including First Aid/CPR, Automated External Defibrillator (AED), Cardio Pulmonary Resuscitation (CPR)) training for designated emergency and medical response teams for assigned DHCS and Contractor staff. If the Contractor provides training to their staff, DHCS shall have the option to attend any of the training sessions, with advance notice provided to the Contractor. If the Contractor provides training to their staff, the Contractor shall provide a monthly schedule of such training sessions, along with a syllabus and training materials, if any, to DHCS in advance of each training session.
- viii. Conduct monthly safety meetings with assigned Contractor staff to identify changes in policy and procedures. A designated DHCS representative must be present.
- ix. Ensure procedures for discussing the precautions and steps to be taken to prevent and/or to minimize disaster aftermath in terms of danger to personnel, information, equipment, and the facility(ies).
- x. Ensure safe and secure work environments as well as the procedures to use in the event a disaster occurs.

10.2.2.1 FACILITY ENVIRONMENT PROTECTION REQUIREMENTS

The Contractor shall:

- A. Ensure HCO Operations facility(ies) are equipped with adequate measures and means to ensure prompt detection of any disaster as defined in Exhibit A, Attachment II, Section 10.0 Disaster Prevention, Disaster Recovery, and Business Continuity.
- B. Ensure facility(ies) are protected from physical disaster by the safeguards specified in this section.
- C. Comply with existing federal, State, and local building codes, including the Americans with Disability Act (ADA) standards.
- D. Facility(ies) shall comply with equipment vendor requirements for temperature, humidity, and cleanliness.

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- E. Any identified sources of potential operation equipment malfunction shall be eliminated or corrected immediately.
- F. Maintain an operational back-up power supply, operational within sixty (60) seconds of a power failure, capable of supporting critical HCO Operations functions, until power is restored in the event of power failure.

10.2.2.2 FIRE PROTECTION REQUIREMENTS

The Contractor shall:

- A. Ensure the main operating facility complies with existing federal, State, and local fire safety regulations.
- B. Ensure the fire detection and alarm system power supply is uninterruptible with a twenty-four (24) hour battery pack.
- C. Ensure all doors, which are required to remain locked by this Contract and that serve as points of egress in the event of emergency, be equipped with “panic bar” door releases or, with the approval of DHCS, equivalent mechanisms that comply with existing federal, State and local fire safety regulations.

10.2.2.3 FLOOD AND EARTHQUAKE PROTECTION REQUIREMENTS

The Contractor shall:

- A. Ensure facility(ies) be located at DHCS approved sites that will be considered reasonably safe from flood and earthquake damage.
- B. Install and maintain equipment to sense water intrusion and to warn appropriate staff of such intrusion, especially in areas housing electrical equipment, and/or any stored records.
- C. Ensure procedures discussing water intrusion, earthquakes, and the precautions and steps to be taken to prevent or to minimize the results of these eventualities in terms of danger to personnel, data, equipment, and facilities be developed and submitted to DHCS for approval.

10.2.2.4 MISCELLANEOUS DISASTER PROTECTION REQUIREMENTS

The Contractor shall:

- A. To the maximum extent possible, safeguard the staff and facilities from danger stemming from bomb threats, explosions, assaults, hostage takeover, hazardous material spills, civil disturbances, and terrorism.

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- B. Develop procedures dealing with these eventualities and shall submit such procedures to DHCS.
- C. All Contractor staff and designated DHCS staff shall have access to, and be familiar with procedures to address bomb threats, explosions, assaults, hostage takeover, hazardous material spills, civil disturbances, and terrorism.
- D. Comply with local Homeland Security Measures as directed by the State Office of Emergency Services (OES).

10.2.3 BUSINESS CONTINUITY PLAN REQUIREMENTS

- 1. The Contractor shall:
 - a. Develop, implement, and maintain a Business Continuity Plan (BCP), that identifies processes and procedures for back-up and recovery of all critical HCO Operations, both manual and automated.
 - b. Ensure all back-up and recovery functions shall meet the timeframes specified in this section.
- 2. All new systems/applications added during the term of the Contract shall adhere to this requirement unless approved in writing by DHCS.
- 3. Complete the plan and test prior to Assumption of Operations.
- 4. The Contractor shall review and maintain the BCP annually, and through the term of the Contract.
- 5. The BCP shall, at a minimum, include the following:
 - a. Describe the processes and procedures for back-up and recovery of all critical HCO Operations, both manual and automated,
 - b. Identify every resource that requires back-up and what type of back-up is required, and
 - c. Identify the software and data back-up requirements inclusive of specifying the Recovery Time Objective (RTO) and Recovery Point Objective (RPO).

10.2.3.1 BACK-UP REDUNDANCY REQUIREMENTS

- 1. Back-up/redundancy needs shall be determined through completion of Risk Analysis and Business Impact Analysis (BIA) Reports. Back-up / Redundancy needs (both on and off-site) shall be included for:
 - a. Checkpoint/restart capabilities;
 - b. Retention and storage of back-up files and software;
 - c. Hardware back-up for the main processor;

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- d. Hardware back-up for data entry equipment;
 - e. Network back-up for telecommunications;
 - f. Data entry back-up. Data entry back-up/Redundancy shall be volume tested and adjustments implemented, if necessary, to ensure that the data entry back-up system has demonstrated the capability to handle the HCO data entry volume;
 - g. Data files plus file log (including location of files);
 - h. Application and operating system software libraries, including related documentation;
 - i. Personal computer applications developed outside of HCO; and
 - j. Procedure and user manuals.
2. The Contractor shall address and provide adequate accommodations to ensure the continuity of operations with DHCS staff.
 3. The back-up plan must also address back up and offsite storage schedules that will allow the system(s) to be recovered to a specific point in time regardless of the type of failure that occurs. This includes data and system recovery in either the primary or alternate (back-up) facility(ies).
 4. Off-site storage of back-up operating instructions, procedures, reference files, system documentation, and operational files, shall begin during the Takeover period.
 5. At least one complete and continuously updated set of all material stored shall be maintained within twenty-five (25) miles of the Contractor's facility for easy retrieval.
 6. Procedures for updating off-site materials shall be submitted to DHCS for review and written approval four (4) months prior to Assumption of Operations. See Exhibit A, Attachment I, Takeover requirements.

10.2.4 DISASTER RECOVERY PLAN REQUIREMENTS

1. The Contractor shall develop, implement, and maintain a Disaster Recovery Plan that contains a comprehensive list of actions to be performed before, during, and after any event that causes a significant loss of critical HCO Operations.
2. The plan shall include procedures for responding to an emergency, providing extended back-up operations during the interruption, and managing recovery processes afterwards; should HCO experience a substantial loss of processing capability.

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3. In case of a disaster the Contractor must make sure that DHCS and Contracted employees within the Contractor's facility(ies), are able to perform their duties.
4. The Disaster Recovery Plan shall include, but not limited, to the following:
 - a. Listing of DHCS and Contractor staff to be contacted in the event of disaster. Assigned staff shall be thoroughly familiar with recovery procedures.
 - b. Procedures for notifying DHCS, Managed Care Plans, Beneficiaries, and other relevant parties detailing the status of the system and any alternative phone numbers and/or business plans.
 - c. An executive summary that serves as a guide to the structure of the plan, the procedures for updating and distributing the plan.
 - d. Develop a communication strategy noting information flow, decision making, and interrelationships among DHCS' core resources for response, recovery, and resumption.
 - e. Procedures to provide both designated DHCS and Contractor staff with the ability to implement critical processes at an alternate site and return to the primary site and normal processing within a time frame that minimizes the loss to the organization, by executing rapid recover procedures.
 - f. A contingency plan for emergencies to protect the availability, integrity and security of data during unexpected events. This may include fires, floods, earthquakes, or other events that cause damage to the IT department that contain electronic Protected Health Information (PHI), all HCO's workforce personnel, facilities, vital records, equipment, supplies, partners, and service providers.
 - g. Demonstrate the Contractor's ability to recover from DHCS defined disaster situations on at least an annual basis.
 - h. If the recovery includes the use of a third party to handle interim operations, the contingency plan must include the method to assure the availability of all necessary operations. The plan must include guarantees that in the event of a disaster, DHCS shall be the first priority when receiving services from a third party.

10.2.4.1 BACK-UP FACILITY(IES) REQUIREMENTS

1. The Contractor shall allocate specific resources to an adequate back-up facility(ies), identified four (4) months prior to Assumption of Operations, where HCO Operations can continue in the event of a disaster, major hardware problem or labor dispute that renders the main operating facility inoperable.

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2. The designated back-up facility(ies) shall be in a location(s) that is sufficiently removed from the main operation facility so that the event(s) that triggered the need to use the back-up facility(ies) does not interfere with the ability of such back-up facility(ies) to fulfill all Contract requirements.
3. The back-up facility(ies) and resources shall be sufficient to comply with Contract requirements.
4. Specific back-up facility(ies) and resources shall be designated to handle various types of potential disasters, major hardware problems or labor disputes.
5. The back-up facility(ies) shall provide for everything necessary to continue daily HCO Operations as required in the Contract, including but not limited to:
 - a. Hardware and software compatibility between the back-up facility(ies) and the main operating facility.
 - b. Availability of computer resources including computer time and all necessary peripherals for the entire HCO Operations.
 - c. Availability of offsite data entry services, both key data and scanning.
 - d. Availability of alternate space for both Contractor, and up to ten (10) DHCS staff, and equipment in the event that the main operating facility cannot be used (e.g., it is destroyed, staff cannot occupy the building, or labor dispute), and the availability of adequate Contractor staff to fully support HCO Operations with no interruption to services.
 - e. Switching of HCO Operations Local Area Networks (LAN)/terminals to back-up facility(ies).
 - f. Access to all resources mentioned in the back-up requirements identified above.
 - g. Ability to shift HCO Operations to the backup facility(ies) within time frames and priorities which are acceptable to DHCS.
 - h. Availability of adequate telephone resources including Telephone Call Center (TCC) toll-free telephone lines and all necessary peripherals for the TCC functions.
 - i. A dedicated active telecommunications connection to the Department of Technology data center for continued processing.
 - j. After an initial test, to be conducted during Takeover, the Contractor shall thereafter, make an annual test no later than June thirtieth (30th) of each year, of the back-up facility(ies)'s ability to assume full HCO Operations. At DHCS' discretion, DHCS staff shall observe any and/or all back-up and recovery tests. On an annual basis, a maximum of four (4) DHCS staff shall be allowed to inspect and observe any and/or all backup and recovery tests for facilities located out of California. Following completion of each back-up and recovery test, the Contractor shall submit a written report to DHCS, thoroughly describing the test, including, but not limited to:

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- i. The nature and extent of the disaster or problem that requires back-up operation.
 - ii. The communication strategy used and the managers notified.
 - iii. The steps and time taken to mitigate the effects of the problem (e.g., disaster) and to recover full HCO Operations processing.
 - iv. The steps taken to prevent similar problems in the future.
 - v. Any points of failure or recovery problems encountered (other than the initial disaster) along with steps taken to mitigate the problem; and
 - vi. Lessons learned.
6. The back-up facility(ies) shall be available for transfer of any and/or all critical HCO Operations within twenty-four (24) hours after the main operating facility is unable to perform any and/or all critical HCO Operations.
 7. Three (3) business days after the main operating facility is unable to perform any and/or all critical HCO Operations, all critical HCO Operation(s) shall be fully resumed.
 8. Full HCO Operations shall be resumed within seven (7) business days after the main operating facility is unable to perform any and/or all HCO Operations.

10.2.5 RISK ANALYSIS/ASSESSMENT REQUIREMENTS

The Contractor shall:

1. Annually perform and document a detailed risk analysis, which defines all risks associated with collection, storage, processing, transition, transportation, discarding, or any other use of data under this Contract.
2. The Risk Analysis document shall contain timeframes for implementing the specified safeguards.
3. The Contractor shall submit the risk analysis to DHCS for review and approval;
4. Implement safeguards that provide adequate protection against all risks identified in the Risk Analysis/Assessment report, including terrorism and biological threats. For each identified threat or risk, the Contractor shall specify in the Risk Analysis/Assessment report the following:
 - a. An estimate of potential loss for each identified threat in terms of lost productivity, and the impact upon the Contractor's ability to meet Contract requirements.
 - b. An estimate of the probability of occurrence of each threat in a specified period of time.
 - c. The safeguards to be used to reduce the exposure to these threats to an acceptable level.
5. Ensure the Risk Analysis/Assessment report be submitted as a separate document.

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6. Ensure all Risk Analysis/Assessment report backup documentation and safeguard review materials be submitted to DHCS simultaneously with the Risk Analysis/Assessment report. Annually, or as the Contractor or DHCS become aware of, the Contractor shall perform additional Risk Analyses; review implemented safeguards; and modify, add, or delete safeguards as the need arises and as the DHCS requests.
7. Ensure the Risk Analysis/Assessment report shall be submitted to DHCS for review and approval, and safeguard implementation be completed, two (2) months prior to Assumption of Operations and thereafter. As risks not addressed or addressed insufficiently are found, the Contractor shall have performed and then submit additional Risk Analysis/Assessment reports, review implemented safeguards, and modify, add, or delete safeguards as the need arises and as DHCS requests.
8. Perform a Risk Analysis/Assessment, and submit a Risk Analysis/Assessment report and a Corrective Action Plan for each identified issue to DHCS no later than ten (10) business days of written notification and/or Contractor identification of the risk.
9. Mitigates the potential for loss of data, facilities and equipment during emergencies or disasters by outlining the policies and procedures to be adhered to in all HCO Operations facilities.
10. Develop a Business Impact Analysis (BIA) that demonstrates knowledge of critical processes and stakeholders, and specifically what information that needs to be gathered to quantify a true business impact in the event of a disaster. Include the means through which data will be gathered, who might be contacted, and how the data would be compiled and presented to DHCS. Areas of impact that should at least be covered are:
 - a. Operations
 - b. Technology
 - c. Legal
 - d. Financial
 - e. Reputation

10.2.6 Reporting Requirements

The Disaster Prevention and Recovery specific reporting requirements identified in this section shall comply with general reporting provisions specified in Exhibit A, Attachment II, Section 7 – Reports. The following are the minimum reporting requirements for the requirements specified herein. DHCS reserves the right to request additional reporting elements throughout the term of the contract.

The Contractor shall submit reports on a quarterly basis to include, but not be limited to:

1. A report of the safety meetings held during each quarter. The report shall include:
 - a. Staff in attendance; and

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- b. Topics discussed.
2. A report of any disaster recovery activities during each month, if any. The report shall include:
 - a. All back-up activities used;
 - b. All recovery activities used; and
 - c. All back-up facilities used and requirements used.
3. A report of the emergency preparedness drill conducted during that quarter.
The report shall include:
 - a. The type of drill performed;
 - b. The success/failure of the drill;
 - c. Lessons learned from drill; and
 - d. Any updates to manuals and process improvement as a result of drill.

10.3 COMPLIANCE PLAN

1. The Disaster Prevention and Recovery Compliance Plan shall describe how the Contractor will ensure adherence to all requirements throughout the term of the Contract.
2. The Disaster Prevention and Recovery Compliance Plan shall include, but not be limited to:
 - a. Identifying each Contractual requirement
 - b. If the Contractor is currently meeting that requirement (Yes/No)
 - c. A description of how Contractor is complying that requirement
 - d. Any additional information the Contractor determines is relevant.
3. The Contractor shall formally submit the initial Disaster Prevention and Recovery Compliance Plan to DHCS for review and approval in accordance to the requirements in Exhibit A, Attachment I – Takeover.
4. The Contractor shall review the Disaster Prevention and Recovery Compliance Plan and submit an updated copy to DHCS for review and approval:
 - a. Annually through the term of Contract.
 - b. Upon DHCS request

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5. If the Contractor determines no updates are needed, the Contractor shall certify to DHCS the Disaster Prevention and Recovery Compliance Plan is complete and up to date.
6. At the same time, the Contractor shall also certify to DHCS, in writing, that:
 - a. Contractor is in compliance with all related requirements for the reporting period.
 - b. If there are any compliance issues or risks in the current or future reporting periods, identify the issue/risk and a description of how contractor will correct and/or mitigate issue/risk and timelines for achieving compliance.

10.4 MANUALS AND RELATED DOCUMENTATION

10.4.1 DEVELOPMENT AND MAINTENANCE

1. Unless otherwise specified in this Section, the Contractor shall formally submit initial manuals and related documentation to DHCS for review and approval in accordance to the requirements in Exhibit A, Attachment I – Takeover.
2. The Contractor shall review manuals and related documentation and submit updated copy(ies) to DHCS for review and approval:
 - a. Annually, throughout the term of Contract,
 - b. Upon DHCS request, and
 - c. As necessary if technical, operational or procedural change requires manual or documentation updates.
3. If during the annual review or DHCS requested review, the Contractor determines no updates are needed, certify to DHCS the manual or related documentation is complete and up to date.

10.4.2 MANUALS AND RELATED DOCUMENTATION

The following are the manuals and related documentation for this section:

1. Disaster Prevention and Initial Response Plan (DPIRP)
2. Business Continuity Plan (BCP)
3. Disaster Recovery Plan (DRP)
4. Risk Analysis/Assessment
5. Business Impact Analysis (BIA) Reports

**Exhibit A, Attachment II – Scope of Work
Operations – Systems Requirements****11.0 SYSTEMS REQUIREMENTS****11.1 OVERVIEW**

This section defines the standards, safeguards and protocols for the Contractor to use to ensure the integrity any automated systems and supporting hardware, equipment and software proposed and accepted by DHCS to meet contract requirements.

Nothing contained in this section shall be construed to state a requirement to propose an automated system to support requirements outlined in Exhibit A, Attachment II – Operations Scope of Work. Mandatory language, such as the use of the word “shall” in this section states a requirement only if an automated system is proposed and accepted as part of the Contract. The requirements outlined in this section are in addition to, and shall not supersede, all other requirements established in Exhibit A, Attachment II. This section defines the standards, safeguards and protocols for the use of automated systems and supporting hardware, equipment and software proposed and accepted as part of the contract.

11.2 REQUIREMENTS**11.2.1 Hardware, Equipment, and Software**

The Contractor shall ensure that any proposed hardware, equipment and software developed and/or installed to support requirements set forth in the Contract, meets the following requirements:

1. The Contractor shall be responsible for the acquisition, maintenance, and upgrades of all hardware, equipment and software used for mainframe systems, non-Mainframe systems, and all telecommunications and network infrastructure.
2. Define all redundant configuration information in a Hardware/Software Configuration Manual. All data and telecommunications network infrastructure shall be one hundred percent (100%) redundant, with automatic failover, including connections between DHCS and the Contractor supplied network.
3. Refresh all cost reimbursed hardware and cost reimbursed equipment being used, including desktops, servers, applications, and communication equipment, within three (3) to five (5) years from date of purchase, unless a written waiver is approved in advance by DHCS. All maintenance and release upgrades shall be kept current.
4. Adhere to the following requirements for all software used by the Contractor to support HCO Operations, unless a waiver is approved in writing in advance, and:

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Operations – Systems Requirements**

- a. Remain within one (1) version of the latest available version unless the software becomes incompatible with DHCS standards; and
 - b. Replace software when identified as no longer supported by the software vendor either through sunset or at the end of its useful life (referred to as end-of-life), and provide a written replacement plan provided within twenty-five (25) business days of identification of sunset or end-of-life support.
1. Maintain and/or replace all required hardware and software prior to sunset or end-of-life. The Contractor is responsible for any costs associated with end-of-life maintenance and/or replacement.
 2. Annually, or upon DHCS request, provide an inventory report containing a list of all hardware and software configuration, license expiration dates, sunset and end-of-life dates, and replacement strategy and dates.
 3. Proposed hardware and software solutions must, at a minimum, meet or exceed the prior contract's implemented solution capabilities and be compatible with DHCS' systems and applications.
 4. Acquire tools that meet and/or exceed the availability and response time requirements set forth in the Contract. These automation tools can include program code analyzers, system measurement and monitoring tools, data and logic restructuring tools, reverse engineering techniques and compression software designed to improve systems and the maintenance process.

11.2.2 Electronic Documents and Computer Generated Images

The Contractor shall ensure all production and maintenance of electronic documents and computer generated images adhere to the following requirements:

1. Produce all images as specified in the applicable standards of the Association for Information and Image Management (AIIM) (i.e., MS52 1991 and MS53 1993). These standards shall apply to all electronic images. All reports shall be produced electronically, although they may be printed and distributed on paper, as required by Exhibit A, Attachment II, Section 8, Records Retention and Retrieval requirements of this Contract. Reports and all attachments there to and/or document facsimiles, shall be digitally stored in the Electronic Document Management Database system.
2. The Contractor shall establish inspection procedures to monitor for defects.
3. Replace corrupted images (e.g. the file image is no longer machine or human readable) with corrected images no later than five (5) business days following

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Operations – Systems Requirements**

the date on which the Contractor discovers the illegible image or on which the DHCS notifies the Contractor in writing of a corrupted image.

4. Perform index entry verification to confirm that all images are properly indexed, logged, stored and available for on-demand retrieval by designated DHCS staff.

11.2.3 Communication Links

The Contractor shall establish and maintain communication links to allow interfaces with DHCS and outside entities designated by DHCS.

The Contractor shall:

1. Establish and maintain an agreement with the Office of Technology Services (Otech) within the California Department of Technology (CDT) for an appropriate link between the Contractor and Otech for the purpose of computer access, both batch and on-line, for records contained in the Medi-Cal Eligibility Data System (MEDS), Affiliated Computer Services Network (ACSNET) and other beneficiary eligibility file that may be made available to the Contractor. Upon connectivity with the authorized external entities, the Contractor shall transfer and retrieve information files in a format to be determined by DHCS.
2. Maintain the capability to communicate with DHCS instantly. The Contractor shall have the ability to receive and read files as well as to send files to DHCS in a form readable, editable and secure by software that is compatible with that used by DHCS.
3. The Contractor's electronic mail system must be fully compatible with DHCS' electronic mail system, and configure that system to allow unrestricted, unimpeded, electronic mail communication between DHCS and the Contractor's personnel.
4. Maintain the capability of using a Web Services Description Language (WSDL) format for data interfacing with MEDS.

11.2.4 Wireless (Wi-Fi) Network Connectivity

The Contractor shall comply with the following as it relates to Wi-Fi connectivity:

1. The Contractor provides secure Wi-Fi (Wireless Local Area Network) guest account access to facilitate networking needs for authorized DHCS use. The Wi-Fi can provide an alternative to a wired DHCS' network for utilization during DHCS' network outages.
2. The Contractor's Wi-Fi equipment and network are configured to meet all DHCS Enterprise Innovation Technology Services (EITS) Division and DHCS Information Security Office (ISO) security standards.

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Operations – Systems Requirements**

3. Any username and password changes are communicated to DHCS at least seven (7) days prior to the change.
4. The Contractor provides instructions to configure Wi-Fi for a visitor's mobile device and troubleshoot problems. The on-site service desk provides assistance to authorized DHCS visitors with questions or concerns about the Wi-Fi system.

11.2.5 System Availability Standards and Reporting

1. The Contractor shall ensure that DHCS' access to the Contractor's systems and are not interrupted or superseded, except with DHCS prior written approval, for any activity including systems maintenance (preventive, scheduled or otherwise), and system and/or program processing (scheduled or unscheduled).
2. Make available all systems used under the terms of the Contract, one hundred (100%) of the total time between the hours of 7:00 AM and 7:00 PM Pacific Time, Monday through Friday, excluding State holidays.
3. In the event that any systems used under the terms of the Contract experience unscheduled downtime, the Contractor shall implement the following procedures:
 - a. Notify the designated DHCS staff, either by telephone or in-person, as soon as the incident is known, and follow-up in writing via email, no later than one (1) hour of the incident. Once the cause and projected duration of the unplanned interruption is known, the Contractor shall provide that information within fifteen (15) minutes, either by telephone or in-person to the designated DHCS staff and follow-up in writing via email within one (1) hour.
 - b. Notify the designated DHCS staff in writing via email within twenty-four (24) hours of reactivating the system. The Contractor shall provide a description of all areas impacted, the measures taken to correct the problem or incident, and what additional measures have been put into place to prevent the problem or incident from reoccurring.
 - c. Notify the designated DHCS staff via e-mail of any planned system interruption, shutdown, or non-access to any files, at least three (3) business days prior to the scheduled interruption, and obtain written DHCS approval prior to implementing the shutdown.
 - d. The Contractor shall generate a Problem Statement (PS) to document, at a minimum, the date, time and duration of all downtime occurrences in the appropriate status reports on a daily and weekly basis. Procedures for documenting and tracking Problem Statements are included in Exhibit A, Attachment II, Section 12.0 – Problem Correction Process.

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Operations – Systems Requirements**

4. Perform all non-routine system maintenance and file updating activities before or after business hours.
5. On a monthly basis, report to DHCS of all downtime incidents involving the systems used under the terms of the Contract. The report shall include but not be limited to, the date and time of occurrence, the duration in minutes, the root cause, the resolution, and preventive measures to mitigate future occurrences.

11.2.6 DHCS Access to Systems

The Contractor shall:

1. Provide DHCS with unrestricted access to all systems used under the terms of the Contract. The Contractor shall provide the necessary training for DHCS staff to access systems.
2. Provide DHCS with access to the Contractor's network, system applications and files utilized by the Contractor's Systems Group (SG) staff for application development and reporting, with no limits to access time or duration limits for DHCS.
3. Provide DHCS staff with sufficient data storage space on the Contractor's system in order to store queries, reports, query and report scripts, and system testing files.
4. Provide designated DHCS staff with access to all utilities and software packages available to the Contractor's SG staff.
5. Provide DHCS with the capability to independently test the Contractor systems. DHCS shall have the capability to run a variety of tests, including but not limited to running standard jobs against test data files, running queries and reports, retrieving data records (random samples, for example), key-entering data and scanning, with sufficient disk storage space allocated to support DHCS testing requirements.
6. Provide DHCS with the ability to view, on-demand, all beneficiary data maintained in the systems used under the terms of the Contract, including but not limited to systems that support the Telephone Call Center, enrollment/disenrollment processing, complaints and grievances and data exchange and interfaces.
7. Ensure compliance with all hardware and software licensing provisions specified in Exhibit E – Additional Provisions.

**Exhibit A, Attachment II – Scope of Work
Operations – Systems Requirements****11.2.7 System Data Dictionary**

1. The Contractor shall create and maintain a Systems Data Dictionary (SDD) for all systems used under the terms of the Contract to support HCO operations. The data dictionary will act as a central repository and shall contain, at a minimum the following information for each database, file and application supported by the Contractor under the terms of the contract:
 - a. Data element name
 - b. Unique data element number
 - c. Description of the data element and all of the possible values
 - d. Format of the data element
 - e. Security and confidentiality requirements associated with the element
 - f. File cross-reference (a list of files and programs that use the data element)
 - g. Originating source
 - h. Edit error codes that relate to a specific data element
 - i. The names and numbers of all reports that use the data element
2. The SDD shall be available in electronic and on-demand printable hardcopy format for DHCS access, review and approval and stored in a location accessible by DHCS at all times.
3. The Contractor shall maintain the Systems Data Dictionary Users' Guide developed during Takeover throughout the term of the Contract. These documents shall specify standards and procedures the Contractor uses to maintain the Data Dictionary.
4. The Contractor shall make all necessary and appropriate updates to the SDD and its documentation when changes are made to the Contractor systems and databases supporting the HCO program.
5. The Contractor shall ensure that the SDD is current at all times with DHCS approved change control procedures that include, but not limited to: changes data element names and attributes, location of changes, reason for change, date of change and cross-reference to previous versions.
6. The Contractor shall submit a monthly report to DHCS containing a list of all changes made to the SDD during the reporting period.

11.2.8 Data File Layout Descriptions Manual

1. The Contractor shall create and maintain a Data File Layout Descriptions Manual, to be submitted during Takeover, in which every file and database supported by the Contractor under the terms of the Contract shall be defined. At a minimum, the following items shall be included:

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- a. A record layout schematic, precisely identifying the location of each data element in the record. Data elements are to be identified by the name appearing in the Systems Data Dictionary.
 - b. File Description and processing intent.
 - c. Number of records contained in each file.
2. The Contractor shall ensure that the Data File Layout Descriptions Manual is current at all times with DHCS approved change control procedures that include, but not limited to: changes file formats and attributes, location of changes, reason for change, date of change and cross-reference to previous versions.
 3. The Contractor shall submit a monthly report to DHCS containing a list of all changes made to the Data File Layout Descriptions Manual during the reporting period.

11.2.9 Integrated Test Environment and Standards**11.2.9.1 Integrated Test System – DHCS Rights**

The Contractor shall acknowledge the right of DHCS to:

1. Develop test scenarios, test data and testing protocols to be executed by the Contractor and/or DHCS staff.
2. Test operations activities by submitting test inputs, modifying test files, and reviewing system outputs.
3. Obtain for independent analysis any test data developed and used by DHCS or the Contractor.
4. Review and approve test results prior to the Contractor implementing changes in production.
5. Attend walkthroughs to validate test case scenarios and test case results for accuracy and quality.

11.2.9.2 Integrated Testing Environment – Contractor Responsibilities

The Contractor shall:

1. Operate and maintain a complete and current on-line test system, that reflects a parallel production environment for all the Contractor systems, including a test version of batch and on-line programs, test tables and files. At a minimum, the test data shall include a true reflection of all enrollment cycles including, but not limited to daily, weekly and monthly volumes of enrollment data.

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2. Create de-identified beneficiary enrollment and disenrollment transactions to be used for testing routine enrollment processing operations and files using de-identified data.
3. Generate test output, including tables, files, reports, packets, and letters. Output shall be separately identified and clearly labeled. Test outputs shall be separate from routine enrollment outputs and available to DHCS during business hours within twenty-four (24) hours of the request.
4. Perform enrollment and disenrollment processing in a simulated, parallel production environment.
5. Provide authorized DHCS users with on-line access to the test environment from with access test tables, test files, and test data.
6. Accept and process test scenarios and test data submitted by DHCS on hard copy or electronic media without prior notice to the Contractor testing team.
7. Initiate and conduct walkthroughs of systems changes that are ready to be moved into the production environment, including but not limited to: an on-line demonstration verifying the accuracy of system changes and handouts of test results. Walkthrough materials are expected for system changes involving major modifications, or where a significant number of programs and/or files are modified.
8. Produce and review control reports generated for each test cycle and report on the results of test cycles, including the expected results, and compare those results to the actual processing results.

11.2.10 Integrated Quality Assurance (QA) Testing Team

1. The Contractor shall establish an Integrated QA testing team responsible for developing test plans and test cases, testing all system changes and table updates prior to implementation, and be responsible for the resolution of errors caused by system changes and table updates.
2. The Contractor shall develop and implement a QA testing environment and the methodologies required to ensure that all manual and automated processing are compatible with system changes and table updates.
3. Ensure a sufficient number of the integrated QA testing team members are available to perform all testing, and ensure the testing is complete and accurate, without relying on systems development staff.
4. Ensure the QA testing team staff is knowledgeable and familiar with all components of the Contractor systems.

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DHCS may at any time notify the Contractor in writing of the need to modify the Contractor's systems and/or operations to support new or modified HCO program requirements. The Contractor shall develop a methodical process, using industry best practices for change management, and receive approval of the process from DHCS. The Contractor's change control procedures shall include end-to-end procedures for initial intake of program change requirements from DHCS, developing work plans and timelines, identifying and documenting system requirements, system design, testing, production and post-production monitoring activities.

Any changes to the HCO program that results in changes to the Contractor's systems and/or operations, shall be communicated to the Contractor in writing via a formal DHCS letter. The Contractor shall include the following procedures as part of their system change control procedures to ensure the changes are implemented according to DHCS directives:

1. Respond to DHCS within five (5) business days from receipt the formal written communication from DHCS, the Contractor shall submit a response to the request with the following minimum information:
 - a. A preliminary estimate of the date when the project can begin in relation to other projects currently scheduled.
 - b. A preliminary project plan that includes, but not be limited to a high-level description of system and/or operational change requirements, implementation tasks, activities, assignments, and timelines.
 - c. An assessment of impacts to other scheduled projects. DHCS reserves the right to postpone and/or terminate a project during any portion of a phase.
 - d. Acknowledgement that the Contractor has a complete understanding of the request or that the Contractor needs further information in order to begin the project.
2. The Contractor shall use an approved project estimation methodology that is comprehensive, verifiable, and straightforward to permit detailed DHCS review and approval of all estimates before work begins.
3. The Contractor shall provide cost estimates, if applicable, and adhere to them if the project scope does not change.
4. The Contractor's change control procedures shall include at a minimum the following deliverables:
 - a. System Functional Design (SFD). The SFD describes the design approach the technical staff will use to implement the system and/or

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operational changes. The approved final SFD document cannot change without prior written DHCS approval.

- b. Test plan. The Contractor shall develop a detailed test plan describing each of the systems and operational areas modified as a result of the program changes and how the Contractor intends to verify that the system changes are operating as designed. The Test Plan shall specify at a minimum:
 - i. The changes to be tested and general information required in order to perform the test.
 - ii. The phases of testing such as: unit/component, parallel, stress, regression, volume, and user acceptance testing to be performed.
 - iii. The inputs and outputs needed to perform all tests.
 - iv. The process to be used to generate test results.
 - v. The specific test conditions and expected results.
 - vi. Timeframes for conducting each test phase.
- c. Testing procedures and Test Results Documentation. The Contractor shall produce individual test protocols and a total test environment, which assures that all system and operational change requirements are met. At a minimum this includes:
 - i. Testing all individual programs and/or operations to ensure that they function correctly, with DHCS and the Contractor staff both having access to the system-testing environment. All automated and manual control procedures, and all end-user procedures (including those to be used by the DHCS, if any) shall be developed and tested.
 - ii. If DHCS decides, or is requested, to be involved in independent and/or joint acceptance tests, the Contractor provides all necessary support for participation. Testing activities shall follow the outline provided in the Contractor's test plan.
 - iii. Generation of detailed test cases, including items to be tested, and all applicable pass/fail criteria.
 - iv. Conducting acceptance testing by dedicated staff as required by the Integrated Quality Assurance (QA) Testing Team section.
 - v. Reviewing and validating manual, administrative, and operating procedures for setting accuracy, error levels, and compliance.
 - vi. Creating actual test situations, accurately and fully capturing all test results and outputs, preparing the test results deliverable electronically, and submitting the test results to the DHCS according to the project work plan.
- d. Systems Implementation and Post-Production Activities. The Contractor shall ensure that processes and procedures are in place to ensure

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system and operational changes are successfully implemented according to DHCS-approved requirements and test results.

- e. Post Implementation Review (PIR). The PIR process establishes whether the project's operational objectives have been met, the operational development effort was performed efficiently, the cost and completion times were within the project estimates, and the system documentation is satisfactory. The Contractor shall review the newly implemented changes to determine if the submitted product functions in keeping with all DHCS approved requirements and specifications. The Contractor shall propose the post-implementation review period and receive approval in writing from DHCS.
4. The Contractor shall submit all required deliverables to DHCS for review and written approval.
5. The Contractor shall provide walkthroughs on deliverables and ensure the deliverables are provided to DHCS at least two (2) business days prior to the scheduled date of the walkthrough.
6. The Contractor shall provide both electronic and a paper copy of each deliverable to DHCS according to the DHCS approved timelines in the Contractor's work plan.

11.2.12 Project Management and Monitoring

The Contractor shall ensure that project management, scheduling and monitoring of changes to the Contractor's systems and/or operations comply with the following requirements:

1. Project priorities are set by DHCS. The Contractor shall notify DHCS when changes to project prioritization will have an impact on scheduling and/or when changes to staff allocation is needed to meet a planned implementation date. The Contractor is responsible for obtaining all required DHCS approvals on all projects.
2. Utilize project management software compatible with DHCS as a tool for project planning, progress assessment, issue and risk management, and project status reporting. Project management tracking report formats shall be provided to DHCS for review and written approval.
3. Provide DHCS with access to electronic versions of all current, past, and proposed project work plans.
4. Provide a project status report with information about each active and recently closed problem statements, DHCS requested change order, emergency program fixes, active and recently closed out projects and any other work items that are the Contractor's responsibility during the reporting period. These status reports are provided on a monthly basis, unless DHCS specifies a different reporting interval.

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5. The Contractor's Information Security Officer (ISO) shall maintain accurate records of all system risk assessments and remediation. The ISO must meet monthly to discuss security and privacy with DHCS.

11.2.13 Systems Group

The Contractor shall comply with the following:

1. Establish and maintain a local on-site system's group (SG) with sufficient numbers and staff qualifications necessary to maintain and implement changes to all the Contractor systems approved by DHCS in order to fulfill contractual requirements.
2. The SG shall be assigned to permanent work stations in the Contractor's main operating facility, where DHCS staff, who have primary SG oversight responsibilities, are stationed.
3. Ensure the SG consists of a SG Manager and a sufficient number of technical staff necessary to meet all contractual requirements.
4. The technical staff positions within the SG may include, but are not limited to, business and systems analysts, systems testers, systems programmers, hardware/telecommunications specialists, technical writers, computer operators, and administrative staff.
5. The SG shall be responsible for maintaining the Systems Procedures Manual submitted during Takeover and maintained throughout the term of the contract.

11.2.14 Additional SG Staff

1. Should the workload within the Contractor's SG require additional staff or if the workload may be met in a timely manner by using highly specialized resources, the Contractor shall submit a proposal to temporarily increase the SG staffing levels.
2. The assignments for additional staff are subject to DHCS review and approval.
3. DHCS reserves the right to terminate temporarily assigned staff with thirty (30) calendar day notice.

11.3 SYSTEMS DEVELOPMENT AND MAINTENANCE COMPLIANCE PLAN

1. The Systems Development and Maintenance Compliance Plan shall describe how the Contractor will ensure adherence to all requirements throughout the term of the Contract.
2. The Systems Development and Maintenance Compliance Plan shall include, but not be limited to:
 - a. Identifying each Contractual requirement

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- b. If the Contractor is currently meeting that requirement (Yes/No)
 - c. A Description of how the Contractor is complying or justification and plan to meet that requirement
 - d. Any additional information the Contractor determines is relevant
3. The Contractor shall formally submit the initial Systems Development and Maintenance Compliance Plan to DHCS for review and approval in accordance to the requirements in Exhibit A, Attachment I – Takeover.
 4. The Contractor shall review the Systems Development and Maintenance Compliance Plan and submit an updated copy to DHCS for review and approval:
 - a. Annually through the term of Contract.
 - b. Upon DHCS request
 5. If the Contractor determines no updates are needed, the Contractor shall certify to DHCS the Systems Development and Maintenance Compliance Plan is complete and up to date.
 6. At the same time, the Contractor shall also certify to DHCS, in writing, that:
 - a. There is compliance to all related requirements for the reporting period. If there are any compliance issues in the current reporting period, identify the issue and all provide all necessary information.
 - b. The Contractor anticipates continued compliance through the term of the contract. If there is an issue or a risk that will impact future compliance, identify the issue or risk and provide all necessary information.

11.4 MANUALS AND RELATED DOCUMENTATION**11.4.1 Development and Maintenance**

1. Unless otherwise specified, the Contractor shall formally submit initial Systems manuals and related documentation to DHCS for review and approval in accordance to the requirements in Exhibit A, Attachment I – Takeover.
2. The Contractor shall review manuals and related documentation and submit updated copy(ies) to DHCS for review and approval:
 - a. Annually, through the term of Contract
 - b. Upon DHCS request
 - c. As necessary if technical, operational or procedural change requires manual or documentation update.

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3. If during the annual review or DHCS requested review, the Contractor determines no updates are needed, certify to DHCS the manual or related documentation is complete and up to date.

11.4.2 Manuals and Related Documentation

The following are Systems manuals and related documentation:

1. Systems Requirements Compliance Plan (includes Procedures).
2. Reports identified throughout the Systems Requirements sections.

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Exhibit A, Attachment II – Scope of Work Operations – Problem Correction Process

12.0 PROBLEM CORRECTION PROCESS

12.1 OVERVIEW

This section describes the requirements that shall govern the Contractor's process and procedures for developing and maintaining a Problem Correction Process (PCP) to identify, report, correct and prevent problems and issues that occur during the term of the Contract. The objectives of the PCP include, but are not limited to:

1. Ensure accurate and timely resolution of all problems and issues that do not meet Contract requirements;
2. Ensure the Department of Health Care Services (DHCS) and appropriate parties are informed of all problems and issues and corresponding corrective action plans; and
3. Ensure prevention of reoccurrences.

12.2 REQUIREMENTS

12.2.1 General Requirements

The Contractor shall:

1. Develop and implement a PCP that allows DHCS and the Contractor staff instant access to all open and closed Problem Statements (PS's).
2. Ensure the PCP can instantly track and report its achievement in meeting all requirements as stated in this section.
3. Ensure the Contractor's Quality Management (QM) staff receives, prepares, submits, tracks and resolves PS's. This should be completed using the PCP and all PS to ensure that all processing timeframes are met in accordance with the timeframes outlined in this section.
4. Ensure the Contractor's PCP and reporting are fully defined and documented in the PCP Plan, the Contractor's Policy and Procedure Manuals and the PCP manual.
5. Maintain and update the PCP Plan as described in Exhibit A, Attachment I, Takeover, Section 1.14.1 Problem Correction Process Plan.
6. Maintain and update the PCP Manual that contains the Contractor procedures to initiate, receive, process, track, and report all PS's issued by DHCS and/or the Contractor staff. These procedures must be included in the Quality Assurance Procedures and Standards Manual.
7. Utilize the PCP as the sole means of documenting and tracking problems identified by DHCS, the Contractor or other interested party designated by DHCS.
8. Develop and maintain a PCP tracking tool and PCP reports for both the Contractor and DHCS that shall be used to monitor and document the status of all PS's until final resolution.
9. Correct all operations and/or system deficiencies identified through the PCP.

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10. Ensure that any PS form the Contractor proposes contains, at a minimum, all elements used in DHCS-approved “Health Care Options Problem Statement” form which DHCS submits to the Contractor during the Takeover phase.
11. Ensure all forms, documents, and report formats utilized by the Contractor that pertain to the PCP are reviewed and approved by DHCS prior to use.
12. Maintain all documentation relating to PS’s (e.g., Initial PS (IPS), Interim Response (IR), Corrective Action Plan (CAP), Closure Notice (CN) research, and testing documentation) in a format that is instantly retrievable. The Contractor shall maintain all such documentation in keeping with Exhibit A, Attachment II, Section 8, Records Retention and Retrieval requirements stated in this Contract.
13. At the discretion of DHCS, hold monthly PCP status meetings with DHCS to discuss the status of all open PSs.
14. DHCS retains the authority to identify PSs and require the Contractor to expedite the processing of those PSs, and to change the status of any PS at any time, throughout the life of the PS.
15. Upon Contractor request and at the discretion of DHCS, an extension to any time frame indicated in the PCP may be granted.

12.2.2 Problem Statement (PS) Categories

1. The Contractor shall be required to process PS’s through the following four (4) categories listed and described below:
 - a. Initial Problem Statement
 - b. Interim Response Problem Statements
 - c. Corrective Action Plan Problem Statements
 - d. Closure Notice Problem Statements
2. The Contractor may propose additional categories and shall obtain approval from DHCS prior to implementing these additional categories.

12.2.3 Initial Problem Statement

The submission of an IPS is the first step in documenting the existence of an actual or potential problem in any of the operational areas governed by this Contract. IPS’s can be submitted by the Contractor, the DHCS, a health plan, or other interested party designated by the DHCS. IPSs usually contain minimal information, but enough to enable the Contractor to begin investigating the problem.

1. The Contractor shall assign one of the following four (4) priority levels to each IPS. DHCS retains the authority to approve, modify, and/or reassign priority levels at any time:
 - a. **Urgent:** Problems designated as urgent must be resolved as soon as possible, and processed ahead of problems in the other three (3) categories. Actual or potential problems related to the security of beneficiary information,

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and operational and/or system problems that result in non-compliance with Contract-specified performance levels shall be assigned this priority.

- b. **High:** Problems assigned a high priority are critical enough to be processed ahead of problems in the medium and low priority categories. Actual or potential operational, and/or system problems that result in non-compliance with non-Contract-specified (internal) performance levels, shall be assigned this priority.
- c. **Medium:** Actual or potential operational, and/or system problems that must be resolved, but do not result in non-compliance with Contract or internal performance levels, are assigned a medium priority level. Problems in this category are to be processed ahead of low-priority problems.
- d. **Low:** Problems that do directly affect HCO Operations, such as errors in manuals, reports, or other documents, are assigned a low priority. Low priority problems are not to be processed ahead of problems in any other category.

No problem in any priority category, however, shall remain static for more than three (3) calendar weeks.

2. The Contractor shall:
 - a. Submit IPSs within twenty-four (24) hours of problem identification.
 - b. IPSs are to include but not be limited to the following.
 - i. Title
 - ii. Date Identified
 - iii. Current Status
 - iv. PS number (unique identification number)
 - v. Priority level
 - vi. Submission date
 - vii. Contract Reference
 - viii. Brief summary of the problem

12.2.4 Interim Response Problem Statements

1. An IPS can transition into the IR category when the following additional information, at a minimum, has been added to it (A PS can bypass the IR, and transition to a CN, if the situation allows):
 - a. A complete description of the problem, including the operational areas it affects.
 - b. A statement of preliminary findings, including analysis of the cause(s) of the problem, processes which are affected, and where the problem exists within the HCO Program Operation.

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- c. An estimate of the time required to correct the problem, develop and test a CAP to prevent the problem from occurring again, and to process and close the PS.
 - d. The name of the individual or group assigned the problem for resolution.
 - e. All information from the IPS shall be retained on the IR.
2. Time Requirements
- a. IRs are to be processed within the following time frames based on priority levels:
 - i. **Urgent:** The Contractor shall have five (5) business days from receipt of the PS to forward the IR to DHCS and to the originator. An IR shall be waived if a CAP or CN is submitted within five (5) business days from receipt of the IPS.
 - ii. **High or Medium:** The Contractor shall have ten (10) business days from receipt of the PS to forward the IR to DHCS and to the originator. An IR shall be waived if a CAP or CN is submitted within ten (10) business days from receipt of the IPS.
 - iii. **Low:** The Contractor shall have twenty (20) business days from receipt of the PS to forward the IR to DHCS and to the originator. An IR shall be waived if a CAP or CN is submitted within ten (10) business days from receipt of the IPS.
 - b. The Contractor shall update the PCP tracking process within one (1) business day of completing an IR and forwarding it to DHCS, and to the originator, or after a resubmission if appropriate.
 - c. If DHCS determines an IR requires modification, the Contractor shall have five (5) business days to correct the deficiency and resubmit the revised IR documentation to DHCS, and to the originator.

12.2.4 Corrective Action Plan Problem Statements

1. An IR can transition to the CAP category when the following additional information, at a minimum, has been added: t (A PS can bypass the CAP, and transition to a CN, if the situation allows.)
 - a. A comprehensive description of findings, including program(s) which are affected, and where the problem exists within the HCO Program Operation.
 - b. A description of how the Contractor intends to correct the problem, and eliminate the problem pattern and/or deficiency.
 - c. A description of the test to be performed to confirm the CAP is effective in preventing a reoccurrence of the identify problem(s).
 - d. An estimated date of correction that shall not exceed more than three (3) calendar weeks
 - e. All information from the IR (shall be retained in the CAP.
2. Time Requirements for CAPs

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- a. CAPs are to be processed within the following time frames based on priority levels:
 - i. **Urgent:** The Contractor shall have ten (10) business days from receipt of the IPS to forward the CAP to DHCS, and to the originator.
 - ii. **High or Medium:** The Contractor shall have twenty (20) business days from receipt of the IPS to forward the CAP to DHCS, and to the originator.
 - iii. **Low:** The Contractor shall have thirty-five (35) business days from receipt of the IPS to forward the CAP to DHCS, and to the originator.
- b. The Contractor shall update the PCP tracking process within one (1) business day of completing and forwarding a CAP to DHCS, and to the originator, or after a resubmission if appropriate.
- c. If DHCS disapproves or requires modifications to a CAP, the Contractor shall have five (5) business days to correct the deficiency, and resubmit the revised CAP documentation to DHCS, and to the originator.

12.2.5 Closure Notice Problem Statements

1. The Contractor shall ensure that the primary function of a CN is to confirm that a problem identified on a PS has been corrected, and that adequate steps have been taken to prevent reoccurrence.
2. In all cases, CN's are to fully and clearly describe the results of the investigation into the problem reported in the PS. If no measures for resolving the problem and/or preventing a reoccurrence are included, the reasons for these omissions must be fully described.
3. The Contractor shall transition an IPS, an IR, or a CAP into a CN when the following information, at a minimum, has been added to it:
 - a. A description of the source or root cause of the problem.
 - b. A description of the action(s) taken to correct the problem.
 - c. If the measure(s) implemented to correct and/or prevent a reoccurrence have been tested, the results of that testing, including any quantitative measurements obtained during testing, shall be included in the CN. For CN's closing PS's that may involve any of the Contractor's automated processes, testing of the suggested corrections must be performed, and the test results reported to DHCS. This requirement can be waived if an agreement is reached between the Contractor and DHCS.
 - d. The date the problem correction measures described in the CN were implemented, if applicable.
 - e. Any documentation, including but not limited to, procedures manuals, data dictionaries, and training materials that were created or updated in support of the problem correction measure(s) put into place.
4. All information from the IR and/or CAP shall be retained in the CN.
5. Time Requirements for CN's:

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- a. CN's are to be processed within the following time frames based on priority levels:
 - i. **Urgent:** The Contractor shall have fifteen (15) business days from receipt of the IPS, or five (5) business days after the estimated completion date in the CAP to forward the CN to DHCS, and to the originator.
 - ii. **High or Medium:** The Contractor shall have thirty (30) business days from receipt of the IPS, or five (5) business days after the estimated completion date in the CAP to forward the CN to DHCS, and to the originator.
 - iii. **Low:** The Contractor shall have forty (40) business days from receipt of the IPS, or five (5) business days after the estimated completion date in the CAP to forward the CN to DHCS, and to the originator.
- b. Once the priority level time frame of a problem statement or the estimated completion date in the CAP have expired no further Contractor initiated revision will be accepted. If additional time is needed to resolve the problem, the Contractor will request and an extension for the problem statement.
- c. The Contractor shall update the PCP tracking process within one (1) business day of completing and forwarding a CN to DHCS and to the originator or after a resubmission if appropriate.
- d. If DHCS disapproves or requires modifications to a CN, the Contractor shall have five (5) business days to correct the deficiency and resubmit the revised CN documentation to DHCS and to the originator.

12.2.6 Problem Correction Tracking Tool

1. The Contractor shall develop and maintain a DHCS approved PCP tracking tool to monitor the progression of all PSs identified by DHCS and/or the Contractor staff throughout the term of this Contract.
2. The Contractor shall ensure that all PCP tracking documentation is written and reported at a level that is basic enough to allow a person who is new to the PCP, with little process knowledge to understand how the process is structured and to correctly interpret the findings.
3. The PCP tracking tool shall track all PSs resolutions and a summary shall be available for designated DHCS staff and/or the Contractor staff.
4. The PCP tracking tool shall be updated within one (1) business day of every action taken with regards to an active PS (IR, CAP, and CN).
5. The Contractor shall produce applicable reports as requested by DHCS utilizing the PCP tracking tool that reflect all PS's information.
6. All reports generated shall be subject to DHCS approval. When information used to produce a report has been disapproved, the Contractor shall have five (5) calendar days to revise and submit the PCP status report to DHCS.

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7. All reports (e.g., Matrices, Dashboard, Status Report, Performance Report, Ad hoc), generated shall serve as a means of monitoring and documenting all steps taken to resolve all identified PS's.
8. DHCS has full discretion to request additional reports as it relates to the PCP throughout the term of this Contract.
9. DHCS shall have the capability to run adhoc queries. These queries include any and all pre-defined queries that will generate reports, and can be ran at any given time.
10. The Contractor shall notify the DHCS within one (1) business day if the PCP tracking tool experiences any issues that may impact reporting.

12.2.7 Reporting Requirements

The Problem Correction Process (PCP) specific reporting requirements identified in this section shall comply with general reporting provisions specified in Exhibit A, Attachment II, Section 7 – Reports. The following are the minimum reporting requirements for the requirements specified herein. DHCS reserves the right to request additional reporting elements throughout the term of the contract.

The Contractor shall submit reports on a monthly basis to include, but not be limited to, a monthly Problem Statement (PS) Status Report.

1. The report shall identify all open PSs sorted by:
 - a. PS Number;
 - b. Project Manager and, secondarily, by the affected subsystem; and
 - c. Priority.
2. The report shall include:
 - a. PS Monthly Summary;
 - b. Open PS Aged Summary;
 - c. Contractor's PS Aged Summary;
 - d. DHCS PS Aged Summary;
 - e. Interim Response (IR) Overdue (exceeded processing timeframes) Detail;
 - f. Corrective Action Plan (CAP) Overdue (exceeded processing timeframes) Detail; and
 - g. Closure Notice (CN) Overdue (exceeded processing timeframes) Detail.

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3. The report shall provide the following information for each PS that has exceeded processing timeframes:
 - a. A statement of why the PS has exceeded processing timeframes;
 - b. An estimate of the number of hours still required to resolve the PS; and
 - b. The estimated date by which each PS will be resolved.

12.3 PROBLEM CORRECTION PROCESS COMPLIANCE PLAN

1. The Problem Correction Process Compliance Plan shall describe how the Contractor will ensure adherence to all requirements throughout the term of the Contract.
2. The Problem Correction Process Compliance Plan shall include, but not be limited to:
 - a. Identifying each Contractual requirements
 - b. If the Contractor is currently meeting that requirement (Yes/No)
 - c. A Description of how Contractor is complying or justification and plan to meet that requirement
 - d. Any additional information the Contractor determines is relevant
3. The Contractor shall formally submit the initial Problem Correction Process Compliance Plan to DHCS for review and approval in accordance to the requirements in Exhibit A, Attachment I – Takeover.
4. The Contractor shall review the Problem Correction Process Compliance Plan and submit an updated copy to DHCS for review and approval:
 - a. Annually throughout the term of Contract.
 - b. Upon DHCS request
5. If the Contractor determines no updates are needed, the Contractor shall certify to DHCS the Problem Correction Process Compliance Plan is complete and up to date.
6. At the same time, the Contractor shall also certify to DHCS, in writing, that:
 - a. There is compliance to all related requirements for the reporting period. If there are any compliance issues in the current reporting period, identify the issue and all provide all necessary information.
 - b. The Contractor anticipates continued compliance through the term of the contract. If there is an issue or a risk that will impact future compliance, identify the issue or risk and provide all necessary information.

**Exhibit A, Attachment II – Scope of Work
Operations – Problem Correction Process**

12.4 MANUALS AND RELATED DOCUMENTATION

12.4.1 Development And Maintenance

1. Unless otherwise specified, the Contractor shall formally submit initial manuals and related documentation to DHCS for review and approval in accordance to the requirements in Exhibit A, Attachment I – Takeover.
2. The Contractor shall review manuals and related documentation and submit updated copy(ies) to DHCS for review and approval:
 - a. Annually, throughout the term of Contract
 - b. Upon DHCS request
 - c. As necessary if technical, operational or procedural change requires manual or documentation update.
3. If during the annual review or DHCS requested review, the Contractor determines no updates are needed, certify to DHCS the manual or related documentation is complete and up to date.

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