ATTACHMENT C

AGENCY TERMS

SOLICITATION NO. 0900000511

# Contract Type

This is a firm fixed price contract for indefinite delivery and indefinite quantity for the supplies/services specified.

# Termination

## Within thirty (30) days after the date the TPA receives notice of termination, the TPA shall, at no additional cost to EGID, copy and deliver to EGID all files and databases in an agreed upon electronic format, together with necessary and appropriate documentation (including record layouts and data dictionaries of the data bases and systems) used in the administration of the program. Coordination of this transfer is vital to the continuity of EGID’s business and the TPA must do whatever is necessary to facilitate a timely and accurate transfer. Administrative procedures, both internal and external, and other related material necessary to operate the plan shall also be delivered.

## Between notification of termination and the termination date, additional information must be provided as requested.

## The TPA must transfer all files and documents to continue timely processing of all disability claims including all unprocessed claims, adjustments, correspondence, returned checks and pended claims to EGID or EGID’s designee upon a timeframe predetermined by both parties.

## If return of all information in files and databases is not feasible, the TPA shall continue to extend the protections described in the Contract to such information, and limit further use of Private Health Information (PHI) to those purposes that make the return or destruction of such PHI infeasible.

## TPA shall destroy the PHI, upon written approval from EGID. If the TPA elects to destroy the PHI, the TPA shall certify in writing to EGID that such PHI has been destroyed.

## The TPA shall transfer at no cost to the new TPA all toll free phone numbers, local phone numbers, local fax numbers, and PO boxes for EGID.

## Damages shall be assessed on all claims not completely and accurately processed at the end of the run-off period. The damages shall be calculated by multiplying the per claim run-off administrative fee by the number of claims not completely and accurately processed. The damages shall be withheld from the last two months administrative fee. In addition, claims processed in the final month may be audited and additional damages assessed as set forth in the Performance Standards.

## The TPA shall give EGID at least one hundred eighty (180) days written notice prior to cancellation. The TPA shall also provide one hundred eighty (180) days written notice prior to non-renewal. This paragraph supersedes the State General Terms at Section 18.

## EGID and OMES/CP may terminate this contract for cause upon giving the TPA thirty (30) days written notice. Termination for cause is defined as the failure of the TPA to maintain the quality of its services provided for by this contract to the satisfaction of EGID. EGID and OMES/CP may terminate this contract without cause upon giving the TPA one hundred eighty (180) days written notice.

# obligations of permitted supplier

## The prime contractor shall be completely responsible for all contract services to be performed. Prime contractors must demonstrate that all aspects of system integration have been carefully and completely considered.

## If the TPA is permitted to utilize subcontractors in support of this Contract, the TPA shall remain solely responsible for its obligations under the terms of this Contract and for its actions and omissions and those of its agents, employees, and subcontractors. Prior to a subcontractor being utilized by the TPA in connection with provision of the products, the TPA shall obtain written approval of the State of such TPA. Such approval is within the sole discretion of the State. As part of the approval request, the TPA shall provide a copy of a written agreement executed by the TPA and subcontractor setting forth that such potential subcontractor is bound by and agrees to perform the same covenants and be subject to the same conditions and make identical certifications to the same facts and criteria, as the TPA under the terms of all applicable Contract documents. TPA agrees that maintaining such agreement with any subcontractor and obtaining prior approval by the State of any subcontractor shall be a continuing obligation. The State further reserves the right to revoke approval of a subcontractor or an employee thereof in instances of poor performance, misconduct or for other similar reasons.

### All payments for products shall be made directly to the TPA.

# Authorized users

During the term of this contract, any State Entity, or Interlocal Entity, as defined herein, may utilize this contract. Under this contract, the State of Oklahoma bears no liability for the State or Interlocal Entities actions and the privies of contract exist solely between the Supplier and the State or Interlocal Entity.

# performance security

TPA must provide to EGID within thirty (30) days after contract execution, the original of a blanket, no deductible performance bond in the amount of Five Hundred Thousand Dollars ($500,000). In lieu of the performance bond, the TPA shall provide an irrevocable letter of credit in the amount of Five Hundred Thousand Dollars ($500,000) for breach of performance. If the TPA is a subsidiary of another corporation, the parent corporation must additionally guarantee and indemnify the performance of the subsidiary. This bond and/or irrevocable letters of credit should be issued from a reliable surety company or national bank.

# confidentiality and hipaa requirements

TPA agrees that it maintains internal practices, policies, books, and records, including policies and procedures relating to the use and disclosure of EGID confidential and protected health information and will provide EGID a summary description of those policies and procedures upon request. All EGID member information concerning this solicitation is the sole property of the State of Oklahoma and shall remain confidential. It shall not be used by the TPA nor transmitted to others for any reason whatsoever, except as shall be required to administer and implement the Solicitation Specifications described in this solicitation or with prior written approval from EGID.

# safeguards

The TPA shall use appropriate safeguards and train its workforce according to TPA procedures as necessary to prevent the use or disclosure of Protected Information; and ensure the integrity and availability of electronic protected information that the TPA creates, receives, maintains or transmits. TPA shall implement administrative, technical, and physical safeguards that are reasonable and appropriate to the size and complexity of the TPA’s operations and the nature and scope of its activities. [45 CFR § 164.504(e)] [45 CFR § 164.306(a)].

# appropriated funds

The parties understand and agree that none of the sums to be paid under this agreement are appropriated funds. Should there be a revenue shortfall, EGID shall not seek appropriations and shall not use appropriated funds to pay for this obligation. This paragraph contradicts and supersedes State General Terms Section 17. The most recent financial statement of EGID is posted on EGID’s website: [www.omes.ok.gov](http://www.omes.ok.gov) (Click Services and select Employees Group Insurance Division. Select About Employees Group Insurance Division then select EGID Audit Report).

# records

The TPA shall maintain full and adequate records relating to the services it is performing under this agreement and shall allow OMES/CP and EGID to review and copy such records upon request. The TPA shall provide adequate safeguards for all books and records.

# right to audit

EGID, or its designated representatives, shall be authorized to examine all records, data, and systems of the TPA which are directly related to the performance of this contract. All records and data, without regard to form or media, shall be available during normal business hours upon forty-eight (48) hours’ notice. Included in this right to audit shall be the following provisions:

## EGID, or its designated representative, is authorized to visit the TPA’s premises and have full access to all records and data including paper documents, electronic documents, policies and procedures, benefit document, imaged and magnetically-stored data which relate to this contract.

## EGID, or its designated representative, is authorized to perform claims review and/or a review of the operational procedures and adjudication process. An operational review includes a review of the policies and procedures, workflow, staffing and training, system capabilities and edits, and disaster recovery plans.

## The TPA shall assist EGID by promptly providing requested records and data and reasonable access to the TPA’s personnel.

## The findings of the audits performed by EGID or its designated representative shall be conclusive. The TPA shall cooperate with EGID and implement the recommendations of the audit findings.

# Ownership of Data

## EGID “Confidential Information” includes the records and resulting data generated from the confidential information of all EGID members, retirees, and beneficiaries in any plan administered by EGID and all other related information that is subject to protection from disclosure pursuant to Oklahoma or federal law.

## The TPA agrees that EGID possesses exclusive property rights to the records and data designated herein as confidential information on behalf of EGID members. The TPA shall establish, maintain, and enforce agreements with its officers, directors, employees, subcontractors, independent contractors, affiliates, subsidiaries, assigns, agents and representatives who have access to any confidential information to fulfill the TPA’s duties and obligations in this Contract and to specifically prohibit any use, sale, assignment, conveyance, provision, release, disclosure or other dissemination of any confidential information, except as otherwise required by law or authorized by EGID.

## During the term of this Contract, the TPA agrees that EGID is granted access to all EGID Confidential Data in the possession of the TPA, and upon EGID request the TPA shall deliver to EGID a copy of any specified EGID confidential information and data that the TPA prepared, developed and/or stored by the TPA as part of this contract.

## Prior to the expiration, or upon the earlier termination of this Contract, the TPA shall provide EGID all confidential information and data as defined herein within the TPA’s possession in the form of hard copy and/or electronic storage media. This paragraph does not apply to the TPA’s proprietary formats or systems that contain the confidential information or proprietary documents pertaining to the operation of the TPA's business. The TPA may retain copies of those records or documents that it considers necessary for proof of performance.

## This entire Section shall survive any termination, renewal, extension, or amendment of this Contract.

# hold harmless

The TPA shall be responsible for the work, direction, and compensation of TPA employees, agents, and subcontractors. Neither EGID nor the State of Oklahoma shall be liable, directly, or indirectly, for the work and direction of TPA employees, agents, or subcontractors. The TPA agrees to indemnify and hold harmless EGID, its employees and agents, and the State of Oklahoma from damages, loss, or liability to persons or property arising from claims of any kind, including, but not limited to compensation by TPA employees, agents, and subcontractors of the TPA against the TPA; negligent or willful acts of the TPA its employees or agents in performance of this Contract; acts, omissions or liabilities of the TPA acting in any capacity that relate to the Contract; and damages, costs, fines or penalties arising from HIPAA violations committed by TPA employees, agents or subcontractors. The State of Oklahoma does not waive compromise, concede, surrender, or relinquish any rights, privileges, immunities, or remedies that the State of Oklahoma and its employees possess under State or Federal law.

# Designation of personnel

EGID shall designate personnel or professionals under contract with EGID to administer any of the terms or conditions of this contract referenced herein, and all duties or acts required of EGID.

# notice

Any notice required to be given, pursuant to the terms and provisions of the contract, shall be in writing, and delivered either by hand delivery with written receipt, or delivered by the United States Postal Service postage prepaid, by certified mail, return receipt requested, to EGID at 2401 N. Lincoln Blvd., Suite 300, Oklahoma City, Oklahoma 73105, or the TPA at the address listed on the purchase order.

# fraud, waste & abuse compliance program

The TPA must acknowledge EGID’s Fraud, Waste & Abuse Compliance Program. The Compliance Program can be viewed at [www.omes.ok.gov](http://www.omes.ok.gov). Click Service, select Employees Group Insurance Division, click About Employees Group Insurance Division, and then select Fraud, Waste and Abuse Compliance. The TPA must include in its Fraud, Waste & Abuse training efforts at least one hour annually of training for applicable TPA employees.

# Notification of award

Notification will be made to the successful TPA by issuance of a contract. Public information releases pertaining to this project shall not be made without prior written approval by EGID.

# Web eligibility and web workflow

## The Supplier shall respond to EGID’s inquiries using “Workflow”, EGID’s web-based application that tracks and reports member issues. “WorkFlow” and was developed by ViTech, creator of EGID’s premium accounting and eligibility system. No software purchase is required by the Supplier for this process and only requires using Microsoft Internet Explorer and a connection to the Internet.

## During the contract period, the Supplier will also utilize EGID’s Web Eligibility Application to resolve eligibility issues and payment discrepancies. Suppliers agree to log in to both applications every sixty (60) days. Inactivity will result in termination of access. Send all eligibility issues by email to the Member Research and Resolution (MR&R) unit at [MemberAccountsResearch&Resolution@omes.ok.gov](mailto:MemberAccountsResearch&Resolution@omes.ok.gov).

* + 1. Failure to log into Workflow and the Web Eligibility Application every 60 days will lead to termination of access due to inactivity and will require new security forms to be completed and approved for reinstatement.
    2. The Supplier shall respond by the required due dates to EGID’s quarterly Vitech Security Verifications by reviewing and confirming current Supplier staff users of Workflow and eligibility systems. The Supplier shall notify EGID of employees no longer utilizing the applications, to terminate their access. New users shall complete applications for access as determined by EGID.

## The TPA shall notify EGID’s MR&R unit via email when a claimant provides updated contact information such as a new address or phone number. The TPA shall respond to member issues received via workflow within three (3) business days of receipt by the TPA.

# Financial Information

The contracted TPA shall provide copies of audited financial statements, including the SSAE 18 Report on the organizations’ system and the suitability of the design and operating effectiveness of controls, to EGID at [EGIDDisability@omes.ok.gov](mailto:EGIDDisability@omes.ok.gov) on an annual basis no later than May 1st of the following year or first business day thereafter.

# Pricing

In accordance with Oklahoma State Statutes, EGID shall compensate the TPA on a monthly basis for services that have been performed for the preceding month, pursuant to the terms of this contract. All invoices and payments of invoices are subject to subsequent adjustments based upon proper documentation. EGID shall pay uncontested administrative fee invoices in full within forty-five (45) business days of the invoice date. The administrative fee assumes EGID or other TPAs of EGID will perform all eligible-person enrollment and billing. EGID intends for all services described in the TPA’s response to be included in the administrative fee.

# Business associate

The Disability TPA, as a “Business Associate,” agrees to execute the ‘Business Associate Agreement’ upon award of the contract between the Office of Management and Enterprise Services Employees Group Insurance Division, hereafter known as “EGID”, and the Disability TPA as defined by the Health Insurance Portability and Accountability Act of 1996 (HIPAA) statutes and regulations.

1. Specifications for filing forms w-2 electronically (EFW2/EFW2C)

The Disability TPA may refer to the Social Security Administration’s website to review a copy of Specifications for Filing Forms W-2 and W-2c (EFW2/EFW2C) for Tax Years 2020 and 2021. Currently, the specifications are located at <https://www.ssa.gov/employer/EFW2&EFW2C.htm>.