701 EAST JEFFERSON STREET
PHOENIX, AZ 85034

SPECIALITY CONTRACT FOR TRANSPLANTATION SERVICES

YH13-0008-11

This Contract is entered into by and between **Stanford Health Care** (the **Contractor**), and **Arizona Health Care Cost Containment System (AHCCCS)**, and shall be effective upon execution by both parties on the date specified per Term of Contract and terminated pursuant to the terms set forth in this contract.

Project Title: Transplantation Services

Term of Contract: The term of the Contract is from September 1, 2015 until September 30, 2016, unless otherwise extended by mutual agreement of the parties in a duly authorized and executed amendment.

Authority: This Contract is entered into pursuant to A.R.S. §3 -2903 et seq. and 3 -2932 et seq.

This Contract is the complete and exclusive statement of the understanding between the parties, and it supersedes all proposals, oral or written, and all other documents or communications between the parties relative to the subject matter herein covered, unless such documents or communications are specifically included by reference.

IN WITNESS THEREOF, the parties have executed this Contract:

Contractor:	**AHCCCS:**
Signature:	**Signature:**
Printed Name: Dan Morissette	**Printed Name:** Meggan Harley, MSW, CPPO
Title: Chief Financial Officer	**Title:** AHCCCS Procurement and Contracts Manager
Date:	**Date:** 8/21/2015

Table of Contents

1. Transplant Types Covered **3**

2. Scope of Services **4**
- Covered Services **5**
- Contractor Responsibilities **7**
- AHCCCS and/or Health Plan Responsibilities **9**
- Reporting Requirements **9**
- Billing Requirements and Claims Payments **9**

3. Pricing and Payment Terms **10**

4. Definitions of Terms **11**

5. Contract Terms and Conditions **13**

Attachment A-1: Transplant Invoice Coversheet **26**

Attachment A-2: Transplant Invoice Coversheet Instructions **27**

Attachment B: Transplant Outlier Payment Calculation **28**

Attachment C: Qualified Vendor Application **29**

Attachment D: CONTACT INFORMATION / NOTICES SECTION **30**

Attachment E: Contracted Health Plan Agreement **31**

For and in consideration of the terms and conditions set forth herein, the parties agree as follows:

1. Transplant Types Covered by this Contract.

Contractor elects to cover the following types of transplants (mark Yes or No for each type of transplant in addition to marking A for adult cases only, P for pediatric cases only, or B to provide services for both adult and pediatric members):

Transplant Type	A = Adult Cases Only P = Pediatric Cases Only B = Both Adult and Pediatric	Contractor Elects to Provide Service (Mark Yes or No)
Autologous Hematopoietic Stem Cell (bone marrow, peripheral blood or cord blood) Transplant (HSCT)		No
Allogeneic Related Hematopoietic Stem Cell (bone marrow, peripheral blood or cord blood) Transplant (HSCT)		No
Allogeneic Unrelated Hematopoietic Stem Cell (bone marrow, peripheral blood or cord blood) Transplant (HSCT)		No
Autologous Tandem		No
Allogeneic Related Tandem		No
Allogeneic Unrelated Tandem		No
Total Body Irradiation		No
Heart		No
Heart and Lung	A	Yes
Liver (cadaveric donor)		No
Liver (live donor)		No
Kidney (cadaveric donor)		No
Kidney (live donor)		No
Lung (single and double)		No
Pancreas After Kidney		No
Simultaneous Pancreas/Kidney		No
Simultaneous Liver/Kidney		No
Intestine only (cadaveric donor)	P	No
Intestine only (live donor)	P	No
Intestine with Liver (cadaveric donor)	P	No
Intestine with Liver (live donor)	P	No
Intestine with Pancreas	P	No
Intestine with Liver and Pancreas (live donor)	P	No
Intestine with Liver and Pancreas (cadaveric donor)	P	No

2. SCOPE OF SERVICES:

2.1. Purpose: The purpose of the contract between AHCCCS and the Contractor is to develop a network of facilities and practitioners to provide solid organ and tissue transplant services to eligible members as described in the AHCCCS State Plan, AHCCCS Medical Policy Manual (AMPM) and as set forth in paragraph 2.4 hereof. The terms of this contract apply to the Contractor and any provider that furnishes items and services to an enrolled member upon the request or authorization of the Contractor.

2.1.1. In the event that a provision of federal or state law, regulation, or policy is repealed or modified during the term of this contract, effective on the date the repeal or modification by its own terms takes effect:

2.1.1.1. The provisions of this contract shall be deemed to have been amended to incorporate the repeal or modification; and

2.1.1.2. The Contractor shall comply with the requirements of the contract as amended, unless the AHCCCS Administration and the Contractor otherwise stipulate in writing.

2.1.2. AHCCCS is the authorizing payer for AHCCCS fee for service members including eligible American Indians who choose to receive services through the Indian Health Service (IHS) or tribal health programs operated under PL 93- 3 (known as 638 facilities). AHCCCS' contracted Health Plans may access transplant services under the terms and conditions of this contract for eligible Acute Care Program, Arizona Long Term Care Program [elderly and physically disabled (EPD) and developmentally disabled (DD)] and Comprehensive Medical and Dental Program (CMDP) members enrolled in their plans.

2.1.2.1. Contractor may, as a condition to providing transplantation services to an individual who is covered by a contracted Health Plan, require that such contracted Health Plan enter into a written agreement with Contractor, in the form attached hereto as Exhibit E, pursuant to which that contracted Health Plan agrees to perform and pay for services provided hereunder in accordance with the terms of this Agreement.

2.2. Standards/Licensure/Certification Requirements

2.2.1. Contractor shall ensure both it and any provider that furnishes items or services to an enrolled member upon the request or authorization of the Contractor register with AHCCCS as an approved service provider. A current Provider Participation Agreement (available on the AHCCCS website) must be signed by each provider upon initiation of this contract. The original shall be forwarded to AHCCCS. The provider registration process must be completed in order for the Contractor to be paid. The National Provider Identifier (NPI) is required on all claim submissions and subsequent encounters (from providers that are eligible for an NPI).

2.2.2. Contractor providing solid organ transplantation services must be a Centers for Medicare and Medicaid (CMS) certified transplant center that is contracted with AHCCCS and a United Network for Organ Sharing (UNOS) approved transplant center, for each transplant case (organ) type unless otherwise approved by the AHCCCS Chief Medical Officer (CMO) or designee.

2.2.3. Contractor providing hematopoietic stem cell transplant services must be a facility that has achieved Foundation for the Accreditation of Cellular Therapy (FACT) accreditation and is contracted with AHCCCS, unless otherwise approved by the AHCCCS Chief Medical Officer (CMO) or designee.

2.2.4. All professional services shall be performed by qualified, licensed personnel pursuant to the Applicable laws and licensing requirements of the jurisdiction in which those services are performed.

2.3. COVERED SERVICES:

AHCCCS covers limited medically necessary transplantation services and related immunosuppressant medications as described in the AMPM, Policy 310-DD, Covered Transplants and Related Immunosuppressant Medications. The solid organ and tissue transplant services described in the AMPM, including the relevant standards of coverage, are referenced in the AHCCCS State Plan (which can be located on the AHCCCS website at the following link): http://www.azahcccs.gov/reporting/Downloads/MedicaidStatePlan/Amendments/2011/SPA11-005 Submitted.0f. The AHCCCS State Plan is the document approved by the Federal government which outlines the eligibility requirements and covered services for the AHCCCS program.

When a State elects to cover transplant services, Federal law 42 U.S.C. §139 b(i) limits Federal financial participation to only those organ transplant procedures with written standards of coverage described in the State Plan. Additionally, Federal provisions authorize the Title XIX agency to impose limits on transplant services based on medical necessity and to place restrictions on the facilities and practitioners performing organ transplant procedures as long as they are consistent with accessibility to high quality care (42 C.F.R. 441.35).

For adults, organ transplant services are not mandatory covered services under Title XIX, and each State has the discretion to choose whether or not transplants will be available to members. The AHCCCS Administration, as the single State agency, has the authority under Federal law to determine which transplant procedures, if any, will be reimbursed as covered services.

The Early and Periodic Screening Diagnostic and Treatment (EPSDT) Program for individuals under age 21 requires coverage of all non-experimental transplants necessary to correct or ameliorate defects, illnesses and physical conditions whether or not the particular non-experimental transplant is covered by the AHCCCS State Plan.

Transplantation related services and immunosuppressant drugs are not covered services for individuals in the Federal Emergency Services (FES) Program, pursuant to 42 U.S.C. 139 b(v)(3) and A.A.C. 119-22-20 . Persons who qualify for transplant services, but who are later determined ineligible under A.R.S. 3 -2907.10 due to excess income may qualify for extended eligibility (refer to *Attachment A* of Policy 310-DD in the AMPM).

2.3.1. Corneal transplants and bone grafts are not covered under this specialty contract.

2.3.2. Live donor kidney transplants are covered for pediatric and adult members. Live donor liver transplants are covered for pediatric members only. For all other solid organ transplants, live donor transplants may be considered on a case-by-case basis.

2.3.3. Covered services under this contract are limited to transplants, excluding the transplant evaluation, and transplant related component services only through day sixty (60) post-transplant surgery or date of discharge from the acute care facility whichever is later. Non-transplant related services are not covered under this contract. Non-transplant related care is defined as any care that is provided not related to the specific transplant component and any care provided to treat the underlying disease. Complications arising from the transplant surgery component are considered transplant related and covered under the follow up care component(s) if occurring during the 60 days post-transplant. Services provided post day 60 are not covered under this specialty contract under any circumstances with the exception of the inpatient facility services which are covered until the member is discharged from the facility as long as it is one continuous inpatient hospital stay from the prep and transplant surgery.

2.3.4. Services provided to members while members are on a transplant waiting list (period of time after member has been determined to be a candidate for transplant, by the transplant facility, and is waiting for an available organ) are not covered under this contract with the exception of those services provided under an approved transplant component as set forth in paragraph 2.4.5 hereof.

2.3.5. Coverage of transplantation services includes all bundled professional, facility and pharmaceutical services for the following service billing components, as required by the specific type of transplantation (Refer to Policy 310-DD in the AMPM for specific criteria and conditions of coverage). The transplant specific billing components are as follows:

CAD/VAD AHCCCS will pay for a Circulatory Assist Device (CAD) including a Ventricular Assist Device (VAD) and total artificial hearts (if FDA approved) separately if all provisions in the AMPM are met. AHCCCS will reimburse the actual amount the facility is billed by the manufacturer for the device plus 10%. Freight charges, manufacturer's training and travel and rental items are not included as part of the cost of the device. A copy of the invoice is required for reimbursement. The inpatient stay for the insertion of the device and any pre or post insertion care will be paid for as a non-transplant related service. Transplant facilities should bill AHCCCS and/or the Health Plan on a UB as a bill type 113 using the date of service the device was implanted and submit a copy of the manufacturer's invoice.

All Other Solid Organ Transplants (refer to the AMPM for a list of covered transplants)

Prep and Transplant	Includes the inpatient stay up to 24 hours prior to the actual transplant surgery for the transplant recipient
Follow Up Care 1-30	First 30 days of post-transplant follow up care in an inpatient, or outpatient hospital setting including laboratory, diagnostic imaging and pharmacy services including immunosuppressant medication, essentially, **any** AHCCCS covered service ordered by the transplant team that Contractor provides
Follow Up Care 31-60	Second 30 days of post-transplant care billed only when after the first 30 days of care the transplant member has not been released by the transplant team
Follow Up Care 61+	Day 61+ of post-transplant care (paid as a percentage of billed charges as indicated on the attached rate sheets for inpatient facility services only and only if one continuous inpatient stay from prep and transplant through date of discharge from the acute care facility).

Evaluations

Effective on October 1, 2014, with the implementation of the DRG inpatient hospital reimbursement methodology, the transplant evaluation(s) is no longer a billing component under the transplant specialty contract. Services provided to an AHCCCS member enrolled as a fee for service member by a transplant facility for the purpose of determining whether the member is a candidate for a solid organ or a hematopoietic stem cell (bone marrow, peripheral blood or cord blood) transplant will be reimbursed based on the AHCCCS Fee-For Service rates, including the DRG based hospital payment system if the member is an inpatient.

Transportation and Lodging

Transportation and lodging for the transplant recipient, donor, and adult caregiver when necessary, to, and

from medical treatment during the time it is necessary for the member to remain in close proximity to the transplant center is covered at the **AHCCCS allowable rates.** When it is necessary for a potential donor to travel for testing to determine if they are a match or to donate either stem cells or organs, the donor's travel costs including room and board are covered under the transplant recipient's benefit, and transportation and lodging for post-transplant evaluation and treatment when medically necessary. The transplant facility is responsible for assisting the Health Plan and/or AHCCCS with the lodging arrangements, however the Health Plan and/or AHCCCS is responsible for the payment for lodging and transportation.

In the event an AHCCCS member expires while at the transplant facility, the expense of transporting the remains is to be borne by the member's family. No claims for transportation of the remains will be approved.

Prorating Follow Up Care Component When Second Transplant Occurs Within 60 Days

If a second covered organ transplant is performed during the follow up care periods of the first transplant Contractor shall prorate the follow up care component of the first covered transplant, ending the follow up care component of the first transplant on the day prior to the date of the prep and transplant component of the second transplant. The second organ prep and transplant component is followed by the initial day 1-30 post transplant follow up care component and the day 31- 60 post transplant follow up care component. For example: If, on day 15 post transplant of the first transplant (50% of the way through the day 1-30 component), the determination to conduct the next prep and transplant is made, day 15 ends the follow up care component of days 1-30 of the first transplant, and 50% of the day 1-30 post transplant follow up care component is billed. Day 1 becomes day 1 of the prep and transplant component for the second transplant. Remaining transplant components follow. All applicable notification and claims filing requirements apply.

Notwithstanding anything to the contrary herein, any and all services provided by Contractor pursuant to a specific written authorization issued by AHCCCS, shall be deemed to be covered by, and eligible for payment under, the terms and conditions of this Contract.

2.4. CONTRACTOR RESPONSIBILITIES:

2.4.1. Contractor shall provide covered services to AHCCCS members in accordance with all applicable federal and state laws regulations and policies, including those listed by reference in attachments and this contract. The services are described in the AHCCCS Medical Policy Manual (AMPM), Policy 310-DD, *Covered Transplants and Related Immunosuppressant Medications.*

2.4.2. Contractor shall request prior authorization from the AHCCCS Medical Management Unit for AHCCCS members enrolled as fee for service members, including eligible American Indians who choose to receive services through the Indian Health Service (IHS) or tribal health programs operated under PL 93- 3, prior to providing component services, with the exception of Follow Up Care Days 1-30 and Follow Up Care Days 31- 60 as described in this contract and the AMPM.

2.4.3. Contractor shall request prior authorization from the Health Plan for members enrolled with AHCCCS contracted managed care organizations, prior to providing component services, with the exception of the two post-transplant follow up care components. Refer to paragraph 2.5.5 for out of state facility referrals.

2.4.4. Contractor shall ensure the Evaluation component is completed within sixty (60) days, or sooner depending on the member's medical condition, of referral if the member is outpatient or within seventy-two (72) hours of referral if the member is inpatient.

2.4.5. Contractor shall provide to the authorizing payer (AHCCCS or Health Plan) a transplant evaluation summary as well as the Transplant Committee's decision to approve or deny the member as a candidate for transplant, including the reason for the denial, within three (3) weeks of completion of the Evaluation component. The evaluation summary shall include a brief statement of the member's current medical condition, current medications, and recommendation for further medical treatment based upon diagnostic tests and procedures. Diagnostic test results and/or procedure reports shall be included as supporting documentation.

2.4.6. Contractor shall immediately notify the authorizing payer (within 24 hours) if the member has a change in medical condition and is no longer a candidate for transplantation.

2.4.7. Contractor shall immediately notify the authorizing payer (within 24 hours) of the begin dates and/or end dates of any of the transplant service billing components and any subsequent changes thereto. Failures to timely communicate all begin and end dates may delay payments by AHCCCS or Health Plans.

2.4.8. Contractor shall notify and request prior authorization if the member requires a new evaluation or partial evaluation due to a prolonged waiting period for an organ.

2.4.9. Contractor shall submit directly to the authorizing payer weekly utilization abstracts during the member's hospitalization. Abstracts shall be presented in the format customarily used by the Contractor, and must, at a minimum, include new treatments, medical progress and/or complications, results of major laboratory/diagnostic imaging tests and reports of special procedures.

2.4.10. Contractor shall submit the discharge summary within thirty (30) days of member's discharge from the transplant facility directly to the authorizing payer. Contractor shall provide recommendations for the on-going treatment and monitoring of the member for the member's primary care provider or specialist and shall be available for consultation with the primary care provider or specialist.

2.4.11. Contractor shall timely provide all information including medical records requested by AHCCCS or the Health Plan. All documents will be provided to AHCCCS or the Health Plan at no additional cost.

2.4.12. Contractor shall file all claims as a component as set forth in paragraph 2.7 hereof; failure on the part of the Contractor to comply with the billing requirements will result in non-payment of claims.

2.4.13. Contractor shall work with all of its subcontracted providers to ensure subcontractors do not separately bill AHCCCS or the Health Plan.

2.4.14. Contractor shall comply with the Administrative Simplification Requirements of Subpart F of the Health Insurance Portability and Accountability Act of 1996 (Public Law 107-191) and all Federal regulations implementing that subpart that are applicable to the operations of the Contractor by the dates required by the implementing Federal regulations as well as all subsequent requirements and regulations as published.

2.4.15. Contractor shall ensure it has an adequate staff of experienced personnel, capable of and devoted to the successful accomplishment of work to be performed under this contract. Contractor must assign specific individuals to the key positions.

2.5. AHCCCS and/or HEALTH PLAN RESPONSIBILITIES:

2.5.1. AHCCCS, Division of Health Care Management, Medical Management Unit will review all prior authorization requests for all transplant service billing components for AHCCCS fee for service members including eligible American Indians. The Health Plans' Transplant Coordinator will review all prior authorization requests for all transplant service billing components for members enrolled with AHCCCS contracted managed care organizations.

2.5.2. AHCCCS or the Health Plan will issue a written decision approving or denying the authorization request within fourteen (14) days from receipt of a complete request for non-emergent services. In the case of emergent requests, the written decision will be provided within three (3) days of the request.

2.5.3. AHCCCS or the Health Plan may request a consultation for a second opinion prior to rendering an authorization determination.

2.5.4. AHCCCS or the Health Plan may select another qualified provider if Contractor is unable to provide services in a timely manner.

2.5.5. AHCCCS shall review and approve all requests for services at non-contracted transplant facilities located outside the state of Arizona, and at contracted transplant facilities outside the state of Arizona when the same service can be provided within the state of Arizona, prior to the commencement of services.

2.6. REPORTING REQUIREMENTS:

In addition to the reporting requirements specified in sections 2.4, Contractor Responsibilities, and 2.7, Billing Requirements and Claims Payments, herein, Contractor shall submit to the AHCCCS, Division of Healthcare Management, Medical Management Unit, the following:

2.6.1. Copies of all annual reports of cumulative volume and success rates of transplantation services provided to UNOS and FACT.

2.6.2. Copies of all written notification to AHCCCS members that are transplant candidates upon inactivating a transplant program or relinquishing the status as a designated transplant program facility.

2.6.3. Written notification at least 30 days in advance of any changes to transplant programs that may reasonably affect the referral of member(s) to the Contractor, including but not limited to: inactivating a transplant program or relinquishing the status of a designated transplant program; or transitioning services to another facility.

2.7. BILLING REQUIREMENTS AND CLAIMS PAYMENTS:

Contractor is responsible for billing AHCCCS or the Health Plan within six (6) months of the end date of each of the transplant service billing components. Timeliness of the claim submission for each billing component of the transplant will be based on the submission date for the complete set of claims related to the component. Claims initially received beyond the six (6) month time frame will be denied. If a claim is originally received within the six (6) month time frame, the Contractor has up to twelve (12) months from the end date of the billing component to resubmit the claim and achieve clean claim status or to adjust a previously processed claim. If a claim does not achieve clean claim status or is not

adjudicated correctly within twelve (12) months of the end date of the billing component, AHCCCS or the Health Plan is not liable for payment.

Additional claim submission requirements are as follows:

2.7.1. Contractor shall submit a packet of all individual claims for all transplant related services as a transplant service billing component using the coversheet, entitled AHCCCS TRANSPLANT INVOICE included herein as Attachment A. The coversheet must list each individual claim included in the component by form type including the dollar amount of the individual claims, subtotaled by form type and a grand total for the entire component. Packets must be complete and include the AHCCCS TRANSPLANT INVOICE to meet clean claim status.

2.7.2. Contractor shall bill all medically necessary services provided to the transplant recipient that are related to the transplant using the appropriate diagnosis codes, CPT and HCPCS procedure codes, and revenue codes to meet clean claim status.

2.7.3. Contractor shall enter the proper ICD-9 procedure code identifying the transplant procedure in the primary procedure field (Field 74) on the UB 04 for all prep and transplant billing components.

2.7.4. Contractor shall bill all outlier amounts using the Transplant Outlier Payment Calculation Worksheet included herein as Attachment B if the rate sheet for the case type includes an outlier provision for the prep and transplant, Day 1 through 30 and Day 31 through 60 components.

2.7.5. Contractor shall submit claims for services authorized by AHCCCS for Fee for Service Members pursuant to the billing requirements set forth in Chapter 24 of the AHCCCS Fee for Service Provider Manual located on the AHCCCS website at http://www.azahcccs.gov/commercial/Downloads/FFSProviderManual/FFS ChapMransplants.pdf

2.7.6. Contractor shall submit claims directly to the Health Plan for services authorized by the Health Plan according to the terms of this contract.

3. PRICING AND PAYMENT TERMS:

3.1. PRICING:

3.1.1. If the vendor applicant is a current transplant contractor at time of application, the rates for this contract shall be the same or similar as the prior contract. For new applicants, rates shall be set by AHCCCS to be the same or similar to other contractors.

3.1.2. AHCCCS Division of Health Care Management (DHCM) shall review and approve or deny any proposed rate changes for each transplant service. Any changes in rate shall be made via written contract amendment.

3.1.3. Rate increases are at the sole discretion of AHCCCS and are subject to the availability of funds.

3.2. The Contractor agrees to bill and accept payments from any of the AHCCCS Health Plans for members enrolled with their plan or from AHCCCS for fee-for-service members. Payments will be consistent with the attached rate schedule (including amendments thereto and as hereby incorporated by reference and located on the AHCCCS website), State and Federal Law, the terms of this Agreement, and the following documents, including amendments thereto and hereby incorporated by reference: the AHCCCS Fee-for--Service Manuals, the AHCCCS Medical Policy Manual, AHCCCS Claims Clues and other written directives provided by AHCCCS to the Provider. These documents are made available to the provider via the AHCCCS website (www.azahcccs.gov).

4. DEFINITION OF TERMS:

As used in this contract, the terms listed below are defined as follows:

4.1. "ADHS" means Arizona Department of Health Services - the State agency responsible for public health, behavioral health, emergency medical services, the state laboratory, public health data and statistics, vital records, disease control, and licensing and certification of health and child care facilities.

4.2. "Adult" means any member aged 21 years old or older. . "Adult" shall also include any member whose chronological age is classified as "Pediatric," but whose physical characteristics, such as height and weight, are equivalent to that of an adult's physical characteristics as determined by the transplant facility. The rates which apply to an "Adult" transplant shall apply in both circumstances stated here.

4.3. "AHCCCS" means the Arizona Health Care Cost Containment System - Arizona Health Care Cost Containment System, which is composed of the Administration, Contractors, and other arrangements through which health care services are provided to an eligible person, as defined by A.R.S. § 3 -2902, et seq.

4.4. "Amendment" means a written document that is authorized by the Contracting Officer and issued for the purpose of making changes to the contract.

4.5. "American Indian Health Program (AIHP)" means an acute care program that delivers acute care services to the eligible American Indians who choose to receive services through the Indian Health Services (IHS) or tribal health programs operated under PL 93- 3 .

4.6. "AMPM" means the AHCCCS Medical Policy Manual available on the AHCCCS website at http://www.azahcccs.gov

4.7. "A.R.S." means Arizona Revised Statutes.

4.8. "Authorizing Payer" means for members in the AHCCCS Fee for Services Program, AHCCCS is the authorizing payer. For members enrolled with an AHCCCS contracted Health Plan, the Health Plan is the authorizing payer.

4.9. "Claim Dispute" means a dispute filed by a Contractor, provider or Health Plan, whichever is applicable, involving a payment of a claim, a denial of a claim, imposition of a sanction or reinsurance.

4.10. "Clean Claim" means a claim that may be processed.

4.11. "CMS" means the Centers for Medicare and Medicaid Services, an organization within the U.S. Department of Health and Human Services, which administers the Medicare and Medicaid programs and the State Children's Health Insurance Program.

4.12. "Component" means the collective group of covered services as defined in the AHCCCS Medical Policy Manual including inpatient, outpatient, skilled nursing facility, and pharmacy services as required by the specific type of transplantation.

4.13. "Contract" means the combination of this document, any Contract Amendments; and any terms applied by law.

4.14. "Contract Amendment" means a written document signed by the Contracting Officer that is issued for the purpose of making changes in the contract.

4.15. "Contracting Officer" means the person duly authorized by AHCCCS to enter into and administer Contracts and make written determinations with respect to the Contract, or his or her designee.

4.16. "Contractor" means a person who has a contract with AHCCCS.

4.17. "Contract Year" means the year corresponding to the federal fiscal year (October 1 through September 30).

4.18. "Covered Services" means health care services to be delivered by a Contractor, which are designated in the AMPM.

4.19. "Days" means calendar days unless otherwise specified.

4.20. "EPSDT" means Early and Periodic Screening, Diagnosis and Treatment; services for persons under 21 years of age, as described in AHCCCS rules 119-22, Article 2.

4.21. "Fee-For-Service (FFS)" means a method of payment to registered providers on an amount per-service basis.

4.22. "Federal Emergency Services (FES)" means Federal Emergency Services program covered under 119-22-217, to treat an emergency medical condition for a member who is determined eligible under A.R.S. § 3 - 2903.03 (D).

4.23. "Gratuity" means a payment, loan, subscription, advance, deposit of money, services or anything of more than nominal value, present or promised, unless consideration of substantially equal or greater value is received.

4.24. Removed

4.25. "Health Plan" means an organization which contracts with the AHCCCS Administration to administer the provision of a comprehensive package of AHCCCS covered acute, long term care, home and community based and behavioral health care services to AHCCCS members enrolled with the health plan.

4.26. "HIPAA" means the Health Insurance Portability and Accountability Act (P.L.104-191); also known as the Kennedy-Kassebaum Act signed August 21, 1996.

4.27. "Managed Care" means systems that integrate the financing and delivery of health care services to covered individuals by means of arrangements with selected providers to furnish comprehensive services to members; establish explicit criteria for the selection of health care providers; have financial incentives for members to use providers and procedures associated with the plan; and have formal programs for quality, utilization management and the coordination of care.

4.28. "May" indicates something that is not mandatory but permissible.

4.29. "Member" means an eligible person that is enrolled in AHCCCS as defined in A.R.S. § 3 -2901, A.R.S. § 3 - 29 1, A.R.S. § 3 -2901.01, and 42 CFR 43 .10(a).

4.30. "Pediatric" means any member newborn to their 21st birthday. "Pediatric" shall also include any member whose chronological age is classified as "Adult," but whose diagnosis or physical characteristics, such as height and weight, are equivalent to that of a child's physical characteristics as determined by the transplant facility.

4.31. "Provider" means any person or entity that contracts with AHCCCS or a Health Plan for the provision of covered services to members according to the provisions A.R.S. § 3 -2901 or any subcontractor of a provider delivering services pursuant to A.R.S. § 3 -2901.

4.32. "Scope of Work" means those provisions of this solicitation which specify the work and/or results to be achieved by the Contractor.

4.33. "Shall, Must" indicates a mandatory requirement. Failure to meet these mandatory requirements may result in the rejection of a proposal as non-responsive.

4.34. "Should" indicates something that is recommended but not mandatory. If the Contractor fails to provide recommended information, the State may, at its sole option, ask the Contractor to provide the information or evaluate the proposal without the information.

4.35. "State" means the State of Arizona.

4.36. "State Plan" means the written agreements between the State and CMS, which describe how the AHCCCS program meets CMS requirements for participation in the Medicaid program and the State Children's Health Insurance Program.

4.37. "Subcontract" means any Contract, express or implied, between the Contractor and another party or between a subcontractor and another party delegating or assigning, in whole or in part, the making or furnishing of any material or any service required for the performance of the Contract.

5. CONTRACT TERMS AND CONDITIONS:

5.1. **Amendments:** This Contract is issued under the authority of the Contracting Officer who signed this Contract. The Contract may be modified only through a Contract Amendment within the scope of the Contract unless otherwise permitted by the Terms and Conditions. Changes to the Contract, including the addition of work or materials, the revision of payment terms, or the substitution of work or materials, directed by an unauthorized State employee or made unilaterally by the Contractor are violations of the Contract and of applicable law. Such changes, including unauthorized written Contract Amendments shall be void and without effect, and the Contractor shall not be entitled to any claim under this Contract based on those changes.

5.2. **Arbitration:** In accordance with ARS § 12-151 , the parties to this contract agree to resolve all disputes arising out of or relating to this Contract through arbitration, after exhausting applicable administrative review except as may be required by other applicable statutes.

5.3. **Assignment of Contract and Bankruptcy:** This contract is voidable and subject to immediate cancellation by the Contracting Officer upon Contractor becoming insolvent or filing proceedings in bankruptcy or assigning rights or obligations under this contract without the prior written consent of the Contracting Officer.

5.4. **Assignment and Delegation:** The Contractor shall not assign any right nor delegate any duty under this contract without prior written approval of the Contracting Officer, who will not unreasonably withhold such approval.

5.5. **Audits and Inspections:** Pursuant to A.R.S. 35-214, the Contractor shall retain and shall contractually require each subcontractor to retain all data, books and other records ("records") relating to this Contract for a period of five years after completion of the Contract. All records shall be subject to inspection and audit by the State at reasonable times. Upon request, the Contractor shall produce the original of any or all such records.

5.6. **Authority to Contract:** This contract is issued under the authority of the Contracting Officer who signed this contract. Changes to the contract, including the addition of work or materials, the revision of payment terms, or the substitution of work or materials, directed by an unauthorized state employee or made unilaterally by the Contractor are violations of the contract and of applicable law. Such changes, including unauthorized written contract amendments, shall be void and without effect, and the Contractor shall not be entitled to any claim under this contract based on those changes.

5.7. **Availability of Funds for the Current State Fiscal Year:** Should the State Legislature enter back into session and reduce the appropriations or for any reason and these goods or services are not funded, the State may take any of the following actions:

5.7.1. Accept a decrease in price offered by the contractor;
5.7.2. Cancel the Contract; or
5.7.3. Cancel the Contract and e-solicit the requirements;

provided, that AHCCCS and Health Plans shall remain obligated to pay Contractor for all services performed pursuant to an authorization issued hereunder to a member admitted prior to AHCCCS's notice to Contractor of such action.

5.8. **Availability of Funds for the Next Fiscal Year:** Funds may not presently be available for performance under this Contract beyond the current fiscal year. No legal liability on the part of the State for any payment may arise under this Contract beyond the current fiscal year until funds are made available for performance of this Contract; provided, that AHCCCS and Health Plans shall remain obligated to pay Contractor for all services performed pursuant to an authorization issued hereunder to a member admitted prior to AHCCCS's notice to Contractor of such action.. The State shall make reasonable efforts to secure such funds.

5.9. **Cancellation for Conflict of Interest:** Pursuant to A.R.S. 3 -511, the State may cancel this contract within three (3) years after Contract execution without penalty or further obligation if any person significantly involved in initiating, negotiating, securing, drafting or creating the Contract on behalf of the State is or becomes at any time, while the Contract or an extension of the Contract is in effect, an employee of or a consultant to any other party to this Contract with respect to the subject matter of the Contract. The cancellation shall be effective when the Contractor receives written notice of the cancellation, unless the notice specifies a later time. If the Contractor is a political subdivision of the State, it may also cancel this Contract as provided in A.R.S. 3 -511.

5.10. **Choice of Forum:** The parties agree that jurisdiction over any action arising out of or relating to this contract shall be brought or filed in a court of competent jurisdiction located in the State of Arizona.

5.11. **Compliance with Applicable Laws:** The materials and services supplied under this Contract shall comply with all applicable federal, state and local laws, and the Contractor shall maintain all applicable licenses and permit requirements.

5.12. **Confidentiality of Records:** The contractor shall establish and maintain procedures and controls that are acceptable to AHCCCS for the purpose of assuring that no information contained in its records or obtained from AHCCCS or others carrying out its functions under the contract, shall be used or disclosed by it, its agents, officers or employees, except as required to efficiently perform duties under the contract. Persons requesting such information shall be referred to AHCCCS. The contractor also agrees that any information pertaining to individual persons shall not be divulged other than to employees or officers of the contractor as needed for the performance of duties under the contract, unless otherwise agreed to, in writing, by AHCCCS.

5.13. **Conflict of Interest:** The Contractor shall not undertake any work that represents a potential conflict of interest, or which is not in the best interest of AHCCCS or the State without prior written approval by AHCCCS. The Contractor shall fully and completely disclose any situation that may present a conflict of interest. If the Contractor is now performing or elects to perform during the term of this contract any services for any AHCCCS Health Plan, provider or Contractor or an entity owning or controlling same, the Contractor shall disclose this relationship prior to accepting any assignment involving such party.

5.14. **Continuation of Performance through Termination:** The Contractor shall continue to perform, in accordance with the requirements of the contract, up to the date of termination, as directed in the termination notice. Notwithstanding any termination of this Contract, AHCCCS and Health Plans shall compensate Contractor for all services provided to members pursuant to authorizations issued hereunder until Contractor has completed such services.

5.15. **Contract Cancellation (Immediate):** This contract is critical to AHCCCS and the agency reserves the right to immediately cancel the whole or any part of this contract due to failure of the contractor to carry out any material obligation, term or condition of the contract. The Contracting Officer shall issue a written notice of default effective at once and not deferred by any interval of time. Default shall be for acting or failing to act an in any of the following:

5.15.1. The contractor provides material that does not meet the specifications of the contract;
5.15.2. The contractor fails to adequately perform the services set forth in the specifications of the contract;
5.15.3. The contractor fails to complete the work required or furnish the materials required within the time stipulated in the contract;
5.15.4. The contractor fails to make progress in the performance of the contract and/or gives the Contracting Officer reason to believe that the contractor will not or cannot perform to the requirements of the contract.
5.15.5. The Contracting Officer may resort to any single or combination of the following remedies:
5.15.5.1. Cancel any contract;
5.15.5.2. Reserve all rights or claims to damage for breach of any covenants of the contract;

Notwithstanding any such cancellation, AHCCCS and Health Plans shall compensate Contractor for all services provided to members pursuant to authorizations issued hereunder until Contractor has completed such services.

5.16. **Contract Cancellation (Minimum 10 Day):** The Contracting Officer reserves the right to cancel the whole or any part of this contract due to failure by the contractor to carry out any material obligation, term or condition of the contract. Notwithstanding any such cancellation, AHCCCS and Health Plans shall compensate Contractor for all services provided to members pursuant to authorizations issued hereunder until Contractor has completed such services. The Contracting Officer shall issue written notice to the contractor for acting or failing to act as in any of the following:
5.16.1. The contractor provides material that does not meet the specifications of the contract;
5.16.2. The contractor fails to adequately perform the services set forth in the specifications of the contract;
5.16.3. The contractor fails to complete the work required or furnish the materials required within the time stipulated by the contract;
5.16.4. The contractor fails to make progress in the performance of the contract and/or gives the Contracting Officer reason to believe that the contractor will not or cannot perform to the requirements of the contract;
5.16.5. Upon receipt of the written notice of concern, the contractor shall have a minimum of ten (10) days (Contracting Officer may determine a longer period) to provide a satisfactory response to the Contracting Officer. Failure on the part of the contractor to adequately address all

issues of concern may result in the Contracting Officer resorting to any single or combinations of the following remedies:

5.16.6. Cancel any contract;

5.16.7. Reserve all rights or claims to damage for breach of any covenant of the contract;

5.16.8. Perform any test or analysis on materials for compliance with the specifications of the contract. If the result of any test confirms a material no-compliance with the specifications, any reasonable expense of testing shall be borne by the contractor;

5.16.9. In case of default, the Contracting Officer reserves the right to purchase materials, or to complete the required work in accordance with the Arizona Procurement Code. The Contracting Officer may recover reasonable excess costs from the contractor by;

5.16.10. Deduction from an unpaid balance;

5.16.11. Collection against the bid and/or performance bond; or

5.16.12. Any combination of the above or any other remedies as provided by law.

5.17. **Contract Claims:** All contract claims or controversies under this contract shall be resolved according to A.A.C. Title 9, Chapter 34 and rules adopted thereunder.

5.18. **Contract Disputes:** Contract disputes arising under A.R.S. § Title 3, Chapter 29 shall be adjudicated in accordance with AHCCCS Rules.

5.19. **Cooperation with other Contractors:** AHCCCS may award other contracts for additional work related to this contract and Contractor shall fully cooperate with such other contractors and AHCCCS employees or designated agents, and carefully fit its own work to such other contractors' work. Contractor shall not commit or permit any act which will interfere with the performance of work by any other contractor or by AHCCCS employees.

5.20. **Covenant Against Contingent Fees:** The Contractor warrants that no person or agency has been employed or retained to solicit or secure this contract upon an agreement or understanding for a commission, percentage, brokerage or contingent fee. For violation of this warranty, the Contracting Officer shall have the right to annul this contract without liability.

5.21. **Employees of the Contractor:** All employees of the Contractor employed or in performance of work under this Contract shall be employees of the Contractor at all times and not of AHCCCS. The Contractor shall comply with the Social Security Act, Workers' Compensation laws and unemployment laws of the jurisdiction in which such employees are employed as well as federal, state and local legislation relevant to the Contractor's business.

5.22. **E-Verify Requirements:** In accordance with A.R.S. § 41-4401, Contractor warrants compliance with all Federal immigration laws and regulations relating to employees and warrants its compliance with Section A.RS. § 23-214, Subsection A.

5.23. **Exclusions:** Except as otherwise set forth in this Contract, there are no express or implied warranties of merchantability or fitness.

5.24. **Federal Immigration and Nationality Act:** By signing of the Contract, the Contractor warrants that both it and all proposed subcontractors are in compliance with federal immigration laws and regulations (FINA) relating to the immigration status of their employees. The State may, at its sole discretion require evidence of compliance during the evaluation process. Should the State request evidence of compliance, the Contractor shall supply adequate information. Failure to comply with this instruction or failure to supply requested information within the timeframe specified shall result in the offer not being considered for contract award.

5.25. **Fitness.** The Contractor warrants that any material supplied to the State shall fully conform to all requirements of the Contract and all representations of the Contractor, and shall be fit for all purposes and uses required by the Contract.

5.26. **Force Majeure:**

5.26.1. Except for payment of sums due, neither party shall be liable to the other nor deemed in default under this Contract if and to the extent that such party's performance of this Contract is prevented by reason of force majeure. The term "force majeure" means an occurrence that is beyond the control of the party affected and occurs without its fault or negligence. Without limiting the foregoing, force majeure includes acts of God; acts of the public enemy; war; riots; strikes; mobilization; labor disputes; civil disorders; fire; flood; lockouts; injunctions-intervention-acts; or failures or refusals to act by government authority; and other similar occurrences beyond the control of the party declaring force majeure which such party is unable to prevent by exercising reasonable diligence.

5.26.2. Force Majeure shall not include the following occurrences:

5.26.2.1. Late delivery of equipment or materials caused by congestion at a manufacturer's plant or elsewhere, or an oversold condition of the market;

5.26.2.2. Late performance by a subcontractor unless the delay arises out of a force majeure
occurrence in accordance with this force majeure term and condition; or

5.26.2.3. Inability of either the Contractor or any subcontractor to acquire or maintain any required insurance, bonds, licenses or permits.

5.26.3. If either party is delayed at any time in the progress of the work by force majeure, the delayed party shall notify the other party in writing of such delay, as soon as is practicable and no later than the following working day, of the commencement thereof and shall specify the causes of such delay such notice. Such notice shall be delivered or mailed certified-return receipt and shall make a specific reference to this article, thereby invoking its provisions. The delayed party shall cause such delay to cease as soon as practicable and shall notify the other party in writing when it has done so. The time of completion shall be extended by Contract Amendment for a period of time equal to the time that results or effects of such delay prevent the delayed party from performing in accordance with this Contract.

5.26.4. Any delay or failure in performance by either party hereto shall not constitute default hereunder or give rise to any claim for damages or loss of anticipated profits if, and to the extent that such delay or failure is caused by force majeure.

5.27. **Fraud and Abuse:**

5.27.1. It shall be the responsibility of the Contractor to report all cases of suspected fraud and abuse by subcontractors, members or employees. The Contractor shall provide written notification of all such incidents to the Contracting Officer.

5.27.2. As stated in A.R.S. § 13-2310, incorporated herein by reference, any person who knowingly obtains any benefit by means of false or fraudulent pretenses, representations, promises or material omissions is guilty of a class 2 felony.

5.27.3. Contractors are required to research potential overpayments identified by a fraud and abuse investigation or audit conducted by AHCCCS. After conducting a cost benefit analysis to determine if such action is warranted, the Contractor should attempt to recover any overpayments identified due to erroneous, false or fraudulent billings.

5.28. **Gratuities:** The State may, by written notice, terminate this Contract, in whole or in part, if the State determines that employment or a Gratuity was offered or made by the Contractor or a representative of the Contractor to any officer or employee of the State for the purpose of influencing the outcome of the procurement or securing the Contract, an amendment to the Contract, or favorable treatment concerning the Contract, including the making of any determination or decision about contract

performance. The State, in addition to any other rights or remedies, shall be entitled to recover exemplary damages in the amount of three times the value of the Gratuity offered by the Contractor.

5.29. **Implied Contract Terms:** Each provision of law and any terms required bylaw to be in this contract area part of this contract as if fully stated in it.

5.30. **Indemnification**

5.30.1. **Contractor/Vendor Indemnification:** The parties to this contract agree that the State of Arizona, its departments, agencies, boards and commissions shall be indemnified and held harmless by the contractor for the vicarious liability of the State as a result of entering into this contract However, the parties further agree that the State of Arizona, its departments, agencies, boards and commissions shall be responsible for its own negligence. Each party to this contract is responsible for its own negligence.

5.30.2. **Indemnification -- Patent and Copyright:** The Contractor shall defend, indemnify and hold harmless AHCCCS against any liability including costs and expenses for infringement of any patent, trademark or copyright arising out of contract performance or use by AHCCCS of materials furnished or work performed under this contract. The Contracting Officer shall reasonably notify the Contractor of any claim for which it may be liable under this paragraph.

5.30.3. **Indemnification Clause:** Contractor shall indemnify, defend, save and hold harmless the State of Arizona, its departments, agencies, boards, commissions, universities and its officers, officials, agents, and employees (hereinafter referred to as "Indemnitee") from and against any and all claims, actions, liabilities, damages, losses, or expenses (including court costs, attorneys' fees, and costs of claim processing, investigation and litigation) (hereinafter referred to as "Claims") for bodily injury or personal injury (including death), or loss or damage to tangible or intangible property caused, or alleged to be caused, in whole or in part, by the negligent or willful acts or omissions of Contractor or any of its owners, officers, directors, agents, employees or subcontractors. This indemnity includes any claim or amount arising out of or recovered under the Workers' Compensation Law or arising out of the failure of such contractor to conform to any federal, state or local law, statute, ordinance, rule, regulation or court decree. It is the specific intention of the parties that the Indemnitee shall, in all instances, except for Claims arising solely from the negligent or willful acts or omissions of the Indemnitee, be indemnified by Contractor from and against any and all claims. It is agreed that Contractor will be responsible for primary loss investigation, defense and judgment costs where this indemnification is applicable. In consideration of the award of this contract, the Contractor agrees to waive all rights of subrogation against the State of Arizona, its officers, officials, agents and employees for losses arising from the work performed by the Contractor for the State of Arizona.

This indemnity shall not apply if the contractor or sub-contractor(s) is/are an agency, board, commission or university of the State *of Arizona.*

5.30.4. **Independent Contractor:** The contractor represents himself/herself to be an independent contractor offering such services to the general public and shall not represent himself/herself or his/her employees to be an employee of the State of Arizona and/or AHCCCS. Therefore, the contractor shall assume all legal and financial responsibility for taxes, FICA, employee fringe benefits, workers compensation, employee insurance, etc.

5.31. **Insurance Requirements:** Contractor and subcontractors shall procure and maintain until all of their obligations have been discharged, including any warranty periods under this Contract, are satisfied, insurance against claims for injury to persons or damage to property which may arise from or in

connection with the performance of the work hereunder by the Contractor, his agents, representatives, employees or subcontractors.

The *insurance requirements* herein are minimum requirements for this Contract and in no way limit the indemnity covenants contained in this Contract. The State of Arizona in no way warrants that the minimum limits contained herein are sufficient to protect the Contractor from liabilities that might arise out of the performance of the work under this contract by the Contractor, its agents, representatives, employees or subcontractors, and Contractor is free to purchase additional insurance.

5.31.1. Minimum Scope And Limits Of Insurance: Contractor shall provide coverage with limits of liability not less than those stated below.

5.31.2. Commercial General Liability-Occurrence Form
Policy shall include bodily injury, property damage, personal injury and broad form contractual liability coverage.

• General Aggregate	2,000,000
• Personal and Advertising Injury	1,000,000
• Blanket Contractual Liability - Written and Oral	1,000,000
• Fire Legal Liability	50,000
• Each Occurrence	1,000,000

5.31.2.1. The policy shall be endorsed to include the following additional insured language: *"The State of Arizona, its departments, agencies, boards, commissions, universities and its officers, officials, agents, and employees shall be named as additional insureds with respect to liability arising out of the activities performed by or on behalf of the Contractor."*

5.31.2.2. Policy shall contain a waiver of subrogation against the State of Arizona, its departments, agencies, boards, commissions, universities and its officers, officials, agents, and employees for losses arising from work performed by or on behalf of the Contractor.

5.31.3. Worker's Compensation and Employers' Liability

Workers' Compensation	Statutory
Employers' Liability	
• Each Accident	500,000
• Disease - Each Employee	500,000
• Disease - Policy Limit	1,000,000

5.31.3.1. Policy shall contain a waiver of subrogation against the State of Arizona, its departments, agencies, boards, commissions, universities and its officers, officials, agents, and employees for losses arising from work performed by or on behalf of the Contractor.

5.31.3.2. This requirement shall not apply to: Separately, EACH contractor or subcontractor exempt under A.R.S. 23-901, AND when such contractor or subcontractor executes the appropriate waiver (Sole Proprietor/Independent Contractor) form.

5.31.4. Professional Liability (Errors and Omissions Liability)

• Each Claim	1,000,000
• Annual Aggregate	2,000,000

5.31.4.1. In the event that the professional liability insurance required by this Contract is written on a claims-made basis, Contractor warrants that any retroactive date under the policy shall precede the effective date of this Contract; and that either continuous coverage will be maintained or an extended discovery period will be exercised for a period of two (2) years beginning at the time work under this Contract is completed.

5.31.4.2. The policy shall cover professional misconduct or lack of ordinary skill for those positions defined in the Scope of Work of this contract.

5.31.5. **Additional Insurance Requirements: The policies shall include, or be endorsed to include, the following provisions:**

5.31.5.1. The State of Arizona, its departments, agencies, boards, commissions, universities and its officers, officials, agents, and employees, wherever additional insured status is required, such additional insured shall be covered to the full limits of liability purchased by the Contractor, even if those limits of liability are in excess of those required by this Contract.

5.31.5.2. The Contractor's insurance coverage shall be primary insurance with respect to all other available sources.

5.31.5.3. Coverage provided by the Contractor shall not be limited to the liability assumed under the indemnification provisions of this Contract.

5.31.6. **Notice Of Cancellation:** Should any of the above policies be cancelled before the expiration date thereof, notice will be delivered in accordance with the policy provisions. In order for the Contractor to comply with the Notice of Cancellation provision, Contractor should either:

5.31.7. Request and secure the endorsement, if available, to broaden its policy, or 5.34.7.2 Be aware that it must notify AHCCCS in the event of a policy cancellation, since the insurer will not provide this notice directly to AHCCCS. Notice should be sent directly to **AHCCCS Contracts, 701 East Jefferson, Mail Drop 5700, Phoenix, AZ, 85034.**

5.31.8. **Verification Of Coverage:** Contractor shall furnish the State of Arizona with certificates of insurance (ACORD form or equivalent approved by the State of Arizona) as required by this Contract. The certificates for each insurance policy are to be signed by a person authorized by that insurer to bind coverage on its behalf.

5.31.8.1. All certificates and endorsements are to be received and approved by the State of Arizona before work commences. Each insurance policy required by this Contract must be in effect at or prior to commencement of work under this Contract and remain in effect for the duration of the project. Failure to maintain the insurance policies as required by this Contract, or to provide evidence of renewal, is a material breach of contract.

5.31.8.2. All certificates required by this Contract shall be sent directly to **AHCCCS Contracts, 701 East Jefferson, Mail Drop 5700, Phoenix, AZ 5034.** The State of Arizona project/contract number and project description shall be noted on the certificate of insurance. The State of Arizona reserves the right to require complete, certified copies of all insurance policies required by this Contract at **any time. DO NOT SEND CERTIFICATES OF INSURANCE TO THE STATE OF ARIZONA'S RISK MANAGEMENT SECTION.**

5.31.9. **Subcontractors:** Contractors' certificate(s) shall include all subcontractors as insureds under its policies or Contractor shall furnish to the State of Arizona separate certificates and

endorsements for each subcontractor. All coverages for subcontractors shall be subject to the minimum requirements identified above.

5.31.10. **Approval:** Any modification or variation from the *insurance requirements* in this Contract shall be made by the Department of Administration, Risk Management Section, whose decision shall be final. Such action will not require a formal Contract amendment, but may be made by administrative action.

5.31.11. **Exceptions:** In the event the Contractor or sub-contractor(s) is/are a public entity, then the Insurance Requirements shall not apply. Such public entity shall provide a Certificate of Self-Insurance. If the contractor or sub-contractor(s) is/are a State of Arizona agency, board, commission, or university, none of the above shall apply.

5.32. **IRS W9 Form:** In order to receive payment under any resulting contract, the contractor shall have a current IRS W9 Form on file with the State of Arizona (State of Arizona Substitute W-9).

5.33. **Licenses:** Contractor shall maintain in current status all federal, state and local licenses and permits required for the operation of the business conducted by the contractor.

5.34. **Lobbying:** No funds paid to the Contractor by AHCCCS, or interest earned thereon, shall be used for the purpose of influencing or attempting to influence an officer or employee of any federal or State agency, a member of the United States Congress or State Legislature, an officer or employee of a member of the United States Congress or State Legislature in connection with awarding of any federal or State contract, the making of any federal or State grant, the making of any federal or State loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment or modification of any federal or State contract, grant, loan, or cooperative agreement. The Contractor shall disclose if any funds other than those paid to the Contractor by AHCCCS have been used or will be used to influence the persons and entities indicated above and will assist AHCCCS in making such disclosures to CMS.

5.35. **No Guaranteed Quantities:** AHCCCS does not guarantee the Contractor any minimum or maximum quantity of services or goods to be provided under this contract.

5.36. **No Parole Evidence:** This contract is intended by the parties as a final and complete expression of their agreement. No course of prior dealings between the parties and no usage of the trade shall supplement or explain any term used in this contract.

5.37. **No Waiver:** Either party's failure to insist on strict performance of any term or condition of the contract shall not be deemed a waiver of that term or condition even if the party accepting or acquiescing in the nonconforming performance knows of the nature of the performance and fails to object to it.

5.38. **Non-availability of Funds:** In accordance with ARS § 35-154, every payment obligation of the State under the Contract is conditioned upon the availability of funds appropriated or allocated for payment of such obligation. If funds are not allocated and available for the continuance of this Contract, this Contract may be terminated by the State at the end of the period for which funds are available. No liability shall accrue to the State in the event this provision is exercised, and the State shall not be obligated or liable for any future payments or for any damages as a result of termination under this paragraph; ; provided, that AHCCCS and Health Plans shall remain obligated to pay Contractor for all services performed pursuant to an authorization issued hereunder.

5.39. **Nonconforming Tender:** Materials supplied under this contract shall fully comply with the contract. The delivery of materials or a portion of the materials in an installment that do not fully comply constitutes a breach of contract. On delivery of nonconforming materials, AHCCCS may terminate the

contract for default under applicable termination clauses in the contract, exercise any of its rights and remedies under the Uniform Commercial Code or pursue any other right or remedy available to it.

5.40. **Non-Discrimination:** The Contractor shall comply with State Executive Order No 2009-09, which mandates that all persons, regardless of race, color, religion, sex, national origin or political affiliation, shall have equal access to employment opportunities, and all other applicable federal and state laws, rules and regulations, including the Americans with Disabilities Act. The Contractor shall take positive action to ensure that applicants for employment, employees, and persons to whom it provides service are not discriminated against due to race, creed, color, religion, sex, national origin or disability.

5.41. **Non-exclusive Contract:** Any contract resulting from this solicitation shall be awarded with the understanding and agreement that it is for the sole convenience of AHCCCS. The state reserves the right to obtain like goods or services from another source when necessary.

5.42. **Non-exclusive Remedies:** The rights and the remedies of AHCCCS under this contract are not exclusive.

5.43. **Offshore Performance of Work Prohibited:** Any services that are described in the specifications or scope of work that directly serve the State of Arizona or its clients shall be performed within the defined territories of the United States. Unless specifically stated otherwise in the specifications, this paragraph does not apply to indirect or 'overhead' services, redundant back-up services or services that are incidental to the performance of the contract. This provision applies to work performed by subcontractors at all tiers.

5.44. **Ownership of Information and Data:**

5.44.1. Any data or information system, including all software, documentation and manuals, developed by Contractor pursuant to this contract, shall be deemed to be owned by AHCCCS. The federal government reserves a royalty-free, nonexclusive, and irrevocable license to reproduce, publish, or otherwise use and to authorize others to use for federal government purposes, such data or information system, software, documentation and manuals. Proprietary software which is provided at established catalog or market prices and sold or leased to the general public shall not be subject to the ownership or licensing provisions of this section.

5.44.2. Except as otherwise provided in this section, if any copyrightable or patentable material is developed by Contractor in the course of performance of this contract, the federal government, AHCCCS and the State of Arizona shall have a royalty-free, nonexclusive, and irrevocable right to reproduce, publish, or otherwise use, and to authorize others to use, the work for state or federal government purposes. Contractor shall additionally be subject to the applicable provisions of 45 CFR Part 74 and 45 CFR Parts.

5.45. **Payments:** The Contractor shall be paid as specified in the Contract. Payment must comply with requirements of A.R.S. Title 35.

5.46. **Purchase Orders:** The contractor shall, in accordance with all terms and conditions of the contract, fully perform and shall be obligated to comply with all purchase orders received by the contractor prior to the expiration or termination hereof, unless otherwise directed in writing by the Contracting Officer, including, without limitation, all purchase orders received prior to but not fully performed and satisfied at the expiration or termination of this contract.

5.47. **Records:** Under A.R.S. § 35-214 and § 35-215, the Contractor shall retain and shall contractually require each subcontractor to retain all data and other records ("records") relating to the acquisition and performance of the Contract for a period of five years after the completion of the Contract. All records

shall be subject to inspection and audit by the State at reasonable times. Upon request, the Contractor shall produce a legible copy of any or all such records at no cost to the State.

5.48. **Relationship of Parties:** The Contractor under this contract is an independent Contractor. Neither party to this contract shall be deemed to be the employee or agent of the other party to the contract.

5.49. **Responsibility for Payments Indemnification:** The contractor shall be responsible for issuing payment for services performed by the contractor's employees and will indemnify and save AHCCCS harmless for all claims whatsoever growing out of the lawful demands of employees, subcontractors, suppliers or any other third party incurred in the furtherance of the performance of the contract. The contractor shall, at AHCCCS' request, furnish satisfactory evidence that all obligations of the nature hereinabove designated have been paid, discharged or waived.

5.50. **Right of Offset:** AHCCCS shall be entitled to offset against any amounts due the Contractor any expenses or costs incurred by AHCCCS concerning the Contractor's non-conforming performance or failure to perform the contract, including expenses, costs and damages described in the proceeding paragraphs.

5.51. **Right to Assurance:** If AHCCCS, in good faith, has reason to believe that the Contractor does not intend to perform or continue performing this contract, the Contracting Officer may demand in writing that the Contractor give a written assurance of intent to perform. The demand shall be sent to the Contractor by certified mail, return receipt required. Failure by the Contractor to provide written assurance within the number of days specified in the demand may, at the Contracting Officer's option, be the basis for terminating the contract.

5.52. **Risk of Loss:** The Contractor shall bear all loss of conforming material covered under this Contract until received by authorized personnel at the location designated in the purchase order or Contract. Mere receipt does not constitute final acceptance. The risk of loss for nonconforming materials shall remain with the Contractor regardless of receipt.

5.53. **Severability:** The provisions of this contract are severable to the extent that any provision or application held to be invalid shall not affect any other provision or application of the contract, which may remain in effect without the invalid provision, or application.

5.54. **State and Local Transaction Privilege Taxes:** AHCCCS is subject to all applicable state and local transaction privilege taxes. Transaction privilege taxes apply to the sale and are the responsibility of the seller to remit. Failure to collect taxes from the buyer does not relieve the seller from its obligation to remit taxes.

5.55. **Subcontracts:** The contractor may, with the consent of the Contracting Officer, enter into written subcontract(s) for performance of certain of its functions under the contract. Subcontractors must be approved in writing by the Contracting Officer to the effective date of any subcontract.

5.55.1. No subcontract which the contractor enters into with respect to performance under the contract shall in any way relieve the contractor of any responsibility for performance of its duties.

5.55.2. The contractor shall give the Contracting Officer immediate notice in writing by certified mail of any action or suit filed and prompt notice of any claim made against the contractor by any subcontractor or vendor which in the opinion of the contractor may result in litigation related in any way to the contract with AHCCCS.

5.56. **Suspension or Debarment:** The Contracting Officer may, by written notice to the Contractor, immediately terminate this Contract if the Contracting Officer or the State determine that the Contractor has been

debarred, suspended or otherwise lawfully prohibited from participating in any public procurement activity, including but not limited to, being disapproved as a subcontractor of any public procurement unit or other governmental body.

5.57. **Tax Indemnification:** The contractor and all subcontractors shall pay all federal, State and local taxes applicable to its operation and any persons employed by the contractor. Contractor shall require all subcontractors to hold the State harmless from any responsibility for taxes, damages and interest, if applicable, contributions required under Federal and/or State and local laws and regulations and any other costs including transaction privilege taxes, unemployment compensation insurance, Social Security and Worker's Compensation.

5.58. **Term of Contract and Option to Renew:**

5.58.1. The initial term of this contract shall be for one (1) initial year with four (4) one-year options to extend, not to exceed a total contracting period of five (5) years. The terms and conditions of any such contract extension shall remain the same as the original contract, as amended. All contract extensions shall be through contract amendment, and shall be at the sole option of AHCCCS.

5.58.2. When the Contracting Officer issues an amendment to extend the contract, the provisions of such extension will be deemed to have been accepted 0 days after the date of mailing by the Contracting Officer, even if the extension amendment has not been signed by the Contractor, unless within that time the Contractor notifies the Contracting Officer in writing that it refuses to sign the extension amendment. If the Contractor provides such notification, the Contracting Officer will initiate contract termination proceedings.

5.58.3. If the Contractor chooses not to renew this contract, the Contractor may be liable for certain costs associated with the transition of its members to a different Contractor. If the Contractor provides the Contracting Officer written notice of its intent not to renew this contract at least 10 days before its expiration, this liability for transition costs may be waived by the Contracting Officer.

5.58.4. Notwithstanding any such expiration, termination or non-renewal, AHCCCS and Health Plans shall compensate Contractor for all services provided to members pursuant to authorizations issued hereunder until Contractor has completed such services.

5.59. **Termination - Availability of Funds:** Funds are not presently available for performance under this contract beyond the current fiscal year. No legal liability on the part of AHCCCS for any payment may arise under this contract until funds are made available for performance of this contract; provided, that AHCCCS and Health Plans shall remain obligated to pay Contractor for all services performed pursuant to an authorization issued hereunder. AHCCCS shall make reasonable efforts to secure such funds.

5.60. **Termination for Convenience:** The Contracting Officer reserves the right to terminate the contract in whole or in part at any time when in the best interests of AHCCCS without penalty or recourse. The Contracting Officer shall give written notice by certified mail, return receipt requested, to the Contractor of the termination at least ninety (90) days before the effective date of the termination. In the event of termination under this paragraph, all documents, data and reports prepared by the Contractor under the contract shall become the property of and be delivered to the Contracting Officer. The Contractor shall be entitled to receive just and equitable compensation for work in progress, work completed and materials accepted before the effective date of the termination. The cost principles and procedures provided in A.A.C. R 2-7-701 shall apply. Notwithstanding any such termination, AHCCCS and Health Plans shall compensate Contractor for all services provided to members pursuant to authorizations issued hereunder until Contractor has completed such services.

5.61. **Termination for Default:**

5.61.1. The Contracting Officer reserves the right to terminate this contract in whole or in part due to the failure of the Contractor to comply with any term or condition of the contract, to acquire and maintain all required insurance policies, bonds, licenses and permits, or failure to take corrective action as required by the Contracting Officer to comply with the terms of the contract. If the Contractor is providing services under more than one contract with AHCCCS, the Contracting Officer may deem unsatisfactory performance under one contract to be cause to require the Contractor to provide assurance of performance under any and all other contracts. In such situations, the Contracting Officer reserves the right to seek remedies under both actual and anticipatory breaches of contract if adequate assurance of performance is not received. The Contracting Officer shall mail written notice of the termination and the reason(s) for it to the Contractor by certified mail, return receipt requested.

5.61.2. In the event the Contractor requests a hearing prior to termination, AHCCCS is required by the Balanced Budget Act of 1997 to oversee the operation of the Contractor entity through appointment of temporary management prior to the hearing.

5.61.3. Upon termination under this paragraph, all documents, data, and reports prepared by the Contractor under the contract shall become the property of and be delivered to the Contracting Officer on demand.

5.61.4. The Contracting Officer may, upon termination of this contract, procure, on terms and in the manner that it deems appropriate, materials or services to replace those under this contract. The Contractor shall be liable for any excess costs incurred by AHCCCS in procuring the materials or services in substitution for those due from the Contractor.

5.61.5. Notwithstanding any such termination, AHCCCS and Health Plans shall compensate Contractor for all services provided to members pursuant to authorizations issued hereunder until Contractor has completed such services.

5.62. **Third Party Antitrust Violations:** The Contractor assigns to AHCCCS any claim for overcharges resulting from antitrust violations to the extent that those violations concern materials or services supplied by third parties to the Contractor toward fulfillment of this contract.

Attachment A-1 Transplant Invoice Coversheet

CONTRACTOR FACILITY
FACILITY ADDRESS
CITY, STATE ZIP

CONTRACTOR CONTACT NAME
CONTACT INFORMATION

SUPERVISOR CONTACT

TRANSPLANT INVOICE COVERSHEET

DO NOT SEPARATE

BILL TO: AHCCCS
701 East Jefferson Street, Mail Drop 6600 Phoenix, Arizona 85034

DATE BILLED	AUTHORIZATION	DATES COVERED	CONTRACTOR ID

MEMBER NAME	MEMBER ID	COMPONENT BILLED	TOTAL BILLED

BILLED CHARGES DETAILED

	NUMBER OF CLAIMS BILLED WITH PACKET	TOTAL BILLED CHARGES BY FORM TYPE
INPATIENT	_____	$ _____
OUTPATIENT	_____	$ _____
PROF FEES	_____	$ _____

EXPECTED PAYMENT $

PLEASE REMIT PAYMENT TO:
**Include only if different from billing facility

FACILITY NAME
FACILITY ADDRESS
CITY, STATE ZIP
CONTACT NAME

Included in this component are hospital, physician, and professional services.

Attachment A-2 Transplant Invoice Coversheet Instructions

CONTRACTOR FACILITY
FACILITY ADDRESS
CITY, STATE ZIP

HOSPITAL BILLING FACILITY

TRANSPLANT FACILITY ADDRESS

CONTRACTOR CONTACT NAME
CONTACT INFORMATION

BILLING PERSON'S PHONE #, FAX# AND EMAIL ADDRESS

SUPERVISOR CONTACT

SUPERVISOR CONTACT PHONE, FAX AND EMAIL ADDRESS NEEDED IN THE EVENT THAT BILLING CONTACT CANNOT BE REACHED

TRANSPLANT INVOICE COVERSHEET

DO NOT SEPARATE

BILL TO: Enter either AHCCCS or Health Plan and address

DATE BILLED	AUTHORIZATION	DATES COVERED	CONTRACTOR ID
Date mailed to AHCCCS	Authorization # Given to facility from Med Mgmt	Begin and end dates when actual services were performed-verify services are within date authed date span	AHCCCS Contractor ID
MEMBER NAME	**MEMBER ID**	**COMPONENT BILLED**	**TOTAL BILLED**
Name of Transplant recipient	Recipient's AHCCCS ID#	Transplant Component being billed-IE: MUD, Prep and Trans, 1-30 etc.	Total of ALL billed charges: IP UB's + OP UB's + 1500's

BILLED CHARGES DETAILED

	NUMBER OF CLAIMS BILLED WITH PACKET	TOTAL BILLED CHARGES BY FORM TYPE
INPATIENT	_____	$ _____
OUTPATIENT	_____	$ _____
PROF FEES	_____	$ _____

Number of Inpatient claims billed in packet

Number of outpatient claims billed in packet

Number of 1500's (HCFA) claims billed in packet

Total charges for Inpatient claims billed with packet

Total charges for all Outpatient claims billed with packet

Total charges for all 1500's(HCFA's) billed with packet

EXPECTED PAYMENT $

Payment expected for component from AHCCCS or Health Plan per Contractor

PLEASE REMIT PAYMENT TO:
**Include only if different from billing facility

FACILITY NAME
FACILITY ADDRESS
CITY, STATE ZIP
CONTACT NAME

This information is ONLY required if payment is to be remitted to another facility other than billing facility-IE: PCH billed (peds transplant) but MAYO is paid

Included in this component are hospital, physician, and professional services.

Attachment B Transplant Outlier Payment Calculation

Transplant Outlier
Template effective for

ATTACHMENT C
Qualified Vendor Application
YH 13-0008 AHCCCS Transplantation Services

DATE OF APPLICATION:

NAME OF VENDOR:

The following requirements shall be submitted to the AHCCCS Procurement and Contracts office at time of application (if not already on file with AHCCCS):

1. FACILITY LICENSING
   1.1 CMS Certified Transplant Center
   1.2 United Network for Organ Sharing (UNOS) approval for each transplant type indicated on the contract
   1.3 FACT accreditation (for facilities providing hematopoietic stem cell transplant services)

2. Resumes or Vitas of Qualified Medical Staff

3. Current AHCCCS Provider Participation Agreement on file

4. Certificates of Insurance (Reference Section 5.34 Insurance Requirements)
   - Commercial General Liability
   - Automobile Liability
   - Worker's Compensation and Employer's Liability
   - Professional Liability
   - Waiver of subrogation / additionally insured

5. Arizona Substitute W-9 (Reference Section 5.35 -IRS W9 Form)

6. Signed Contract (Page 1 of this Contract)

7. Completed information indicating transplant service types (Page 3 of this contract)

8. Completed Contact Information/Notices Section (Attachment D)

ATTACHMENT D
CONTACT INFORMATION / NOTICES SECTION

A. Parties shall designate appropriate contact persons within each organization for notices, reports, deliverables and invoices as they relate to this agreement. Parties agree to inform of any changes in contact persons via email within ten (10) days of the change.

B. Any notices or correspondence related to this Agreement shall be sent to the parties or their designees respectively as follows:

AHCCCS Procurement and Contracts:	AHCCCS Transplant Program Contact:
Arizona Health Care Cost Containment System Meggan Harley, MSW, CPPO 701 East Jefferson St., MD 5700 Phoenix, AZ 85034 P. 602 -417-4538 meggan.harley@azahcccs.gov	Arizona Health Care Cost Containment System Nancy Neroni, Program Financial Monitor 701 East Jefferson St, MD 6100 Phoenix, AZ 85034 P. 602-417-4210 F. 602-256-6421 Nancy.Neroni@azahcccs.gov
Contractor Signatory:	Contractor Transplant Program Contact:
Stanford Health Care Dan Morissette, Chief Financial Officer 300 Pasteur Drive Stanford, CA 94305 P: 650-736-9776 dmorissette@stanfordhealthcare.org	Stanford Health Care Mindy Scharlin, Director, Transplant Contracting 300 Pasteur Drive, M/C 5519 Stanford, CA 94305-5519 P: 617-243-0162 F: 617-243-0158 mscharlin@stanfordhealthcare.org

ATTACHMENT E
CONTRACTED HEALTH PLAN AGREEMENT

Stanford Health Care
Contracted Health Plan Agreement

This Contracted Health Plan Agreement (the "Agreement") is entered into as of the Effective Date specified on the attached Information Sheet, which is incorporated herein, by and between Stanford Health Care (collectively, "Contractor"), and the entity identified below (the "Health Plan").

In consideration of the following recitals and the mutual covenants set forth in this Agreement, and for other valuable consideration, Contractor and Health Plan acknowledge and agree as follows:

1. Contractor has entered into a Specialty Contract for Transplantation Services (the "Transplantation Services Contract") with Arizona Health Care Cost Containment System ("AHCCCS"), pursuant to which Contractor has agreed to provide specified transplant services ("Services") to specified individuals, including certain individuals with respect to whom agencies other than AHCCCS are responsible to pay for the cost of Services provided to those individuals ("Contracted Health Plans").

2. Payer is one of those Contracted Health Plans.

3. Contractor and Health Plan hereby agree that Contractor shall perform the transplant services specified on the attached documentation to the individual identified thereon, and Health Plan shall perform all applicable obligations with respect to the authorization of services, the identification of the individual as one for with respect to whom Health Plan is responsible to pay for transplant services, and the payment for those services in a timely manner, all in accordance with the terms and conditions of the Transplantation Services Contract, which are hereby incorporated herein by reference. Without limiting the generality of the foregoing, the terms of this Agreement shall represent Health Plan's agreement to pay Contractor for the services provided hereunder at the applicable rates set forth in the Transplantation Services Agreement, and shall bind Health Plan legally and supersede any right or claim Health Plan may have, whether arising under applicable laws or regulations or otherwise, to pay Contractor at a lower rate.

Name of Health Plan: **Address:**	**Stanford Health Care** **TIN 77-0465765**
Signature: _____	Signature: _____
Print Name: _____	Print Name: _____
Title: _____	Title: _____
Date: _____	Date: _____

Information Sheet

[provides essential information about the patient, the services authorized, etc.]