

SIGNATURE DOCUMENT FOR
HEALTH AND HUMAN SERVICES COMMISSION
CONTRACT NO. 529-17-0087-00001

I. PURPOSE

The Health and Human Services Commission ("HHSC"), an administrative agency of the State of Texas having its principal office at 4900 N. Lamar Blvd, and iBridge Group, Inc. ("Contractor"), having its principal office at 8701 N. MoPac, Suite 100, Austin, TX 78759 (each a "Party" and collectively "the Parties") enter into the following time and materials contract for Texas Integrated Eligibility Redesign System (TIERS) Kofax Product Solution Support and Services (the "Contract").

II. LEGAL AUTHORITY

This Contract is authorized by and in compliance with the provisions of Title 10, Subtitle D of the Texas Government Code and Chapter 531 of the Government Code.

III. DURATION

The Effective Date for this Contract is the later of September 1, 2017 or the first date on which both Parties have executed the Contract. Contractor's performance under this Contract shall commence on the Effective Date, and will continue in effect until the expiration of the Base Term of the Contract or the expiration of any applicable Extension Term, unless earlier terminated in accordance with the provisions of the Contract. The Base Term of this Contract shall be a period of two (2) years from that Effective Date. HHSC, at its sole option, may extend the Contract with one (1) year options for up to three (3) additional years.

For each Extension Term, HHSC must provide prior written notice to Contractor of its intent to execute an Option Year term no later than 90 days prior to the start of the next term. If HHSC does not provide such written notice by that Notification Date, or by another date mutually agreed-upon by the Parties in writing prior to the Notification Date, the Parties agree that the failure to provide such notice will effectively constitute notice of HHSC's intent not to extend the term of the Contract.

HHSC may also choose to execute optional Turnover Services, which would occur during the last four (4) weeks of the final Contract Term. HHSC will provide the Contractor with 60 days prior written notice of its intent to execute the optional Turnover Services.

Following the base term and any allowable extensions, HHSC may extend any resulting Contract for the purpose of completing a new procurement, and/or to transition to a new vendor if necessary to avoid interruption in HHSC services, subject to terms and conditions that are mutually agreed upon by the Parties.

IV. BUDGET

The total amount of this Contract will not exceed \$8,813,280.00, **unless the parties agree to an Amendment increasing the not to exceed amount stated.** All expenditures under the Contract will be in accordance with Exhibit D.

HHSC makes no guarantee of volume, usage, or total compensation to be paid under the Contract. The Contract is subject to appropriations and the continuing availability of funds.

V. CONTRACT REPRESENTATIVES

The following will act as the Representative authorized to administer activities under this Contract on behalf of their respective Party.

System Agency

Health and Human Services Commission
1609 Centre Creek Dr.
Austin, TX 78754
Attention: Fady Nakhla
Phone: 512- 997-4239

Contractor

iBridge Group, Inc.
8701 N. MoPac, Suite 100,
Austin, TX 78759
Attention: Leah Arnold
Leah.Arnold@ibridgegroup.com
Phone: (512) 663-4640

VI. LEGAL NOTICES

Any legal notice required under this Contract shall be deemed delivered by the System Agency when deposited using either the United States mail, postage paid, certified, return receipt requested; or with a common carrier, overnight, signature required, to the appropriate address below:

System Agency

Charles Smith
Executive Commissioner
Health and Human Services Commission
4900 N. Lamar Blvd Austin, TX 78751

With a copy to:

Karen Ray
Chief Counsel
Health and Human Services Commission

4900 N. Lamar Blvd
Austin, TX 78751

Contractor

iBridge Group, Inc.
8701 N. MoPac, Suite 100,
Austin, TX 78759
Attention: Tim Lindstrom

Legal notice given by Contractor shall be deemed effective when received by the System Agency. Either Party may change its address for legal notices and the name of the addressees by written notice to the other Party.

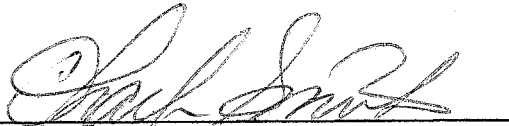
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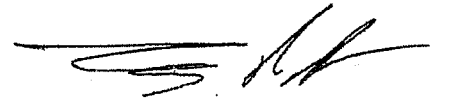
SIGNATURE PAGE FOR SYSTEM AGENCY CONTRACT NO. 529-17-0087-00001

TEXAS HEALTH AND
HUMAN SERVICES

IBRIDGE GROUP, INC.



SIGNATURE



SIGNATURE

Charles Smith

PRINTED NAME

Timothy A. Lindstrom

PRINTED NAME

Executive Commissioner

TITLE

CEO

TITLE

7-14-2017

DATE OF EXECUTION

6-2-2017

DATE OF EXECUTION

THE FOLLOWING ATTACHMENTS TO HHSC CONTRACT NO. *** ARE HEREBY ATTACHED TO THIS SIGNATURE DOCUMENT AND INCORPORATED BY REFERENCE:

EXHIBIT A – HHSC SPECIAL CONDITIONS

EXHIBIT B – HHSC UNIFORM TERMS AND CONDITIONS

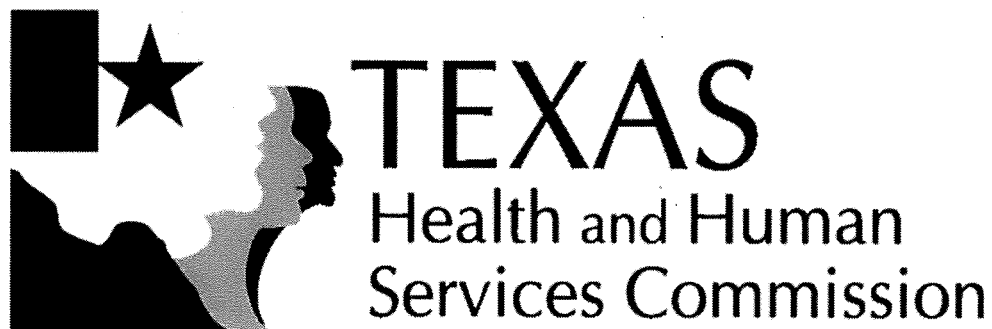
EXHIBIT C – STATEMENT OF WORK, INCLUDING ALL ATTACHMENTS REFERRED TO THEREIN

EXHIBIT D – RATE AND COST SCHEDULES

EXHIBIT E – AGREED-UPON EXCERPTS FROM CONTRACTOR' S NARRATIVE PROPOSAL AND BAFO

EXHIBIT F – HHS DATA USE AGREEMENT

EXHIBIT A: HHSC SPECIAL CONDITIONS



HEALTH AND HUMAN
SERVICES COMMISSION
SPECIAL CONDITIONS
VERSION 1.0

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EXHIBIT A: HHSC SPECIAL CONDITIONS

The terms and conditions of these Special Conditions are incorporated into and made a part of the Contract. Capitalized items used in these Special Conditions and not otherwise defined have the meanings assigned to them in HHSC Uniform Terms and Conditions – Vendor, Version 2.13.

ARTICLE I. SPECIAL DEFINITIONS

“Conflict of Interest” means a set of facts or circumstances, a relationship, or other situation under which Contractor, a Subcontractor, or individual has past, present, or currently planned personal or financial activities or interests that either directly or indirectly: (1) impairs or diminishes the Contractor’s, or Subcontractor’s ability to render impartial or objective assistance or advice to the HHSC; or (2) provides the Contractor or Subcontractor an unfair competitive advantage in future HHSC procurements.

“Contractor Agents” means Contractor’s representatives, employees, officers, Subcontractors, as well as their employees, contractors, officers, and agents.

“Custom Software” means Software developed as a Deliverable or in connection with the Agreement.

“Data Use Agreement” means the agreement incorporated into the Contract to facilitate creation, receipt, maintenance, use, disclosure or access to Confidential Information.

“Federal Financial Participation” is a program that allows states to receive partial reimbursement for activities that meet certain objectives of the federal government. It is also commonly referred to as the Federal Medical Assistance Percentage (FMAP).

“Item of Noncompliance” means Contractor’s acts or omissions that: (1) violate a provision of the Contract; (2) fail to ensure adequate performance of the Work; (3) represent a failure of Contractor to be responsive to a request of HHSC relating to the Work under the Contract.

“Minor Administrative Change” refers to a change to the Contract that does not increase the fees or term and done in accordance with Section 6.02 of these Special Conditions.

“Other Confidential Information” means any communication or record (whether oral, written, electronically stored or transmitted, or in any other form) provided to or made available to Contractor; or that Contractor may create, receive, maintain, use, disclose or have access to on behalf of HHSC or through performance of the Work, which is not designated as Confidential Information in the Data Use Agreement.

“Outside the United States” means any location that is not within the territorial boundaries comprising the republic of the United States of America, including any of the 48 coterminous states in North America, the states of Alaska and Hawaii, and the District of Columbia.

“Software” means all operating system and applications software used or created by Contractor to perform the Work under the Contract.

“**State**” means the State of Texas and, unless otherwise indicated or appropriate, will be interpreted to mean HHSC and other agencies of the State of Texas that may participate in the administration of HHSC Programs; provided, however, that no provision will be interpreted to include any entity other than HHSC as the contracting agency.

“**Third Party Software**” refers to software programs or plug-ins developed by companies or individuals other than Contractor which are used in performance of the Work. It does not include items which are ancillary to the performance of the Work, such as internal systems of Contractor which were deployed by Contractor prior to the Contract and not procured to perform the Work.

“**Turnover**” means the effort necessary to enable HHSC, or its designee, to effectively close out the Contract and move the Work to another vendor or to perform the Work by itself.

“**Turnover Plan**” means the written plan developed by Contractor, approved by HHSC, and to be employed when the Work described in the Contract transfers to HHSC, or its designee, from the Contractor.

“**VUTC**” means HHSC’s Uniform Terms and Conditions – Vendor, Version 2.13

“**WSD**” means the Work, Services, or Deliverables to be performed or provided under the Contract.

ARTICLE II. GENERAL PROVISIONS

2.01 CONTROLLING ORDER

Unless otherwise agreed, in the event of any conflict or contradiction between or among the provisions of the Contract, the provisions in the documents will control in the following order:

- a. The Signature Document;
- b. Exhibit A –These Special Conditions;
- c. Exhibit B – HHSC Uniform Terms and Conditions – Vendor;
- d. Exhibit C – Statement of Work, including all attachments referred to therein
- e. Exhibit D – Rate and Cost Schedules
- f. Exhibit E – Agreed-Upon Excerpts from Contractor’s Narrative Proposal and BAFO
- g. Exhibit F – HHS Data Use Agreement

2.02 INDUCEMENTS

In awarding the Contract, the HHSC relies on Contractor’s assurances of the following:

- a. Contractor and its Subcontractors are established providers of the WSD described in the Request for Proposal (RFP) and required under the Contract;
- b. Contractor and its Subcontractors have the skills, qualifications, expertise, financial resources, and experience necessary to perform the WSD in an efficient, cost-effective manner, with a high degree of quality and responsiveness.
- c. Contractor has performed similar WSD for other public or private entities;

- d. Contractor has thoroughly reviewed, analyzed, and understood the RFP, has timely raised all questions or objections to the RFP or WSD, and has had the opportunity to review and fully understand HHSC's current program and operating environment for the activities that are the subject of the Contract and the needs and requirements of the State during the Contract term;
- e. Contractor has had the opportunity to review and understand the State's stated objectives in entering into the Contract and, based on such review and understanding, Contractor currently has the capability to perform the WSD in accordance with the terms and conditions of the Contract; and
- f. Contractor fully understands the risks associated with public health and human service programs administered by HHSC as described in the RFP, including the risk of non-appropriation of funds.

2.03 DELEGATION OF AUTHORITY

Whenever, by any provision of the Contract, any right, power, or duty is imposed or conferred on HHSC, the right, power, or duty so imposed or conferred is possessed and exercised by HHSC's Executive Commissioner unless such is delegated to duly appointed agents or employees of HHSC. HHSC's Executive Commissioner will reduce any delegation of authority to writing and provide a copy to Contractor on request. The authority delegated to Contractor by HHSC is limited to the terms of the Contract. Contractor may not rely upon implied authority and is not delegated authority under the Contract to:

- a. Make public policy;
- b. Promulgate, amend, or disregard administrative regulations or program policy decisions made by State and federal agencies responsible for administration of HHSC Programs; or
- c. Unilaterally communicate or negotiate with any federal or state agency or the Texas Legislature on behalf of the HHSC regarding HHSC Programs or the Contract. However, upon request and reasonable notice to the Contractor, Contractor will assist HHSC in communications and negotiations regarding the WSD under the Contract with state and federal governments.

2.04 OTHER SYSTEM AGENCIES PARTICIPATION IN THE CONTRACT

In addition to providing the WSD specified for HHSC, Contractor agrees to allow other System Agencies the option to participate in the Contract under the same terms and conditions. Each System Agency that elects to obtain WSD under this section will issue a purchase or work order to Contractor, referring to, and incorporating by reference, the terms and conditions specified in the Contract.

System Agencies have no authority to modify the terms of the Contract. However, additional System Agency terms and conditions that do not conflict with the Contract, and are acceptable to the Contractor, may be added in a purchase or work order and given effect. No additional term or condition added in a purchase or work order issued by a System Agency can conflict with or diminish a term or condition of the Contract. In the event of a conflict between a System Agency's purchase or work order and the Contract, the Contract terms control.

2.05 MOST FAVORED CUSTOMER

Contractor agrees that if during the term of the Contract, Contractor enters into any agreement with any other governmental customer, or any non-affiliated commercial customer by which it agrees to provide equivalent services at lower prices, or additional services at comparable prices, Contractor will notify HHSC within (10) business days from the date Contractor executes any such agreement. Contractor agrees, at HHSC's option, to amend the Contract to accord equivalent advantage to HHSC.

2.06 ASSUMPTION AFTER ASSIGNMENT

As authorized in the VUTC, each party to whom an assignment is made must assume all or any part of Contractor's interests in the Contract, the WSD, and any documents executed with respect to the Contract, including, without limitation, the assignor's obligation for all or any portion of the purchase payments, in whole or in part.

2.07 COOPERATION WITH HHSC VENDORS

At HHSC's request, Contractor will allow parties interested in responding to other HHSC solicitations to have reasonable access during normal business hours to the WSD, software, systems documentation, and site visits to the Contractor's facilities. Contractor may elect to have such parties inspecting the WSD, facilities, software or systems documentation to agree to use the information so obtained only in the State of Texas and only for the purpose of responding to the relevant HHSC solicitation.

2.08 RENEGOTIATION AND REPROCUREMENT RIGHTS

Notwithstanding anything in the Contract to the contrary, HHSC may at any time during the term of the Contract exercise the option to notify Contractor that HHSC has elected to renegotiate certain terms of the Contract. Upon Contractor's receipt of any notice under this section, Contractor and HHSC will undertake good faith negotiations of the subject terms of the Contract.

HHSC may at any time issue solicitation instruments to other potential contractors for performance of any portion of the WSD covered by the Contract, including services similar or comparable to the WSD, performed by Contractor under the Contract. If HHSC elects to procure the WSD, or any portion thereof, from another vendor in accordance with this section, HHSC will have the termination rights set forth in the VUTC.

2.09 SOLICITATION ERRORS

Contractor will not take advantage of any errors or omissions in the RFP or the resulting Contract. Contractor must promptly notify HHSC of any errors or omissions that are discovered. Failure to notify HHSC of any errors will constitute a waiver of those errors.

ARTICLE III. PROHIBITION AGAINST PERFORMANCE OUTSIDE OF THE UNITED STATES

3.01 AUTHORITY

HHSC is responsible for the development and implementation of Software and hardware to support HHSC programs, which are paid for in whole or in part with State and federal funds. Accordingly, such Software and hardware may be subject to statutory restrictions on the export of technology to foreign nations, including but not limited to the Export Administration Regulations contained in 15 C.F.R. Parts 730-774.

3.02 PROHIBITION

Contractor agrees that, unless specifically authorized in writing by HHSC:

- (1) All WSD under this Contract, including that of Subcontracts, will be performed exclusively within the United States. This obligation includes, but is not limited to, information technology services, processing, transmission, storage, archiving, data center services, disaster recovery sites and services, customer support, medical, dental, laboratory and clinical services, services related to Custom Software, and all modifications of Custom Software, Third Party Software, or vendor proprietary software;
- (2) All information obtained by Contractor or a Subcontractor under this Contract shall be maintained within the United States; and shall not leave the United States by any means (physical or electronic) at any time; and
- (3) Contractor shall not permit any person or entity at a location Outside The United States to have remote access to any of the WSD under the Contract without HHSC's written approval.

3.03 EXCEPTION

The prohibition against WSD Outside the United States does not preclude the acquisition or use of commercial off-the-shelf (COTS) software that is developed Outside the United States or hardware that is generically configured Outside the United States. The prohibition against WSD Outside the United States does not preclude Contractor from acquiring or using products or supplies that are manufactured Outside the United States, provided such products or supplies are commercially available within the United States for acquisition.

3.04 REMEDY

Contractor's violation of this section will constitute a material breach of the Contract. Contractor will be liable to HHSC for all damages in accordance with the Contract.

ARTICLE IV. CONTRACTOR PERSONNEL AND SUBCONTRACTORS

4.01 QUALIFICATIONS

Contractor agrees to maintain the organizational and administrative capacity and capabilities proposed in its response to the RFP, as modified, to carry out all duties and responsibilities under the Contract. Contractor Agents assigned to perform the duties and responsibilities under

the Contract must be and remain properly trained and qualified for the functions they are to perform. Notwithstanding the transfer or turnover of personnel, Contractor remains obligated to perform all duties and responsibilities under the Contract without degradation and in strict accordance with the terms of the Contract.

4.02 CONDUCT AND REMOVAL

While performing the WSD under the Contract, Contractor Agents must comply with applicable Contract terms, State and federal rules, regulations, HHSC's policies, and HHSC's requests regarding personal and professional conduct; and otherwise conduct themselves in a businesslike and professional manner.

If HHSC determines in good faith that a particular Contractor Agent is not conducting himself or herself in accordance with the terms of the Contract, HHSC may provide Contractor with notice and documentation regarding its concerns. Upon receipt of such notice, Contractor must promptly investigate the matter and, at HHSC's election, take appropriate action that may include removing the Contractor Agent from performing any WSD under the Contract and replacing the Contractor Agent with a similarly qualified individual acceptable to HHSC as soon as reasonably practicable or as otherwise agreed to by HHSC.

4.03 NO AUTHORITY

Contractor Agents are not employees of HHSC or the State of Texas and are considered Contractor's employees for all purposes. Except as provided in the Contract, neither Contractor nor any of Contractor Agents may act in any sense as agents or representatives of HHSC or the State of Texas.

4.04 E-VERIFY

By entering into this Contract, Contractor certifies and ensures that it utilizes and will continue to utilize, for the term of this Contract, the U.S. Department of Homeland Security's E-Verify system to determine the eligibility of:

- (1) All persons employed to WSD within the State of Texas, during the term of the Contract; and
- (2) All Contractor Agents assigned by Contractor to perform WSD pursuant to the Contract, within the United States of America.

4.05 SUBCONTRACTORS NOT IDENTIFIED IN THE RFP PROPOSAL

Prior to entering into a Subcontract, Contractor must identify any Subcontractor that is a newly-formed subsidiary or entity, whether or not an affiliate of Contractor, substantiate the proposed Subcontractor's ability to perform the subcontracted WSD, and certify to HHSC that no loss of WSD will occur as a result of the performance of such Subcontractor.

At HHSC's request, prior to executing a Subcontract with a value greater than \$100,000.00, Contractor must submit a copy of the Subcontract to HHSC for review and approval. HHSC reserves the right to:

- (1) Reject the Subcontract or require changes to any provisions that do not comply with the requirements, duties, or responsibilities of the Contract or that create significant barriers for HHSC to monitor compliance with the Contract;
- (2) Object to the selection of the Subcontractor; or
- (3) Object to the subcontracting of the WSD proposed to be subcontracted.

ARTICLE V. PERFORMANCE

5.01 MEASUREMENT

Satisfactory performance of the Contract, unless otherwise specified in the Contract, will be measured by:

- (1) Compliance with Contract requirements, including all representations and warranties;
- (2) Compliance with the WSD requested in the RFP and WSD proposed by Contractor in its response to the RFP and approved by HHSC;
- (3) Delivery of WSD in accordance with the service levels proposed by Contractor in the Proposal as accepted by HHSC;
- (4) Results of audits, inspections, or quality checks performed by the HHSC or its designee;
- (5) Timeliness, completeness, and accuracy of WSD; and
- (6) Achievement of specific performance measures and incentives as applicable.

ARTICLE VI. AMENDMENTS AND MODIFICATIONS

6.01 FORMAL PROCEDURE

In the event there is a reason to change the project Statement of Work, HHSC will initiate a Change Request. The Change Request must provide information regarding the change comparable to the detail originally included in the Statement of Work documentation.

The HHSC and Contractor will endeavor to agree upon appropriate and mutually agreeable changes in cost, schedule, or other terms associated with the Change Request. While such changes are under review, Contractor must continue to perform under the Statement of Work so long as such continued performance does not cause Contractor to incur a material cost or other undue hardship in relation to the Change Request. A decision to discontinue performance due to a Change Request must be made only by mutual written agreement of both parties.

No different or additional WSD or contractual obligations will be authorized or performed unless contemplated within the Statement of Work and memorialized in an amendment or modification of the Contract that is executed in compliance with this Article. No waiver of any term, covenant, or condition of the Contract will be valid unless executed in compliance with this Article. Contractor will not be entitled to payment for WSD that is not authorized by a properly executed Contract amendment or modification, or through the express written authorization of HHSC.

Any changes to the Contract that results in a change to either the term, fees, or significantly impacting the obligations of the parties to the Contract must be effectuated by a formal

Amendment to the Contract. Such Amendment must be signed by the appropriate and duly authorized representative of each party in order to have any effect.

6.02 MINOR ADMINISTRATIVE CHANGES

HHSC's designee, referred to as the Contract Manager, Project Sponsor, or other equivalent, in the Contract, is authorized to provide written approval of mutually agreed upon Minor Administrative Changes to the WSD or the Contract that do not increase the fees or term. Changes that increase the fees or term must be accomplished through the formal amendment procedure, as set forth in Section 6.01 of these Special Conditions. Upon approval of a Minor Administrative Change, HHSC and Contractor will maintain written notice that the change has been accepted in their Contract files.

6.03 TECHNICAL GUIDANCE LETTERS

Notwithstanding anything to the contrary in the Contract, Technical Guidance Letters ("TGL") as provided by the VUTC will not act as an Amendment or modification to the Contract to the extent such affect price or term of the Contract. Such TGLs are interpretive and instructional only and are not authorized to extend the term, modify the fees or other payment arrangements, increase the Contract total value, or materially change the substance of the WSD.

ARTICLE VII. AUDITS AND RECORDS

7.01 RECORD RETENTION

Contractor will comply with the records retention schedule approved by the Texas State Library and Archives Commission, unless a longer period is specified in the Contract. Contractor acknowledges that such schedule may be amended or modified from time to time and agrees to give any such modification or amendment full effect. The current approved schedule is published at: <https://www.tsl.texas.gov/sites/default/files/public/tslac/slrn/state/schedules/529.PDF>. It is Contractor's responsibility to monitor the Texas State Library and Archives Commission's approval of HHSC's record retention schedules.

7.02 ACCESS AND ACCOMMODATION

In providing the access required by the VUTC for records and audits, Contractor will provide access to records, books, and documents in reasonable comfort and will provide any furnishings, equipment, or other conveniences necessary to enable complete and unfettered access to records, books, and documents to HHSC and any of its duly authorized representatives, as well as duly authorized federal, state or local authorities. Contractor will require Contractor Agents to provide comparable accommodations. Upon request, Contractor will provide copies of records, books, and documents free of charge to HHSC and any of its duly authorized representatives, as well as duly authorized federal, state or local authorities, including those the entities described in the VUTC.

The access and accommodations set forth in this section will also be provided for Software and equipment used in the performance of the WSD. Contractor will provide reasonable assistance that this section requires to auditors and/or inspectors to complete any audits or inspections related to the WSD.

Contractor will include this section concerning the right of access to, and examination of, sites and information related to this Contract in any Subcontract it awards.

7.03 RESPONSE TO AUDITS OR INSPECTION FINDINGS

Contractor will take all action to ensure it, or a Contractor Agent, complies with any finding of noncompliance relating to the WSD or any other deficiency contained in any audit, review, or inspection conducted under the Contract. Contractor will bear the expense of compliance with any finding of noncompliance under the Contract that is:

- (1) Required by a Texas or federal law, regulation, rule or other audit requirement relating to Contractor's business;
- (2) Performed by Contractor as part of the WSD; or
- (3) Necessary due to Contractor's noncompliance with any law, regulation, rule or audit requirement imposed on Contractor.

ARTICLE VIII. PAYMENT

8.01 DUTY TO MAKE PAYMENT

HHSC will be relieved of its obligation to make any payments to Contractor until such time as any and all set-off amounts have been credited to HHSC. If HHSC disputes payment of all or any portion of an invoice from Contractor, HHSC will notify the Contractor of the dispute and both Parties will attempt in good faith to resolve the dispute in accordance with these Special Conditions. HHSC will not be required to pay any disputed portion of a Contractor invoice unless, and until, the dispute is resolved. Notwithstanding any such dispute, Contractor will continue to perform the WSD in compliance with the terms of the Contract pending resolution of such dispute so long as all undisputed amounts continue to be paid to Contractor.

ARTICLE IX. CONFIDENTIALITY

9.01 REQUESTS FOR PUBLIC INFORMATION

HHSC will, as permitted by law and as practicable considering HHSC's resources, notify Contractor of a request for disclosure of public information related to the Contract filed in accordance with the Texas Public Information Act, Texas Government Code Chapter 552 ("PIA"). In the event Contractor believes the requested information should be protected under the PIA, Contractor will comply with PIA requirements pertaining to that information and will provide HHSC with copies of all such documentation required to support its request for nondisclosure. Contractor must make public information not otherwise excepted from disclosure under the PIA available to HHSC at no additional charge to HHSC.

To the extent authorized under the PIA, HHSC will safeguard from disclosure information received from Contractor that Contractor believes to be confidential. Contractor must clearly mark each page of such information as "Contractor Confidential Information" and provide written notice to HHSC that it considers the information confidential in accordance with the PIA. Contractor's designation or marking of information in this manner does not act, and should not be construed, as an agreement or other consent by HHSC that such information is actually confidential pursuant to the PIA.

9.02 CONSULTANT DISCLOSURE

Contractor agrees that any consultant reports received by HHSC in connection with the Contract may be distributed by HHSC, in its discretion, to any other state agency and the Texas legislature. Any distribution may include posting on HHSC's website or the website of a standing committee of the Texas Legislature.

9.03 CONFIDENTIAL INFORMATION

Contractor agrees to be bound by the terms of the Data Use Agreement attached as Exhibit F. According to terms specified in the HHS Enterprise Information Security Data Classification Standard, the Contractor would be bound to a "Confidential" data classification level based on their access to confidential information in the course of their work.

HHSC prohibits the unauthorized disclosure of Other Confidential Information. Contractor and all Contractor Agents will not disclose or use any Other Confidential Information in any manner except as is necessary for the WSD or the proper discharge of obligations and securing of rights under the Contract. Contractor will have a system in effect to protect Other Confidential Information. Any disclosure or transfer of Other Confidential Information by Contractor, including information requested to do so by HHSC, will be in accordance with the Contract. If Contractor receives a request for Other Confidential Information, Contractor will immediately notify HHSC of the request, and will make reasonable efforts to protect the Other Confidential Information from disclosure until further instructed by the HHSC.

Contractor will notify HHSC promptly of any unauthorized possession, use, knowledge, or attempt thereof, of any Other Confidential Information by any person or entity that may become known to Contractor. Contractor will furnish to HHSC all known details of the unauthorized possession, use, or knowledge, or attempt thereof, and use reasonable efforts to assist HHSC in investigating or preventing the reoccurrence of any unauthorized possession, use, or knowledge, or attempt thereof, of Other Confidential Information.

HHSC will have the right to recover from Contractor all damages and liabilities caused by or arising from Contractor or Contractor Agents' failure to protect HHSC's Confidential Information as required by this section.

IN COORDINATION WITH THE INDEMNITY PROVISIONS CONTAINED IN THE VUTC, CONTRACTOR WILL INDEMNIFY AND HOLD HARMLESS HHSC FROM ALL DAMAGES, COSTS, LIABILITIES, AND EXPENSES (INCLUDING WITHOUT LIMITATION REASONABLE ATTORNEYS' FEES AND COSTS) CAUSED BY OR ARISING FROM CONTRACTOR OR CONTRACTOR AGENTS FAILURE TO PROTECT OTHER CONFIDENTIAL INFORMATION. CONTRACTOR WILL FULFILL THIS PROVISION WITH COUNSEL APPROVED BY HHSC.

ARTICLE X. DISPUTES AND REMEDIES

10.01 AGREEMENT OF THE PARTIES

The Parties agree that the interests of fairness, efficiency, and good business practices are best served when the Parties employ all reasonable and informal means to resolve any dispute under the Contract before resorting to formal dispute resolution processes otherwise provided in the

Contract. The Parties will use all reasonable and informal means of resolving disputes prior to invoking a remedy provided elsewhere in the Contract, unless HHSC immediately terminates the Contract in accordance with the terms and conditions of the Contract.

Any dispute, that in the judgment of any Party to the Agreement, may materially affect the performance of any Party will be reduced to writing and delivered to the other Party within 10 business days after the dispute arises. The Parties must then negotiate in good faith and use every reasonable effort to resolve the dispute at the managerial or executive levels prior to initiating formal proceedings pursuant to the VUTC and Texas Government Code §2260, unless a Party has reasonably determined that a negotiated resolution is not possible and has so notified the other Party. The resolution of any dispute disposed of by agreement between the Parties will be reduced to writing and delivered to all Parties within 10 business days of such resolution.

10.02 OPERATIONAL REMEDIES

The remedies described in this section may be used or pursued by HHSC in the context of the routine operation of the Contract and are directed to Contractor's timely and responsive performance of the WSD as well as the creation of a flexible and responsive relationship between the Parties. Contractor agrees that HHSC may pursue operational remedies for Items of Noncompliance with the Contract. At any time, and at its sole discretion, HHSC may impose or pursue one or more said remedies for each Item of Noncompliance. HHSC will determine operational remedies on a case-by-case basis which include, but are not, limited to:

- (1) Requesting a detailed Corrective Action Plan, subject to HHSC approval, to correct and resolve a deficiency or breach of the Contract;
- (2) Require additional or different corrective action(s) of HHSC's choice;
- (3) Suspension of all or part of the Contract or WSD;
- (4) Prohibit Contractor from incurring additional obligations under the Contract;
- (5) Issue stop Work Orders;
- (6) Assessment of liquidated damages as provided in the Contract;
- (7) Accelerated or additional monitoring;
- (8) Withholding of payments; and
- (9) Additional and more detailed programmatic and financial reporting.

HHSC's pursuit or non-pursuit of an operational remedy does not constitute a waiver of any other remedy that HHSC may have at law or equity; excuse Contractor's prior substandard performance, relieve Contractor of its duty to comply with performance standards, or prohibit HHSC from assessing additional operational remedies or pursuing other appropriate remedies for continued substandard performance.

HHSC will provide notice to Contractor of the imposition of an operational remedy in accordance with this section, with the exception of accelerated monitoring, which may be unannounced. HHSC may require Contractor to file a written response as part of the operational remedy approach.

10.03 EQUITABLE REMEDIES

Contractor acknowledges that if, Contractor breaches, attempts, or threatens to breach, any obligation under the Contract, the State will be irreparably harmed. In such a circumstance, the

State may proceed directly to court notwithstanding any other provision of the Contract. If a court of competent jurisdiction finds that Contractor breached, attempted, or threatened to breach any such obligations, Contractor will not oppose the entry of an order compelling performance by Contractor and restraining it from any further breaches, attempts, or threats of breach without a further finding of irreparable injury or other conditions to injunctive relief.

10.04 CONTINUING DUTY TO PERFORM

Neither the occurrence of an event constituting an alleged breach of contract, the pending status of any claim for breach of contract, nor the application of an operational remedy, is grounds for the suspension of performance, in whole or in part, by Contractor of the WSD or any duty or obligation with respect to the Contract.

ARTICLE XI. DAMAGES

11.01 AVAILABILITY AND ASSESSMENT

HHSC will be entitled to actual, direct, indirect, incidental, special, and consequential damages resulting from Contractor's failure to comply with any of the terms of the Contract. In some cases, the actual damage to HHSC as a result of Contractor's failure to meet the responsibilities or performance standards of the Contract are difficult or impossible to determine with precise accuracy. Therefore, if provided in the Contract, liquidated damages may be assessed against Contractor for failure to meet any aspect of the WSD or responsibilities of the Contractor. HHSC may elect to collect liquidated damages:

- (1) Through direct assessment and demand for payment to Contractor; or
- (2) By deducting the amounts assessed as liquidated damages against payments owed to Contractor for Work performed. In its sole discretion, HHSC may deduct amounts assessed as liquidated damages as a single lump sum payment or as multiple payments until the full amount payable by the Contractor is received by the HHSC.

11.02 SPECIFIC ITEMS OF LIABILITY

Contractor bears all risk of loss or damage due to defects in the WSD, unfitness or obsolescence of the WSD, or the negligence or intentional misconduct of Contractor or Contractor Agents. Contractor will ship all equipment and Software purchased and Third Party Software licensed under the Contract, freight prepaid, FOB HHSC's destination. The method of shipment will be consistent with the nature of the items shipped and applicable hazards of transportation to such items. Regardless of FOB point, Contractor bears all risks of loss, damage, or destruction of the WSD, in whole or in part, under the Contract that occurs prior to acceptance by HHSC. After acceptance by HHSC, the risk of loss or damage will be borne by HHSC; however, Contractor remains liable for loss or damage attributable to Contractor's fault or negligence.

Contractor will protect HHSC's real and personal property from damage arising from Contractor or Contractor Agents performance of the Contract, and Contractor will be responsible for any loss, destruction, or damage to HHSC's property that results from or is caused by Contractor or Contractor Agents' negligent or wrongful acts or omissions. Upon the loss of, destruction of, or damage to any property of HHSC, Contractor will notify HHSC thereof and, subject to direction from HHSC or its designee, will take all reasonable steps to

protect that property from further damage. Contractor agrees, and will require Contractor Agents, to observe safety measures and proper operating procedures at HHSC sites at all times. Contractor will immediately report to the HHSC any special defect or an unsafe condition it encounters or otherwise learns about.

IN COORDINATION WITH THE INDEMNITY PROVISIONS CONTAINED IN THE VUTC, CONTRACTOR WILL BE SOLELY RESPONSIBLE FOR ALL COSTS INCURRED THAT ARE ASSOCIATED WITH INDEMNIFYING THE STATE OF TEXAS OR HHSC WITH RESPECT TO INTELLECTUAL, REAL AND PERSONAL PROPERTY. ADDITIONALLY, HHSC RESERVES THE RIGHT TO APPROVE COUNSEL SELECTED BY CONTRACTOR TO DEFEND HHSC OR THE STATE OF TEXAS AS REQUIRED UNDER THIS SECTION.

ARTICLE XII. TURNOVER

12.01 TURNOVER PLAN

HHSC may require Contractor to develop a Turnover Plan at any time during the term of the Contract in HHSC's sole discretion. Contractor must submit the Turnover Plan to HHSC for review and approval. The Turnover Plan must describe Contractor's policies and procedures that will ensure:

- (1) The least disruption in the delivery the WSD during Turnover to HHSC or its designee; and
- (2) Full cooperation with HHSC or its designee in transferring the WSD and the obligations of the Contract.

12.02 TURNOVER ASSISTANCE

Contractor will provide any assistance and actions reasonably necessary to enable HHSC or its designee to effectively close out the Contract and transfer the WSD and the obligations of the Contract to another vendor or to perform the WSD by itself. Contractor agrees that this obligation survives the termination, regardless of whether for cause or convenience, or the expiration of the Contract and remains in effect until completed to the satisfaction of HHSC.

ARTICLE XIII. ADDITIONAL LICENSE AND OWNERSHIP PROVISIONS

13.01 HHSC ADDITIONAL RIGHTS

HHSC will have ownership and unlimited rights to use, disclose, duplicate, or publish all information and data developed, derived, documented, or furnished by Contractor under or resulting from the Contract. Such data will include all results, technical information, and materials developed for or obtained by HHSC from Contractor in the performance of the WSD. If applicable, Contractor will reproduce and include HHSC's copyright, proprietary notice, or any product identifications provided by Contractor.

13.02 THIRD PARTY SOFTWARE

Contractor grants HHSC a non-exclusive, perpetual, license for HHSC to use Third Party Software and its associated documentation for its internal business purposes. HHSC will be entitled to use Third Party Software on the equipment or any replacement equipment used by HHSC, and with any replacement Third Party Software chosen by HHSC, without additional expense.

Terms in any licenses for Third Party Software will be consistent with the requirements of this section. Prior to utilizing any Third Party Software product not identified in the Proposal, Contractor will provide HHSC copies of the license agreement from the licensor of the Third Party Software to allow HHSC to, in its discretion, object to the license agreement that must, at a minimum, provide HHSC with necessary rights consistent with the short and long-term goals of the Contract. Contractor will assign to HHSC all licenses for the Third Party Software as necessary to carry out the intent of this section.

Contractor will, during the Contract, maintain any and all Third Party Software at their most current version or no more than one version back from the most current version. However, Contractor will not maintain any Third Party Software versions, including one version back, if notified by HHSC that any such version would prevent HHSC from using any functions, in whole or in part, of HHSC systems or would cause deficiencies in HHSC systems.

13.03 SOFTWARE AND OWNERSHIP RIGHTS.

In accordance with 45 C.F.R. Part 95.617, all appropriate federal agencies will have a royalty-free, nonexclusive, and irrevocable license to reproduce, publish, translate, or otherwise use, and to authorize others to use for government purposes all WSD, materials, Custom Software and modifications thereof, source code, associated documentation designed, developed, or installed with Federal Financial Participation under the Contract, including but not limited to those materials covered by copyright.

ARTICLE XIV. MISCELLANEOUS PROVISIONS

14.01 ABILITY TO PERFORM

In conjunction with the Permitting and Licensure requirements contained in the VUTC, Contractor must remain in good standing with all regulatory agencies throughout the term of the Contract. Failure to remain in good standing with all regulatory agencies constitutes a material breach of Contract. Contractor must maintain the financial resources to fund the capital expenditures required under the Contract without advances by HHSC or assignment of any payments by the HHSC to a financing source.

14.02 CONTINUING DUTY TO DISCLOSE

Contractor acknowledges its continuing obligation to comply with the requirements of any affirmation or certification contained in the Contract, and will immediately notify HHSC of any changes in circumstances affecting those certifications.

14.03 CONFLICTS OF INTEREST

Contractor warrants to the best of its knowledge and belief, except to the extent already disclosed to HHSC, there are no facts or circumstances that could give rise to a Conflict of Interest and further that Contractor or Contractor Agents have no interest and will not acquire any direct or indirect interest that would conflict in any manner or degree with their performance under the Contract. Contractor will, and require Contractor Agents, to establish safeguards to prohibit Contract Agents from using their positions for a purpose that constitutes or presents the appearance of personal or organizational Conflict of Interest, or for personal gain. Contractor and Contractor Agents will operate with complete independence and objectivity without actual, potential or apparent Conflict of Interest with respect to the activities conducted under the Contract.

Contractor agrees that, if after Contractor's execution of the Contract, Contractor discovers or is made aware of a Conflict of Interest, Contractor will immediately and fully disclose such interest in writing to HHSC. In addition, Contractor will promptly and fully disclose any relationship that might be perceived or represented as a conflict after its discovery by Contractor or by HHSC as a potential conflict. HHSC reserves the right to make a final determination regarding the existence of Conflicts of Interest, and Contractor agrees to abide by HHSC's decision.

If HHSC determines that Contractor was aware of a Conflict of Interest and did not disclose the conflict to HHSC, such nondisclosure will be considered a material breach of the Contract. Furthermore, such breach may be submitted to the Office of the Attorney General, Texas Ethics Commission, or appropriate State or federal law enforcement officials for further action.

14.04 FLOW DOWN PROVISIONS

Contractor must include any applicable provisions of the Contract in all subcontracts based on the scope and magnitude of work to be performed by such Subcontractor. Any necessary terms will be modified appropriately to preserve the State's rights under the Contract.

14.05 RECRUITMENT PROHIBITION

Contractor will not retain, without HHSC written consent, any person or entity utilized by HHSC in the development of the RFP or who participated in the selection of the Contractor for the Contract. Contractor will not recruit or employ any HHSC personnel who have worked on projects relating to the subject matter of the Contract, or who have had any influence on decisions affecting the subject matter of the Contract, for two (2) years following the completion of the Contract.

14.06 MANUFACTURER'S WARRANTIES

Contractor assigns to HHSC all of the manufacturers' warranties and indemnities relating to the WSD, including without limitation, Third Party Software, to the extent Contractor is permitted by the manufacturers to make such assignments to HHSC.

14.07 COOPERATION WITH HHSC DESIGNEES

Contractor will cooperate with and work with State and federal agencies, other State contractors, subcontractors and third-party representatives as required by the WSD or

requested by HHSC. Contractor personnel will cooperate at no charge to HHSC for purposes relating to the WSD. This cooperation specifically includes, but is not limited to:

- (1) The investigation and prosecution of fraud, abuse, and waste in the HHSC programs;
- (2) Audit, inspection, or other investigative purposes; and
- (3) Testimony in judicial or quasi-judicial proceedings relating to the Contract or other delivery of information requested by the HHSC or other agencies' investigators or legal staff.

14.08 NOTICE OF LITIGATION OR CONTRACT ACTION

Contractor will notify HHSC of any litigation or legal matter related to or affecting the Contract within seven calendar days of becoming aware of the litigation or legal matter. Contractor will also notify HHSC if Contractor has had any contract suspended or terminated for cause by any local, state or federal department or agency or nonprofit entity within seven calendar days of such event. The notification required under this section will contain information sufficient for HHSC to independently confirm the action and to take appropriate actions.

ARTICLE XV. UNIFORM ICT ACCESSIBILITY CLAUSE

15.01 APPLICABILITY

This section applies if the contract requires the CONTRACTOR to procure or develop Information and Communication Technology (ICT) for HHSC, or to change any of HHSC's ICT. This section also applies if the contract requires the CONTRACTOR to perform a service or supply goods that include ICT that: (i) HHSC employees are required or permitted to access; or (ii) members of the public are required or permitted to access.

This Article does not apply to incidental uses of ICT in the performance of a contract, unless the parties agree that the ICT will become property of the state or will be used by the HHS agency's Client/Recipient after completion of the contract.

Nothing in this section is intended to prescribe the use of particular designs or technologies or to prevent the use of alternative technologies, provided they result in substantially equivalent or greater access to and use of a product / service.

15.02 DEFINITIONS

The legacy term "Electronic and Information Resources" (EIR) and the term "Information and Communication Technology" (ICT) are considered equivalent in meaning for the purpose of applicability of HHS uniform terms and conditions, policies, accessibility checklists, style guides, contract specifications, and other contract management documents.

"Accessibility Standards" refers to the Information and Communication Technology Accessibility Standards and the Web Accessibility Standards/Specifications under the Web Content Accessibility Guidelines version 2.0 Level AA, (WCAG 2.0).

"Information and Communication Technology (ICT)" is any information technology, equipment, or interconnected system or subsystem of equipment for which the principal function is the creation, conversion, duplication, automatic acquisition, storage, analysis,

evaluation, manipulation, management, movement, control, display, switching, interchange, transmission, reception, or broadcast of data or information. Examples of ICT are electronic content, telecommunications products, computers and ancillary equipment, software, information kiosks and transaction machines, videos, IT services, and multifunction office machines which copy, scan, and fax documents.

“Information and Communication Technology Accessibility Standards” refers to the accessibility standards for information and communication technology contained in the Web Content Accessibility Guidelines version 2.0 Level AA.

“Web Accessibility Standards/Specifications” refers to the web standards contained in WCAG 2.0 Level AA.

“Products” means information resources technologies that are, or are related to, ICT.

“Service” means the act of delivering information or performing a task for employees, clients, or members of the public through a method of access or delivery that uses ICT.

15.03 ACCESSIBILITY REQUIREMENTS

Under Texas Government Code Chapter 2054, Subchapter M, and implementing rules of the Texas Department of Information Resources, HHSC must procure Products or Services that comply with the Accessibility Standards when such Products or Services are available in the commercial marketplace or when such Products or Services are developed in response to a procurement solicitation. Accordingly, CONTRACTOR must provide ICT and associated Product and/or Service documentation and technical support that comply with the Accessibility Standards.

15.04 EVALUATION, TESTING AND MONITORING

HHSC may review, test, evaluate and monitor CONTRACTOR’s Products, Services and associated documentation and technical support for compliance with the Accessibility Standards. Review, testing, evaluation and monitoring may be conducted before and after the award of a contract. Testing and monitoring may include user acceptance testing.

- (1) Neither (1) the review, testing (including acceptance testing), evaluation or monitoring of any Product or Service, nor (2) the absence of such review, testing, evaluation or monitoring, will result in a waiver of the State’s right to contest the CONTRACTOR’S assertion of compliance with the Accessibility Standards.
- (2) CONTRACTOR agrees to cooperate fully and provide HHSC and its representatives' timely access to Products, Services, documentation, and other items and information needed to conduct such review, evaluation, testing and monitoring.

15.05 REPRESENTATIONS AND WARRANTIES

- (1) CONTRACTOR represents and warrants that: (i) as of the effective date of the contract, the Products, Services and associated documentation and technical support comply with the Accessibility Standards as they exist at the time of entering the contract, unless and to the extent the Parties otherwise expressly agree in writing; and (ii) if the Products will be in the custody of the state or an HHS agency’s client or recipient after the contract expiration or termination, the Products will continue to comply with such

Accessibility Standards after the expiration or termination of the contract term, unless HHSC and/or Client/Recipient, as applicable] uses the Products in a manner that renders it noncompliant.

- (2) In the event CONTRACTOR should have known, becomes aware, or is notified that the Product and associated documentation and technical support do not comply with the Accessibility Standards, CONTRACTOR represents and warrants that it will, in a timely manner and at no cost to HHSC, perform all necessary steps to satisfy the Accessibility Standards, including but not limited to remediation, repair, replacement, and upgrading of the Product, or providing a suitable substitute.
- (3) CONTRACTOR acknowledges and agrees that these representations and warranties are essential inducements on which HHSC relies in awarding this contract.
- (4) CONTRACTOR's representations and warranties under this subsection will survive the termination or expiration of the contract and will remain in full force and effect throughout the useful life of the Product.

15.06 REMEDIES

- (1) Pursuant to Texas Government Code Sec. 2054.465, neither CONTRACTOR nor any other person has cause of action against HHSC for a claim of a failure to comply with Texas Government Code Chapter 2054, Subchapter M, and rules of the Department of Information Resources.
- (2) In the event of a breach of CONTRACTOR's representations and warranties, CONTRACTOR will be liable for direct and consequential damages and any other remedies to which HHSC may be entitled. This remedy is cumulative of any and all other remedies to which HHSC may be entitled under this contract and other applicable law.

ARTICLE XVI. COMPLIANCE WITH FEDERAL LAWS

16.01 COMPLIANCE REQUIRED

CONTRACTOR is required to comply with all applicable federal laws, including all those specifically referenced in this Contract and all regulations implementing them, as those laws and regulations may from time to time be or have been amended.

16.02 ADDITIONAL FEDERAL LAWS

In addition to all other federal laws that may be referenced in the Contract, CONTRACTOR is a required to comply, to the extent applicable, with the following laws:

- (1) The Federal Water Pollution Control Act (33 U.S.C. 1251-1387, as amended, Violations must be reported by CONTRACTOR to HHSC for notification to the awarding federal agency and the Regional Office of the Environmental Protection Agency;
- (2) The Federal drug-free workplace requirements embodied in 41 U.S.C. §8103;
- (3) The Americans with Disabilities Act, as amended (42 U.S.C. 12101 et seq.); and
- (4) Executive Order 11246, as amended, and its implementing regulations at 41 CFR, Part 60.

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EXHIBIT B: HHSC UNIFORM TERMS & CONDITIONS



TEXAS
Health and Human
Services

Health and Human Services Commission
HHSC Uniform Terms and Conditions - Vendor
Version 2.13

Published and Effective November 15, 2016

Responsible Office: Chief Counsel

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ARTICLE I. DEFINITIONS AND INTERPRETATIONS

1.1 DEFINITIONS

As used in this Contract, unless the context clearly indicates otherwise, the following terms and conditions have the meanings assigned below:

“Amendment” means a written agreement, signed by the parties hereto, which documents changes to the Contract other than those permitted by Work Orders or Technical Guidance Letters, as herein defined.

“Attachment” means documents, terms, conditions, or additional information physically added to this Contract following the Signature Document or included by reference, as if physically, within the body of this Contract.

“Contract” means the Signature Document, the Special Conditions, these Uniform Terms and Conditions, along with any Attachments, and any Amendments, purchase orders, Work Orders, or Technical Guidance Letters that may be issued by the System Agency, to be incorporated by reference herein for all purposes if issued.

“Contractor” means the Party selected to provide the goods or services under this Contract, if any.

“Deliverable” means a work product prepared, developed, or procured by Contractor as part of the Services under the Contract for the use or benefit of the System Agency or the State of Texas.

“Effective Date” means the date agreed to by the Parties as the date on which the Contract takes effect.

“Federal Fiscal Year” means the period beginning October 1 and ending September 30 each year, which is the annual accounting period for the United States government.

“GAAP” means Generally Accepted Accounting Principles.

“GASB” means the Governmental Accounting Standards Board.

“Health and Human Services Commission” or “HHSC” means the administrative agency established under Chapter 531, Texas Government Code or its designee.

“HUB” means Historically Underutilized Business, as defined by Chapter 2161 of the Texas Government Code.

“Intellectual Property” means patents, rights to apply for patents, trademarks, trade names, service marks, domain names, copyrights and all applications and worldwide registration of such, schematics, industrial models, inventions, know-how, trade secrets, computer software programs, and other intangible proprietary information.

“Mentor Protégé” means the Comptroller of Public Accounts’ leadership program found at: <http://www.window.state.tx.us/procurement/prog/hub/mentorprotege/>.

“Parties” means the System Agency and Contractor, collectively.

“Party” means either the System Agency or Contractor, individually.

“Project” means the goods or Services described in the Signature Document or a Work Order of this Contract.

“Public Information Act” or “PIA” means Chapter 552 of the Texas Government Code.

“Statement of Work” means the description of Services and Deliverables specified in the Contract as may be amended.

“Services” means the tasks, functions, and responsibilities assigned and delegated to Contractor under the Contract.

“Signature Document” means the document executed by both Parties that specifically sets forth all of the documents that constitute the Contract.

“RFP” means the document issued by the System Agency under which the goods or services provided under the Contract were initially requested.

“Proposal” means Contractor’s full and complete response to the Solicitation.

“State Fiscal Year” means the period beginning September 1 and ending August 31 each year, which is the annual accounting period for the State of Texas.

“State of Texas *Textravel*” means Texas Administrative Code, Title 34, Part 1, Chapter 5, Subchapter C, Section 5.22, relative to travel reimbursements under this Contract, if any.

“Subcontract” means any written agreement between Contractor and a third party to fulfill the requirements of the Contract. All Subcontracts are required to be in writing.

“Subcontractor” means any individual or entity that enters a contract with the Contractor to perform part or all of the obligations of Contractor under this Contract.

“System Agency” means HHSC or any of the agencies of the State of Texas that are overseen by HHSC under authority granted under State law and the officers, employees, and designees of those agencies. These agencies include: the Department of Aging and Disability Services, the Department of Family and Protective Services, and the Department of State Health Services.

“Technical Guidance Letter” or “TGL” means an instruction, clarification, or interpretation of the requirements of the Contract, issued by the System Agency to the Contractor.

“Work” means all Services to be performed, goods to be delivered, and any appurtenant actions performed and items produced, conceived, or developed, including Deliverables.

“Work Order” means an individually negotiated document that is executed by both Parties and which authorizes a Project, if any, in an indefinite quantity Contract.

1.2 INTERPRETIVE PROVISIONS

- a. The meanings of defined terms are equally applicable to the singular and plural forms of the defined terms.

- b. The words “hereof,” “herein,” “hereunder,” and similar words refer to this Contract as a whole and not to any particular provision, section, Attachment, or schedule of this Contract unless otherwise specified.
- c. The term “including” is not limiting and means “including without limitation” and, unless otherwise expressly provided in this Contract, (i) references to contracts (including this Contract) and other contractual instruments shall be deemed to include all subsequent Amendments and other modifications thereto, but only to the extent that such Amendments and other modifications are not prohibited by the terms of this Contract, and (ii) references to any statute or regulation are to be construed as including all statutory and regulatory provisions consolidating, amending, replacing, supplementing, or interpreting the statute or regulation.
- d. Any references to “sections,” “appendices,” or “attachments” are references to sections, appendices, or attachments of the Contract.
- e. Any references to agreements, contracts, statutes, or administrative rules or regulations in the Contract are references to these documents as amended, modified, or supplemented from time to time during the term of the Contract.
- f. The captions and headings of this Contract are for convenience of reference only and do not affect the interpretation of this Contract.
- g. All Attachments within this Contract, including those incorporated by reference, and any Amendments are considered part of the terms of this Contract.
- h. This Contract may use several different limitations, regulations, or policies to regulate the same or similar matters. All such limitations, regulations, and policies are cumulative and each will be performed in accordance with its terms.
- i. Unless otherwise expressly provided, reference to any action of the System Agency or by the System Agency by way of consent, approval, or waiver will be deemed modified by the phrase “in its sole discretion.”
- j. Time is of the essence in this Contract.

ARTICLE II. CONSIDERATION

2.1 PROMPT PAYMENT

The System Agency will pay Contractor in accordance with the Prompt Payment Act, Texas Government Code, Chapter 2251.

2.2 EXPENSES

Except as otherwise provided in the Contract, no ancillary expenses incurred by the Contractor in connection with its provision of the Services or Deliverables will be reimbursed by the System Agency. Ancillary expenses include, but are not limited to costs associated with transportation, delivery, and insurance for each Deliverable.

When the reimbursement of travel expenses is authorized by the Contract, all such expenses will be reimbursed in accordance with the rates set by the State of Texas Textravel.

2.3 WORK ORDERS

To the extent the Contract is for indefinite quantities of services, as specified in the Signature Document, all Work will be performed in accordance with Work Orders.

- a. Upon identification of a Project, the System Agency will request that Contractor submit a proposal, including pricing and a project plan, to System Agency.
- b. If Contractor is selected to carry out an individual Project, a Work Order will be issued. Multiple Work Orders may be issued during the term of this Contract, all of which will be in writing and signed by the Parties. Each Work Order will include a scope of services; a list of tasks required; a time schedule; a list of Deliverables, if any; a detailed Project budget; and such other information or special conditions as may be necessary for the work assigned.
- c. Nothing in this Contract expresses or guarantees that the System Agency will issue Work Orders to Contractor for any of the tasks set forth in the Signature Document. All work requested under this Contract will be required on an irregular and as needed basis throughout the Contract term, and the System Agency makes no guarantee of volume or usage under this Contract.

ARTICLE III. STATE AND FEDERAL FUNDING

3.1 FUNDING

This Contract is contingent upon the availability of sufficient and adequate funds. If funds become unavailable through lack of appropriations, budget cuts, transfer of funds between programs or agencies, amendment of the Texas General Appropriations Act, agency consolidation, or any other disruptions of current funding for this Contract, the System Agency may restrict, reduce, or terminate funding under this Contract. This Contract is also subject to immediate cancellation or termination, without penalty to the System Agency, if sufficient and adequate funds are not available. Contractor will have no right of action against the System Agency if the System Agency cannot perform its obligations under this Contract as a result of lack of funding for any activities or functions contained within the scope of this Contract. In the event of cancellation or termination under this Section, the System Agency will not be required to give notice and will not be liable for any damages or losses caused or associated with such termination or cancellation.

3.2 NO DEBT AGAINST THE STATE

The Contract will not be construed as creating any debt by or on behalf of the State of Texas.

3.3 DEBT TO STATE

If a payment law prohibits the Texas Comptroller of Public Accounts from making a payment, the Contractor acknowledges the System Agency's payments under the Contract will be applied toward eliminating the debt or delinquency. This requirement specifically applies to any debt or delinquency, regardless of when it arises.

3.4 RECAPTURE OF FUNDS

The System Agency may withhold all or part of any payments to Contractor to offset overpayments made to the Contractor. Overpayments as used in this Section include payments (i) made by the System Agency that exceed the maximum allowable rates; (ii) that are not allowed under applicable laws, rules, or regulations; or (iii) that are otherwise inconsistent with this Contract, including any unapproved expenditures. Contractor understands and agrees that it will be liable to the System Agency for any costs disallowed pursuant to financial and

compliance audit(s) of funds received under this Contract. Contractor further understands and agrees that reimbursement of such disallowed costs will be paid by Contractor from funds which were not provided or otherwise made available to Contractor under this Contract.

ARTICLE IV. WARRANTY, AFFIRMATIONS, ASSURANCES AND CERTIFICATIONS

4.1 WARRANTY

Contractor warrants that all Work under this Contract will be completed in a manner consistent with standards under the terms of this Contract, in the applicable trade, profession, or industry; will conform to or exceed the specifications set forth in the Contract; and will be fit for ordinary use, of good quality, and with no material defects. If Contractor fails to complete Work timely or to perform satisfactorily under conditions required by this Contract, the System Agency may require Contractor, at its sole expense, to:

- a. Repair or replace all defective or damaged Work;
- b. Refund any payment received for all defective or damaged Work and, in conjunction therewith, require Contractor to accept the return of such Work; and
- c. Take necessary action to ensure that future performance and Work conform to the Contract requirements.

4.2 GENERAL AFFIRMATIONS

Contractor further certifies that, to the extent General Affirmations are incorporated into the Contract under the Signature Document, the General Affirmations have been reviewed and that Contractor is in compliance with each of the requirements reflected therein.

4.3 FEDERAL ASSURANCES

Contractor further certifies that, to the extent Federal Assurances are incorporated into the Contract under the Signature Document, the Federal Assurances have been reviewed and that Contractor is in compliance with each of the requirements reflected therein.

4.4 FEDERAL CERTIFICATIONS

Contractor further certifies, to the extent Federal Certifications are incorporated into the Contract under the Signature Document, that the Federal Certifications have been reviewed, and that Contractor is in compliance with each of the requirements reflected therein. **In addition, Contractor certifies that it is in compliance with all applicable federal laws, rules, or regulations, as they may pertain to this Contract.**

ARTICLE V. OWNERSHIP AND INTELLECTUAL PROPERTY

5.1 OWNERSHIP

The System Agency will own, and Contractor hereby assigns to the System Agency, all right, title, and interest in all Work.

5.2 INTELLECTUAL PROPERTY

- a. To the extent any Work results in the creation of Intellectual Property, all right, title, and interest in and to such Intellectual Property will vest in the System Agency upon creation and will be deemed to be a “work made for hire” and made in the course of the services rendered pursuant to this Contract.
- b. To the extent that title to any such Intellectual Property may not by law vest in the System Agency, or such Intellectual Property may not be considered a “work made for hire,” all rights, title, and interest therein are hereby irrevocably assigned to the System Agency. The System Agency will have the right to obtain and to hold in its name any and all patents, copyrights, trademarks, service marks, registrations, or such other protection as may be appropriate to the subject matter, including extensions and renewals thereof.
- c. Contractor must give the System Agency and the State of Texas, as well as any person designated by the System Agency or the State of Texas, all assistance required to perfect the rights defined herein without any charge or expense beyond the stated amount payable to Contractor for the services authorized under this Contract.

ARTICLE VI. RECORDS, AUDIT, AND DISCLOSURE

6.1 BOOKS AND RECORDS

Contractor will keep and maintain under GAAP or GASB, as applicable, full, true, and complete records necessary to fully disclose to the System Agency, the Texas State Auditor’s Office, the United States Government, and their authorized representatives sufficient information to determine compliance with the terms and conditions of this Contract and all state and federal rules, regulations, and statutes. Unless otherwise specified in this Contract, Contractor will maintain legible copies of this Contract and all related documents for a minimum of seven (7) years after the termination of the contract period or seven (7) years after the completion of any litigation or dispute involving the Contract, whichever is later.

6.2 ACCESS TO RECORDS, BOOKS, AND DOCUMENTS

In addition to any right of access arising by operation of law, Contractor and any of Contractor’s affiliate or subsidiary organizations, or Subcontractors will permit the System Agency or any of its duly authorized representatives, as well as duly authorized federal, state or local authorities, unrestricted access to and the right to examine any site where business is conducted or Services are performed, and all records, which includes but is not limited to financial, client and patient records, books, papers or documents related to this Contract. If the Contract includes federal funds, federal agencies that will have a right of access to records as described in this section include: the federal agency providing the funds, the Comptroller General of the United States, the General Accounting Office, the Office of the Inspector General, and any of their authorized representatives. In addition, agencies of the State of Texas that will have a right of access to records as described in this section include: the System Agency, HHSC, HHSC's contracted examiners, the State Auditor’s Office, the Texas Attorney General's Office, and any successor agencies. Each of these entities may be a duly authorized authority. If deemed necessary by the System Agency or any duly authorized authority, for the purpose of investigation or hearing, Contractor will produce original documents related to

this Contract. The System Agency and any duly authorized authority will have the right to audit billings both before and after payment, and all documentation that substantiates the billings. Contractor will include this provision concerning the right of access to, and examination of, sites and information related to this Contract in any Subcontract it awards.

6.3 RESPONSE/COMPLIANCE WITH AUDIT OR INSPECTION FINDINGS

- a. Contractor must act to ensure its and its Subcontractor's compliance with all corrections necessary to address any finding of noncompliance with any law, regulation, audit requirement, or generally accepted accounting principle, or any other deficiency identified in any audit, review, or inspection of the Contract and the goods or services provided hereunder. Any such correction will be at Contractor or its Subcontractor's sole expense. Whether Contractor's action corrects the noncompliance will be solely the decision of the System Agency.
- b. As part of the Services, Contractor must provide to HHSC upon request a copy of those portions of Contractor's and its Subcontractors' internal audit reports relating to the Services and Deliverables provided to the State under the Contract.

6.4 SAO AUDIT

Contractor understands that acceptance of funds directly under the Contract or indirectly through a Subcontract under the Contract acts as acceptance of the authority of the State Auditor's Office (SAO), or any successor agency, to conduct an audit or investigation in connection with those funds. Under the direction of the legislative audit committee, an entity that is the subject of an audit or investigation by the SAO must provide the SAO with access to any information the SAO considers relevant to the investigation or audit. Contractor agrees to cooperate fully with the SAO or its successor in the conduct of the audit or investigation, including providing all records requested. Contractor will ensure that this clause concerning the authority to audit funds received indirectly by Subcontractors through Contractor and the requirement to cooperate is included in any Subcontract it awards.

6.5 CONFIDENTIALITY

Any specific confidentiality agreement between the Parties takes precedent over the terms of this section. To the extent permitted by law, Contractor agrees to keep all information confidential, in whatever form produced, prepared, observed, or received by Contractor. The provisions of this section remain in full force and effect following termination or cessation of the services performed under this Contract.

6.6 PUBLIC INFORMATION ACT

Information related to the performance of this Contract may be subject to the PIA and will be withheld from public disclosure or released only in accordance therewith. Contractor must make all information not otherwise excepted from disclosure under the PIA available in portable document file (".pdf") format or any other format agreed between the Parties.

ARTICLE VII. CONTRACT MANAGEMENT AND EARLY TERMINATION

7.1 CONTRACT MANAGEMENT

To ensure full performance of the Contract and compliance with applicable law, the System Agency may take actions including:

- a. Suspending all or part of the Contract;
- b. Requiring the Contractor to take specific corrective actions in order to remain in compliance with term of the Contract;
- c. Recouping payments made to the Contractor found to be in error;
- d. Suspending, limiting, or placing conditions on the continued performance of Work;
- e. Imposing any other remedies authorized under this Contract; and
- f. Imposing any other remedies, sanctions or penalties permitted by federal or state statute, law, regulation, or rule.

7.2 TERMINATION FOR CONVENIENCE

The System Agency may terminate the Contract, in whole or in part, at any time when, in its sole discretion, the System Agency determines that termination is in the best interests of the State of Texas. The termination will be effective on the date specified in HHSC's notice of termination.

7.3 TERMINATION FOR CAUSE

Except as otherwise provided by the U.S. Bankruptcy Code, or any successor law, the System Agency may terminate the Contract, in whole or in part, upon either of the following conditions:

- a. **Material Breach** – The System Agency will have the right to terminate the Contract in whole or in part if the System Agency determines, at its sole discretion, that Contractor has materially breached the Contract or has failed to adhere to any laws, ordinances, rules, regulations or orders of any public authority having jurisdiction and such violation prevents or substantially impairs performance of Contractor's duties under the Contract. Contractor's misrepresentation in any aspect of Contractor's Proposal, if any, or Contractor's addition to the Excluded Parties List System (EPLS) will also constitute a material breach of the Contract.
- b. **Failure to Maintain Financial Viability** – The System Agency may terminate the Contract if, in its sole discretion, the System Agency has a good faith belief that Contractor no longer maintains the financial viability required to complete the Services and Deliverables, or otherwise fully perform its responsibilities under the Contract.

7.4 CONTRACTOR RESPONSIBILITY FOR ASSOCIATED COSTS

If the System Agency terminates the Contract for Cause, the Contractor will be responsible to the System Agency for all costs incurred by the System Agency and the State of Texas to replace the Contractor. These costs include, but are not limited to, the costs of procuring a substitute vendor and the cost of any claim or litigation that is reasonably attributable to Contractor's failure to perform any Work in accordance with the terms of the Contract.

7.5 EQUITABLE SETTLEMENT

Any early termination under this Article will be subject to the equitable settlement of the respective interests of the Parties up to the date of termination.

ARTICLE VIII. MISCELLANEOUS PROVISIONS

8.1 AMENDMENT

The Contract may only be amended by an Amendment executed by both Parties.

8.2 INSURANCE

Unless otherwise specified in this Contract, Contractor will acquire and maintain, for the duration of this Contract, insurance coverage necessary to ensure proper fulfillment of this Contract and potential liabilities thereunder with financially sound and reputable insurers licensed by the Texas Department of Insurance, in the type and amount customarily carried within the industry as determined by the System Agency. Contractor will provide evidence of insurance as required under this Contract, including a schedule of coverage or underwriter's schedules establishing to the satisfaction of the System Agency the nature and extent of coverage granted by each such policy, upon request by the System Agency. In the event that any policy is determined by the System Agency to be deficient to comply with the terms of this Contract, Contractor will secure such additional policies or coverage as the System Agency may reasonably request or that are required by law or regulation. If coverage expires during the term of this Contract, Contractor must produce renewal certificates for each type of coverage.

These and all other insurance requirements under the Contract apply to both Contractor and its Subcontractors, if any. Contractor is responsible for ensuring its Subcontractors' compliance with all requirements.

8.3 DELEGATION OF AUTHORITY

Whenever, by any provision of the Contract, any right, power or duty is imposed or conferred on HHSC, the right power or duty so imposed or conferred is possessed and exercised by the System Agencies Executive Commissioner unless such is delegated to duly appointed agents or employees. The Executive Commissioner of the System Agency will reduce any delegation of authority to writing and provide a copy to Contractor on request. The authority delegated to Contractor by the System Agency is limited to the terms of the Contract. Contractor may not rely upon implied authority and is not delegated authority under the Contract to:

- a. Make public policy;
- b. Promulgate, amend, or disregard administrative regulations or program policy decisions made by State and federal agencies responsible for administration of System Agency program; or
- c. Unilaterally communicate or negotiate with any federal or state agency or the Texas Legislature on behalf of the System Agency regarding the System Agency programs or the Contract. However, upon request and reasonable notice to the Contractor, Contractor will assist the System Agency in communications and negotiations regarding the Work under the Contract with state and federal governments.

8.4 LEGAL OBLIGATIONS

Contractor will comply with all applicable federal, state, and local laws, ordinances, and regulations, including all federal and state accessibility laws relating to direct and indirect use of information and communication technology. Contractor will be deemed to have knowledge of all applicable laws and regulations and be deemed to understand them. In addition to any other act or omission that may constitute a material breach of the Contract, failure to comply with this Section may also be a material breach of the Contract.

8.5 E-VERIFY

By entering into this Contract, Contractor certifies and ensures that it utilizes and will continue to utilize, for the term of this Contract, the U.S. Department of Homeland Security's e-Verify system to determine the eligibility of:

- a. All persons employed during the contract term to perform duties within Texas; and
- b. All persons (including subcontractors) assigned by the contractor to perform Work pursuant to the Contract.

8.6 PERMITTING AND LICENSURE

At Contractor's sole expense, Contractor will procure and maintain for the duration of this Contract any state, county, city, or federal license, authorization, insurance, waiver, permit, qualification or certification required by statute, ordinance, law, or regulation to be held by Contractor to provide the goods or Services required by this Contract. Contractor will be responsible for payment of all taxes, assessments, fees, premiums, permits, and licenses required by law. Contractor agrees to be responsible for payment of any such government obligations not paid by its Subcontractors during performance of this Contract.

8.7 INDEMNITY

TO THE EXTENT ALLOWED BY LAW, CONTRACTOR WILL DEFEND, INDEMNIFY, AND HOLD HARMLESS THE STATE OF TEXAS AND ITS OFFICERS AND EMPLOYEES, AND THE SYSTEM AGENCY AND ITS OFFICERS AND EMPLOYEES, FROM AND AGAINST ALL CLAIMS, ACTIONS, SUITS, DEMANDS, PROCEEDINGS, COSTS, DAMAGES, AND LIABILITIES, INCLUDING ATTORNEYS' FEES AND COURT COSTS ARISING OUT OF, OR CONNECTED WITH, OR RESULTING FROM:

- CONTRACTOR'S PERFORMANCE OF THE CONTRACT, INCLUDING ANY NEGLIGENT ACTS OR OMISSIONS OF CONTRACTOR, OR ANY AGENT, EMPLOYEE, SUBCONTRACTOR, OR SUPPLIER OF CONTRACTOR, OR ANY THIRD PARTY UNDER THE CONTROL OR SUPERVISION OF CONTRACTOR, IN THE EXECUTION OR PERFORMANCE OF THIS CONTRACT; OR
- ANY BREACH OR VIOLATION OF A STATUTE, ORDINANCE, GOVERNMENTAL REGULATION, STANDARD, RULE, OR BREACH OF CONTRACT BY CONTRACTOR, ANY AGENT, EMPLOYEE, SUBCONTRACTOR, OR SUPPLIER OF CONTRACTOR, OR ANY THIRD PARTY UNDER THE CONTROL OR SUPERVISION OF CONTRACTOR, IN THE EXECUTION OR PERFORMANCE OF THIS CONTRACT; OR

- EMPLOYMENT OR ALLEGED EMPLOYMENT, INCLUDING CLAIMS OF DISCRIMINATION AGAINST CONTRACTOR, ITS OFFICERS, OR ITS AGENTS; OR
- WORK UNDER THIS CONTRACT THAT INFRINGES OR MISAPPROPRIATES ANY RIGHT OF ANY THIRD PERSON OR ENTITY BASED ON COPYRIGHT, PATENT, TRADE SECRET, OR OTHER INTELLECTUAL PROPERTY RIGHTS.

CONTRACTOR WILL COORDINATE ITS DEFENSE WITH THE SYSTEM AGENCY AND ITS COUNSEL. THIS PARAGRAPH IS NOT INTENDED TO AND WILL NOT BE CONSTRUED TO REQUIRE CONTRACTOR TO INDEMNIFY OR HOLD HARMLESS THE STATE OR THE SYSTEM AGENCY FOR ANY CLAIMS OR LIABILITIES RESULTING SOLELY FROM THE GROSS NEGLIGENCE OF THE SYSTEM AGENCY OR ITS EMPLOYEES. THE PROVISIONS OF THIS SECTION WILL SURVIVE TERMINATION OF THIS CONTRACT.

8.8 ASSIGNMENTS

Contractor may not assign all or any portion of its rights under, interests in, or duties required under this Contract without prior written consent of the System Agency, which may be withheld or granted at the sole discretion of the System Agency. Except where otherwise agreed in writing by the System Agency, assignment will not release Contractor from its obligations under the Contract.

Contractor understands and agrees the System Agency may in one or more transactions assign, pledge, or transfer the Contract. This assignment will only be made to another State agency or a non-state agency that is contracted to perform agency support.

8.9 SUBCONTRACTS

Contractor will be responsible to the System Agency for any Subcontractor's performance under this Contract. Nothing in this Contract will be construed to relieve Contractor of the responsibility for ensuring that the goods delivered or services rendered by Contractor or any of its Subcontractors comply with all the terms and provisions of this Contract. Contractor will provide written notification to the System Agency of any Subcontractor receiving compensation of **ONE HUNDRED THOUSAND DOLLARS (\$100,000.00)** or more of the Work under this Contract, including the name and taxpayer identification number of Subcontractor, the task(s) being performed, and the number of Subcontractor employees expected to perform Services. The System Agency reserves the right to:

- a. Reject the Subcontract or require changes to any provisions that do not comply with the requirements, duties, or responsibilities of the Contract or that create significant barriers for the System Agency to monitor compliance with the Contract;
- b. Object to the selection of the Subcontractor; or
- c. Object to the subcontracting of the Work proposed to be subcontracted.

8.10 HUB/MENTOR PROTÉGÉ

In accordance with State law, it is the System Agency's policy to assist HUBs whenever possible in providing goods and services to the System Agency. The System Agency encourages those parties with whom it contracts for the provision of goods and services to adhere to this same philosophy in selecting Subcontractors to assist in fulfilling their obligations with the System Agency. In addition to information required by this Contract, the contracting Party will provide the procurement department of the System Agency with pertinent details of any participation by a HUB in fulfilling the duties and obligations arising hereunder.

The System Agency encourages the Parties it contracts with to partner with certified HUBs that participate in the Texas Comptroller of Public Accounts' Mentor Protégé Program.

8.11 RELATIONSHIP OF THE PARTIES

Contractor is, and will be, an independent contractor and, subject only to the terms of this Contract, will have the sole right to supervise, manage, operate, control, and direct performance of the details incident to its duties under this Contract. Nothing contained in this Contract will be deemed or construed to create a partnership or joint venture, to create relationships of an employer-employee or principal-agent, or to otherwise create for the System Agency any liability whatsoever with respect to the indebtedness, liabilities, and obligations of Contractor or any other Party.

Contractor will be solely responsible for, and the System Agency will have no obligation with respect to:

- a. Payment of Contractor's employees for all Services performed;
- b. Ensuring each of its employees, agents, or Subcontractors who provide Services or Deliverables under the Contract are properly licensed, certified, or have proper permits to perform any activity related to the Work;
- c. Withholding of income taxes, FICA, or any other taxes or fees;
- d. Industrial or workers' compensation insurance coverage;
- e. Participation in any group insurance plans available to employees of the State of Texas;
- f. Participation or contributions by the State to the State Employees Retirement System;
- g. Accumulation of vacation leave or sick leave; or
- h. Unemployment compensation coverage provided by the State.

8.12 TECHNICAL GUIDANCE LETTERS

In the sole discretion of the System Agency, and in conformance with federal and state law, the System Agency may issue instructions, clarifications, or interpretations as may be required during Work performance in the form of a Technical Guidance Letter. A TGL must be in writing, and may be delivered by regular mail, electronic mail, or facsimile transmission. Any TGL issued by the System Agency will be incorporated into the Contract by reference herein for all purposes when it is issued.

8.13 GOVERNING LAW AND VENUE

This Contract and the rights and obligations of the Parties hereto will be governed by, and construed according to, the laws of the State of Texas, exclusive of conflicts of law provisions. Venue of any suit brought under this Contract will be in a court of competent jurisdiction in Travis County, Texas unless otherwise elected by the System Agency. Contractor irrevocably waives any objection, including any objection to personal jurisdiction or the laying of venue or based on the grounds of forum non conveniens, which it may now or hereafter have to the bringing of any action or proceeding in such jurisdiction in respect of this Contract or any document related hereto.

8.14 SEVERABILITY

If any provision contained in this Contract is held to be unenforceable by a court of law or equity, this Contract will be construed as if such provision did not exist and the non-enforceability of such provision will not be held to render any other provision or provisions of this Contract unenforceable.

8.15 SURVIVABILITY

Termination or expiration of this Contract or a Contract for any reason will not release either party from any liabilities or obligations in this Contract that the parties have expressly agreed will survive any such termination or expiration, remain to be performed, or by their nature would be intended to be applicable following any such termination or expiration, including maintaining confidentiality of information and records retention.

8.16 FORCE MAJEURE

Except with respect to the obligation of payments under this Contract, if either of the Parties, after a good faith effort, is prevented from complying with any express or implied covenant of this Contract by reason of war; terrorism; rebellion; riots; strikes; acts of God; any valid order, rule, or regulation of governmental authority; or similar events that are beyond the control of the affected Party (collectively referred to as a "Force Majeure"), then, while so prevented, the affected Party's obligation to comply with such covenant will be suspended, and the affected Party will not be liable for damages for failure to comply with such covenant. In any such event, the Party claiming Force Majeure will promptly notify the other Party of the Force Majeure event in writing and, if possible, such notice will set forth the extent and duration thereof.

8.17 DISPUTE RESOLUTION

If a contract dispute arises that cannot be resolved to the satisfaction of the Parties, either Party may notify the other Party in writing of the dispute. If the Parties are unable to satisfactorily resolve the dispute within fourteen (14) days of the written notification, the Parties must use the dispute resolution process provided for in Chapter 2260 of the Texas Government Code to attempt to resolve the dispute. This provision will not apply to any matter with respect to which either Party may make a decision within its respective sole discretion.

8.18 NO WAIVER OF PROVISIONS

Neither failure to enforce any provision of this Contract nor payment for services provided under it constitute waiver of any provision of the Contract.

8.19 PUBLICITY

Except as provided in the paragraph below, Contractor must not use the name of, or directly or indirectly refer to, the System Agency, the State of Texas, or any other State agency in any media release, public announcement, or public disclosure relating to the Contract or its subject matter, including in any promotional or marketing materials, customer lists, or business presentations.

Contractor may publish, at its sole expense, results of Contractor performance under the Contract with the System Agency's prior review and approval, which the System Agency may exercise at its sole discretion. Any publication (written, visual, or sound) will acknowledge the support received from the System Agency and any Federal agency, as appropriate.

8.20 PROHIBITION ON NON-COMPETE RESTRICTIONS

Contractor will not require any employees or Subcontractors to agree to any conditions, such as non-compete clauses or other contractual arrangements that would limit or restrict such persons or entities from employment or contracting with the State of Texas.

8.21 NO WAIVER OF SOVEREIGN IMMUNITY

Nothing in the Contract will be construed as a waiver of sovereign immunity by the System Agency.

8.22 ENTIRE CONTRACT AND MODIFICATION

The Contract constitutes the entire agreement of the Parties and is intended as a complete and exclusive statement of the promises, representations, negotiations, discussions, and other agreements that may have been made in connection with the subject matter hereof. Any additional or conflicting terms in any future document incorporated into the Contract will be harmonized with this Contract to the extent possible by the System Agency.

8.23 COUNTERPARTS

This Contract may be executed in any number of counterparts, each of which will be an original, and all such counterparts will together constitute but one and the same Contract.

8.24 PROPER AUTHORITY

Each Party hereto represents and warrants that the person executing this Contract on its behalf has full power and authority to enter into this Contract. Any Services or Work performed by Contractor before this Contract is effective or after it ceases to be effective are performed at the sole risk of Contractor with respect to compensation.

8.25 CIVIL RIGHTS

- a. Contractor agrees to comply with state and federal anti-discrimination laws, including:

- (1) Title VI of the Civil Rights Act of 1964 (42 U.S.C. §2000d et seq.);
- (2) Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. §794);
- (3) Americans with Disabilities Act of 1990 (42 U.S.C. §12101 et seq.);
- (4) Age Discrimination Act of 1975 (42 U.S.C. §§6101-6107);
- (5) Title IX of the Education Amendments of 1972 (20 U.S.C. §§1681-1688);
- (6) Food and Nutrition Act of 2008 (7 U.S.C. §2011 et seq.); and

The System Agency's administrative rules, as set forth in the Texas Administrative Code, to the extent applicable to this Agreement.

- b. Contractor agrees to comply with all amendments to these laws, and all requirements imposed by the regulations issued pursuant to these laws. These laws provide in part that no persons in the United States may, on the grounds of race, color, national origin, sex, age, disability, political beliefs, or religion, be excluded from participation in or denied any service or other benefit provided by Federal or State funding, or otherwise be subjected to discrimination.
- c. Contractor agrees to comply with Title VI of the Civil Rights Act of 1964, and its implementing regulations at 45 C.F.R. Part 80 or 7 C.F.R. Part 15, prohibiting a contractor from adopting and implementing policies and procedures that exclude or have the effect of excluding or limiting the participation of clients in its programs, benefits, or activities on the basis of national origin. Civil rights laws require contractors to provide alternative methods for ensuring access to services for applicants and recipients who cannot express themselves fluently in English. Contractor agrees to take reasonable steps to provide services and information, both orally and in writing and electronically, in appropriate languages other than English, to ensure that persons with limited English proficiency are effectively informed and can have meaningful access to programs, benefits, and activities.
- d. Contractor agrees to post applicable civil rights posters in areas open to the public informing clients of their civil rights and including contact information for the HHS Civil Rights Office. The posters are available on the HHS website at: http://www.hhsc.state.tx.us/about_hhsc/civil-rights/brochures-posters.shtml
- e. Contractor agrees to comply with Executive Orders 13279 and 13559, and their implementing regulations at 45 C.F.R. Part 87 or 7 C.F.R. Part 16. These provide in part that any organization that participates in programs funded by direct financial assistance from the United States Department of Agriculture or the United States Department of Health and Human Services shall not discriminate against a program beneficiary or prospective program beneficiary on the basis of religion or religious belief. Contractor must provide written notice to beneficiaries of their rights.
- f. Upon request, Contractor will provide HHSC Civil Rights Office with copies of the Contractor's civil rights policies and procedures.
- g. Contractor must notify HHSC's Civil Rights Office of any civil rights complaints received relating to its performance under this Agreement. This notice must be delivered no more than ten (10) calendar days after receipt of a complaint. This notice must be directed to:

HHSC Civil Rights Office
701 W. 51st Street, Mail Code W206
Austin, Texas 78751
Phone Toll Free: (888) 388-6332
Phone: (512) 438-4313
TTY Toll Free: (877) 432-7232
Fax: (512) 438-5885

8.26 ENTERPRISE INFORMATION MANAGEMENT STANDARDS

Contractor agrees that it will conform to HHSC standards for data management as described by the policies of the HHSC Office of the Chief Data Officer (OCDO). These include, but are not limited to, standards for documentation and communication of data models, metadata, and other data definition methods that are required by the HHSC for ongoing data governance, strategic portfolio analysis, interoperability planning, and valuation of HHS System data assets.

8.27 NOTICE OF LEGAL MATTER OR LITIGATION

Contractor shall notify the contract manager assigned to this Contract of any litigation or legal matter related to or affecting this Contract within seven calendar days of becoming aware of the litigation or legal matter.

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EXHIBIT C: STATEMENT OF WORK

Including all Attachments referenced to Therein

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1 DESCRIPTION OF SERVICES/STATEMENT OF WORK/SPECIFICATIONS

1.1 PROJECT BACKGROUND

Since 1991, the Texas Health and Human Services Commission (HHSC) has overseen and coordinated the planning and delivery of health and human service programs in Texas. HHSC is responsible for the oversight of all other Texas Health and Human Services System agencies (HHS Agencies).

The mission of the Health and Human Services Commission is to provide leadership, direction, and foster the spirit of innovation needed to achieve an efficient and effective health and human services system for Texans.

HHSC operates from 300+ offices statewide and delivers services to more than 8 million needy citizens annually. HHSC manages TIERS, an integrated eligibility system comprised of a group of computer applications, to manage delivery of 64 types of assistance including food, cash, medical, and community care services to Texans in need. Each month, TIERS receives more than 400,000 applications for benefits, redeterminations, and changes submitted by clients using the TIERS self-service portal. TIERS includes at least eight user-facing applications, including the main TIERS module, and additionally, the YourTexasBenefits.com site, also known as the Self Service Portal (SSP), the Your Texas Benefits mobile application, Document Center, Call Center Inquiry (CCI), Long Term Services and Supports (LTSS) applications, State Portal, and DataMart. The Kofax Product Solution owned by HHSC is a custom implementation of the Kofax Capture and Transformation products. The Kofax Product Solution is integral to supporting TIERS and Enrollment Broker document capture, image correction (quality control module); bar-code recognition, image clean-up and data extraction (recognition module); validation; and, portable document format (PDF)/ extensible markup language (XML) generation and routing.

Business changes for TIERS and supporting technologies such as the Kofax Product Solution are determined through a governance process that includes key stakeholders, such as the Business Area customer, and the HHSC Information Technology organization, specifically, the Eligibility Supporting Technologies (EST) branch of the Social Services Applications area. The Contractor will be managed by the HHSC Information Technology Social Services Applications organization, referred to as IT-SSA throughout the remainder of the document.

1.1.1 Kofax Product Services Overview

HHSC currently supports multiple channels of interaction with its client population. Clients can use self-service options, including but not limited to:

- Mail – Clients can submit applications, redeterminations, changes, and other communications to HHSC via designated P.O. boxes.
- Fax – Clients can submit applications, redeterminations, changes, and other communications to HHSC via multiple fax lines.

- Mobile devices – Clients can upload supporting documentation via a hand-held device, using the Your Texas Benefits mobile application and submit them for processing and signatures electronically.
- Self Service Portal (SSP) (known as YourTexasBenefits.com) – Clients can complete applications, change reports using the website, <http://www.yourtexasbenefits.com>, and submit them for processing electronically.
- Interactive Voice Response – Clients can call in and use automated voice prompt features to verify their information, and make some changes.
- E-mail – Future channel

Clients can also get support to submit documentation through State Offices, State Call Centers, or Community support organizations that have access to TIERS systems.

- Office Walk In – Clients can request services at local offices.
- CBO – Community Based Organizations (CBO) can assist clients with the submission of documentation.
- Call Center – Call Center Representatives can accept some client information changes of personal information over the phone and document changes via the State Portal.

Currently, the Kofax Product Solution supports inbound mail and fax document processing capture channels for TIERS and Enrollment Broker.

The Kofax Product Solution intakes electronic content (data and images) and processes it. At a high level, documents are scanned, cleaned, indexed, converted to PDF/XML, and released/routed to the Enterprise Content Management (ECM) system for further processing. The Kofax Product Services Contractor will be responsible for supporting activities in this area.

Documents processed by the Kofax Production Solution are routed to a custom ECM system/repository, where the documents are merged and/or split, and task assignments are made, and resulting documents are routed to other TIERS/EB applications. These processes are performed by HHSC and other third-party vendor staff.

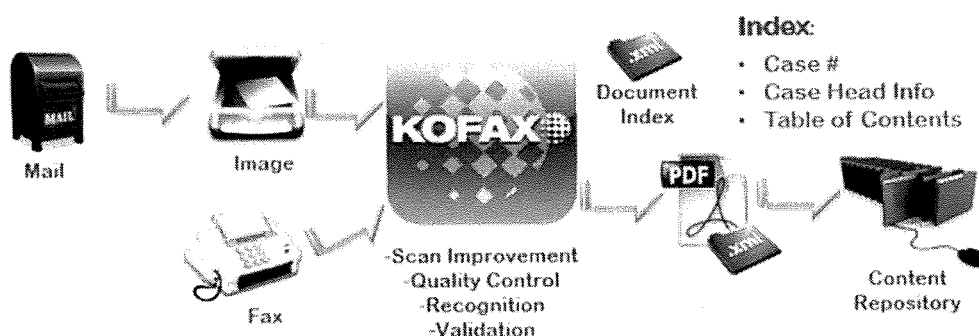


Figure 2-1 High-Level View of Input, Output for Kofax Product Solution

Currently, HHSC uses the Kofax Product Solution to support the following processes for TIERS and Enrollment Broker forms (including content and images) received via fax and

mail. The Contractor must provide Kofax Product Solution services supporting all the following efforts.

a. The Kofax Capture Scan module processes the prepared batch (data and image files) received. In the Scan module, batches can be created, opened, suspended, deleted, and closed. Content of the batches can also be edited before it is sent to the next module. The Scan module also provides enhanced functionality such as cleaning scans, optimizing extracted data, increasing image quality, and greater management of “blank” back page detection.

b. The Kofax Capture Quality Control (QC) module functionality was added to the system solution later. It allows an operator to correct an image without the need to rescan the document. This results in a more time efficient method to achieve a higher-quality output.

c. The Kofax Capture Recognition module is an unattended service that is configured to process the batches without human intervention. This module performs image clean-up and extracts Optical Character Recognition/ Optical Image Recognition (OCR/ICR) data from images. The Kofax Solution is capable of processing three of nine barcodes, and QR codes. Processing by the Recognition module is required for any batch that uses automatic form identification, automatic document separation, automatic image cleanup, or automatic data capture. The batches ready for Recognition are automatically processed and sent to the next module specified for the batch.

d. The Validation module is handled inside the native functionality of the Kofax Solution. A Validation screen will be added to the process workflow, but only metadata issues that are standard across all batch classes in the system triggers a batch to enter this queue. Problems of this nature are normally caused by environmental issues related to the network, database, or Storage Area Network (SAN).

e. The PDF Generation queue is an unattended service that is configured to process the batches without human intervention. The batches ready for PDF Generation are automatically processed and sent to the next module specified for the batch. Generally, tiff and jpeg format documents are received, and converted to PDF in this module.

Batches that have successfully completed all the previous Kofax modules configured for the batch class are routed to the Release module. Documents are released individually based on document types, generally PDF and XML, defined for the batch class.

f. See Attachment A for a broader view of how the Kofax Product Solution interacts with other Enrollment Broker and TIERS applications and interfaces.

All documents received from clients and processed by the Kofax Product Solution are stored as content and images, and made available for HHSC staff to process client requests including application, redeterminations, and changes. Access to content and images is available via various Eligibility Supporting applications and the Enrollment Broker system.

1.2 SCOPE OF WORK

Contractor must provide Kofax Product Solution services with the expertise to support and maintain production, and enhance the current solution. The Contractor will provide a (1) dedicated Kofax Product Solution Technical Lead to oversee and manage the Contractor

resources who are providing production maintenance, and design and development support. The Contractor will also provide resources to support design and development to configure, integrate, and customize the Kofax Solution by implementing approved Service Requests (SR) defined within HHSC-approved application Release Charters. The enhancement services resource count may vary depending on the need. Current efforts require an average of four (4) developers annually, but it can fluctuate between zero to six (0-6) full time equivalents (FTEs) with a skillset required to perform Kofax Product Solution services described in the RFP and the Roles, Responsibilities, and Qualifications described in Section 1.3. Production maintenance efforts are more constant, and current efforts require an annual average of six (6) Contractor resources to support this effort. See Section 1.3 for further details on resource roles, responsibilities, and qualifications.

Respondent must provide Optional Turnover Services prior to the Contract End Date in their response. If HHSC elects to exercise those optional services, Contractor will be required to perform them.

IT-SSA is currently transitioning TIERS software development from Waterfall to the Agile methodology. IT-SSA uses an Agile process based on Scrum principles, but also incorporates best-in-industry methods that are suited to the TIERS technical environment. At present, the Kofax Product Solution software development is not managed under Agile processes since Kofax-related solutions are developed external to the TIERS and EB systems, but any Kofax Product Solution software development effort, including external applications, must align with the IT-SSA deployment schedule to facilitate system integration testing. Contractor must be familiar with and conform to standard Agile terms and processes. The Kofax Product Solutions Contractor must be familiar with IT-SSA-defined Agile principles, and align with IT-SSA development and deployment schedules. The IT-SSA Agile Process Guide defines the Agile process in our technical environment, and is a living document that is updated regularly, as processes and improvements are made. Contractor will have access to and must comply with the latest published document for reference as applicable to performance of the Scope of Work.

Optional Completion Turnover Services

If HHSC elects to exercise the optional Completion Turnover Services, the services begin four (4) weeks prior to the Contract Term End Date. The Contractor will be required to provide Work Products to HHSC or HHSC's designated representative and accomplish knowledge transfer. The Contractor will prepare a Turnover Report to document their efforts during this period. The Turnover Report will include an inventory of artifacts, including process documents, their status, their location as a Work Artifact, and acknowledgment by both the Contractor and HHSC, that completion turnover activities are complete. The Turnover Report will constitute a Contract Artifact. See Section 1.6 for details.

1.2.1 Kofax Product Solution Technical Lead Services

Contractor shall provide one (1) Kofax Product Solution Technical Lead to oversee the Contractor's Kofax Product Solution Maintenance and Enhancement resources, and overall effort. The Technical Lead is responsible for analyzing the need for adequate onsite Contractor Team resources, and ensuring that they are in place through the approved

Staffing Plan process. The Technical Lead will facilitate Contractor Team communications and performance with the Business Area and IT-SSA, produce Contract Artifacts, coordinate scheduled activities between the Contractor team resources and other IT-SSA areas, and coordinate and lead key project meetings.

The Technical Lead will support HHSC with Kofax Product software cost, pricing, and licensing analysis to support HHSC feasibility studies. The Technical Lead will also support monitoring and reconciliation, as requested by HHSC. The Technical Lead is responsible for overseeing Kofax Product Solution system monitoring, and when production issues arise, the Technical Lead will immediately escalate them to IT-SSA, and provide an issue resolution plan. The Technical Lead is responsible for ensuring that work produced by the Contractor Maintenance and Enhancement personnel is in compliance with the executed contract. The Technical Lead is responsible for oversight and compliance of the Kofax software maintenance and assurance program. The Technical Lead will also ensure Contractor Team compliance with HHSC's need for Kofax Production support and helpdesk services for mail, fax, and remote office information capture systems.

The Technical Lead is responsible for producing several Contract Artifacts, including the optional, one-time Transition and Turnover Reports related to those services, Monthly Staffing Plans, and Monthly Status Reports; and ensuring all Work Artifacts created by the Contractor Team are stored in the IT-SSA system of record, or other repository designated by HHSC.

The Technical Lead will also support the Contractor Kofax Product Solution Enhancement effort by working with the HHSC Business Area and the IT-SSA Project Manager and/or IT-SSA Contract Manager to identify needed new enhancements or changes to the Kofax Product Solution, and will prepare a Monthly Staffing Plan documenting how many Contractor Maintenance and Enhancement personnel assignments are required to execute the planned work effort. See Figure 2-3 for details on the Monthly Staffing Plan. Any fluctuation in Contractor personnel needed in place to perform the requested scope of services must be accounted for and approved via the Staffing Plan. As stated earlier, HHSC requests an annual average of four (4) FTEs to support enhancements and six (6) FTEs to support maintenance activities, but the actual support needed and used may fluctuate. The Staffing Plan serves as the means to document the anticipated need, and HHSC approval of the personnel, prior to work commencing, authorizes it. The Technical Lead must coordinate Contractor Team efforts within the IT-SSA Release Cycle Set Schedule and other deadlines in coordination with IT-SSA. Refer to RFP Attachment B for a Staffing Plan template. The HHSC IT-SSA Contract Manager must provide approval of the Staffing Plan prior to Contractor initiation of monthly services. Contractor may not exceed the approved planned effort without prior HHSC approval. Contractor will be required to submit an updated Staffing Plan for HHSC approval, if additional resource support is anticipated.

The Technical Lead will prepare a Monthly Status Report that documents Contractor Team efforts and metrics for work performed in the previous reporting month.

See Section 1.6 for additional detail on Contract Artifacts described in this section.

1.2.2 Kofax Product Solution Maintenance Services

The Contractor will provide maintenance services to the Kofax Product Solution in accordance with established IT-SSA Agile deployments; date details will be provided in HHSC's Master Sprint Schedule.

Maintenance services must include providing onsite resources to support HHSC Production and Disaster Recovery operations, system monitoring, and technical assistance with system issue resolution related to Production document ingestion, and any after-hours Production support, manual document processing, and exception handling. Production incidents are documented in the Remedy system with a Change Request (CRQ) entered by a Kofax Product Solution Maintenance Team member, and approved by HHSC IT Operations designee. Production Incidents as documented via CRQ, are also communicated by the Kofax Product Solution Technical Lead to the IT-SSA Project Manager and/or Contract Manager immediately, and no later than within two (2) hours of an incident being discovered. The Kofax Maintenance Team will assist with system issue resolution of approved Change Requests. The Maintenance Team must support Level 1 and Level 2 CRQs, described below, to cover all services during agreed-upon business hours not to exceed twelve (12) hours per day, six (6) days per week.

CRQ Level 1 Support – Kofax certified technicians receive and process help requests from Kofax users. Level 1 representatives provide constant monitoring of the production Kofax fax and mail channels. They provide basic Kofax support and troubleshooting, such as Kofax end user configuration assistance, Kofax system access validation, Kofax/ scanner configuration, and ticket routing/ escalation to Level 2 support. These technicians may also escalate issues to HHSC support as needed.

CRQ Level 2 Support – Kofax system certified technicians that have experience with Level 1 work, but also provide in-depth customer-specific knowledge to assist problem resolution. Level 2 support responds to systemic Kofax problems. Their efforts can include performance tuning, troubleshooting external causes of behavior, and providing technical information to other teams to expedite issue resolutions, and interfacing with Kofax engineering for highest level support. Level 2 support submits Incidents and Change Requests via the HHSC-approved platform. They handle escalated issues that CRQ Level 1 Support cannot address. Level 2 support performs local and remote site support, physically visiting remote sites as needed. Level 2 technicians are authorized to research and implement fixes for new issues.

TIERS components and processes that are dependent upon the Kofax Product Solution include but are not limited to:

- Modification and standardization of existing HHSC Form QR Code, barcodes, and form design on TIERS, Enrollment Broker, and State Portal forms
- Modification of existing Image Only (IO) Redesign module, which automates document classification and auto linking
- Form Standardization modifications
- Fax Integration modifications, which support unified capture onto HHSC standard platform, and Integration and testing with RightFax
- Enrollment Broker scan and fax integration modifications

- Document Processing Center (DPC) – Dedicated Mail and Fax Channel Production Support Services
- Document Center/Enterprise Content Management (ECM) System Delivery System – Image Capture Processing, Indexing and Classification, Reconciliation, Problem Resolution, and Exception Handling
- Austin Enrollment Broker – Image Capture Processing, Reconciliation, and Problem Resolution
- HHSC Form Barcoding and QR Codes – Form and bar-code recognition for document routing merging, splitting, and processing, including addressing changes
- HHSC ECM (EA) – Image Capture Processing, Reconciliation, Problem Resolution
- Austin National Security Operations Center (NSOC)/ Winters Data Center (WDC) – Fax Channel Image Processing, Reconciliation, Problem Resolution
- Adobe LiveCycle & Healthy Texas Women (HTW) program (HHSC) – State-Portal submitted HTW Image Classification, Processing, Exception Handling, and Problem Resolution, Troubleshooting Research, and Training, including San Antonio HTW unit.
- Mobile Capture (HHSC) – the incoming vendor should providing ongoing maintenance support for the related Kofax tools including mobile-submitted image processing problem resolution
- Enrollment Broker Enrollment Transfer Form (ETF)/ Dental Enrollment Transfer Form (DTF) MAXIMUS Image Assembly (IA) – Training, Support

HHSC will provide the Maintenance Team with the hardware needed to support to the Kofax Production Solution. Contractor will have access to 10 production servers/nodes in Microsoft Windows which each run ten (10) virtual machines. The Test environment is one quarter of the size of the Production environment. The Kofax Production Solution production environment is run externally from TIERS; the Contractor must conduct all coding and testing up until System Integration Test (SIT) in this environment.

Maintenance services also includes making recommendations in regard to Document Processing Center and Disaster Recovery site infrastructure requirements, scanner support and usage, form design and maintenance, capacity planning, third-party vendor support as it relates to Kofax Security Solution interfaces, Kofax security and licensing compliance, and testing and validation, as requested by IT-SSA.

Any Kofax Production Solution defect that causes a system outage will require an Emergency Fix. Production deployment of the fix will follow the IT-SSA Emergency Release process. If IT-SSA determines they are needed, the Maintenance Team resource(s) must be available to provide support after hours in an Emergency Fix scenario and for Production support.

1.2.3 Kofax Product Solution Enhancement Services

During the term of the Contract, the Contractor will be required to provide design and development services to enhance the Kofax Product solution to implement approved Service Requests (SR) defined within HHSC-approved application Release Charters. On a monthly basis, the Contractor will provide a resource estimate for this effort as part of

the Staffing Plan, and the IT-SSA Contract Manager will approve the Plan prior to the Contractor initiating work.

The Contractor will support application enhancement tasks for the Kofax Product Solution according to requirements for the TIERS ecosystem. Kofax development will be tested by the Contractor to ensure changes meet requirements. Test scenarios will be run as required by HHSC to validate that all design updates run as intended. Contractor will be responsible for any Contractor-made Solution changes to function correctly as proven by test results.

Contractor will support enhancement activities in the areas described below:

- Continued expansion of HHSC Form Standardization QR Code barcodes and form design on new Enrollment Broker, and State Portal forms
- Image Only (IO) Redesign – automating document classification and auto linking
- Form Standardization
- Fax Integration – unified capture onto HHSC standard platform, and Integration and testing with RightFax
- Enrollment Broker scan and fax integration
- The process and requirements for Kofax Product Solution Enhancement Team members are described below.
- The Contractor Kofax Product Solution Technical Lead will work with the Business Area and IT-SSA, along with a few key Contractor Enhancement Team members to understand the requirements for requested software development, and associated Acceptance Criteria.
- The Contractor Kofax Product Solution Technical Lead will provide an estimate of effort to complete the requested enhancements to the IT-SSA Contract Manager on a monthly basis via the Staffing Plan, and request approval to proceed, prior to Kofax enhancement resources starting work.
- Kofax enhancement resources will provide design and development services for SRs assigned to them, as approved by IT-SSA.
- Kofax enhancement resources will perform functional test of the code to confirm Acceptance Criteria are met, and refine and modify code as needed, prior to submitting it to IT-SSA.
- Code resulting from Kofax Product Solution enhancement tasks will be delivered to IT-SSA for system integration testing, prior to release. Since Kofax Product Solution code is independent of TIERS code, it may be released independently; however, it is often scheduled to coincide with the IT-SSA Release schedule to ensure operational integration.
- Kofax enhancement resources will support IT-SSA Sprint implementation.
- Kofax enhancement resources will provide test support, including defect triage resulting from Kofax Product Solution defects identified during Sprint release.
- After a release, Kofax enhancement resources may be required to address SR defects identified in production.
- Defects identified after release will be subject to Service Level Agreement timeframes identified in Section 1.8.

Sprint Release Process for IT-SSA

The Technical Lead and Kofax Enhancement Team should consider the information regarding the IT-SSA Agile SDLC in their Enhancement Services planning.

In the IT-SSA Agile environment, the week prior to Sprint start is dedicated to Sprint Planning, and the four-week Sprint is designated for development, test, and demo. As our Agile process matures, IT-SSA anticipates this duration to become briefer, and for our contracted software development vendors to adapt to the changes. While it is possible for Sprints that include changes independent of other IT-SSA applications to be implemented at the end of the Sprint, most of the Sprints include changes that impact other IT-SSA areas, and must be implemented concurrently with other affected Sprints.

Currently, as depicted in the IT-SSA Agile Process Guide Section 3, IT-SSA is conducting four (4) Sprint Cycles per a Release Cycle Set, with the fourth Sprint dedicated to Integration Testing across all the IT-SSA Sprints being implemented within that Release Cycle Set.

In the IT-SSA Release Cycle schedule, there are generally four (4) Sprint Cycles per a Release, or Release Cycle Set, and there are generally three (3) Release Cycle Sets per year/twelve (12) month period.

1.3 RESOURCES: ROLES, RESPONSIBILITIES, AND QUALIFICATIONS

As stated, the HHSC IT-SSA organization seeks a (1) Technical Lead, and a not-to-exceed annual average of six (6) resources to provide ongoing maintenance support, and four (4) resources to provide enhancement support for the IT-SSA Kofax Product Solution services.

Contractor will maintain dedicated resources for the term of the Contract unless a team member leaves the project or a team member is replaced by mutual agreement between HHSC and the Contractor. Note that there is flexibility to share team members across team activities, as long as the needed skillset to complete the required work is available.

HHSC designates the Kofax Product Solution Technical Lead role as "Key Personnel." Key personnel are required to be dedicated 100% to the Contract awarded as a result of this RFP. Additionally, the Contractor must provide HHSC with written notice fourteen (14) calendar days prior to any planned changes in Key Personnel during the term of the contract and any extension. If a replacement resource is needed for the Key Personnel role, the Contractor must provide the resume of a replacement resource for HHSC review and approval prior to the Contractor making an offer to a replacement candidate. The replacement resource must have equal or better credentials, training, and skills as the person he or she is replacing.

Additionally, all resumes specified in a Respondent's response to this RFP must be the resources that are provided for this project. The Contractor must not reduce the agreed-upon resource levels nor replace any proposed personnel without HHSC's prior written approval.

The Contractor must remove Key Personnel or any Contractor employee or subcontractor employee found unacceptable to HHSC immediately upon HHSC's request.

Subsequent to Contract Award, if a resource leaves the project for any reason, the Contractor must replace that resource within thirty (30) calendar days. The Contractor must provide a resume for the replacement resource for HHSC review prior to the project start date for that replacement resource. Any replacement resource must have equal or better credentials, training, and skills as the person he or she is replacing. All replacement personnel are subject to review by the HHSC IV&V Contract Manager.

Kofax Product Solution Technical Lead, Maintenance and Enhancement resources roles, responsibilities, and minimum Contractor qualifications for those roles are described in Figure 2-2.

| Role | Responsibilities |
|---------------------------------------|--|
| Kofax Product Solution Technical Lead | Facilitate overall communication, monthly status reporting, contract compliance for the Contractor Kofax Production Solution Maintenance and Enhancement services resources and effort. <ul style="list-style-type: none"> ▪ Prepare and manage effort within IT-SSA Project Timelines. ▪ Produce a Staffing Plan monthly, and get IT-SSA approval to proceed prior to initiation of monthly services. ▪ Coordinate scheduled activities. ▪ Coordinate and lead key project meetings. ▪ Support HHSC with Kofax Product software cost analysis, pricing, licensing and support needs, as requested by IT-SSA. ▪ Prepare Monthly Status Reports, Transition Report, Turnover Report. ▪ Ensure Contractor-produced Work Artifacts are stored in IT-SSA system of record (PPM). ▪ Responsible for oversight and compliance of the Kofax software maintenance and assurance program. |
| Enhancement Developer | The Kofax developer implements the SRs by developing code and configuration changes to the Kofax Product Solution that integrate smoothly with TIERS components. |
| Functional Tester | Kofax testers are responsible for testing the Kofax Product Solution to verify that the Acceptance Criteria are achieved. |
| Maintenance and Production Support | <ul style="list-style-type: none"> ▪ Support HHSC Production and Disaster Recovery operations, system monitoring. ▪ Provide technical assistance with system issue resolution during Production document ingestion, and any after-hours Production support, scanner troubleshooting, manual document processing, and exception handling. ▪ Prepare recommendations in regard to Document Processing Center and Disaster Recovery site infrastructure requirements, scanner support and usage, form design and maintenance, capacity planning, third-party interface vendor support, security and licensing compliance, testing and validation, as requested by IT-SSA. ▪ Support emergency fixes as needed. ▪ Resource with MS Windows Kofax Server Administrator and SQL Database Administrator background |

Figure 2-2 Kofax Product Solution Resource Roles, Responsibilities, and Qualifications

1.4 CONTRACTOR RESPONSIBILITIES

The Contractor shall provide Technical Lead, Maintenance, and Enhancement services for the IT-SSA Kofax Product Solution adhering to, at a minimum, the following principles:

- Kofax Product Solution must be scalable, reliable, flexible, and easily integrate with Eligibility Systems using HHSC architecture standards for continual improvement.
- Kofax Product Solution must support high availability and Disaster Recovery Capabilities.
- Kofax Product Solution Contractor must review and comply with the HHS Enterprise Information Security Policy (EIS-Policy).
- Kofax Product Solution Contractor must review and comply with the HHS Uniform Electronics and Information Resources (EIR) Accessibility policy.
- Kofax Product Solution must provide capability to accept and process document artifacts received via mail, fax, and Women's Health PDFs received from the State Portal. Content received shall be processed to convert information to electronic records.
- Kofax Product Solution must provide a secure Kofax solution with capability to consume multiple file formats, including PDF, for use in customer service and processing activities.
- Kofax Product Solution must provide capability to seamlessly integrate with current and future HHSC document processing, maintenance, classification, indexing, ingestion, error handling, and task routing processes.
- Kofax Product Solution must integrate with all TIERS component systems, print vendors, and client communication channels.
- Kofax Product Solution must be configured in accordance with Document Processing Center (DPC) and DPC Disaster Recovery sites' approved specifications and processes.
- Kofax Product Solution will adhere to IT-SSA Software Development Life Cycle(s) methodologies and schedule, as applicable. IT-SSA is in the process of shifting from Waterfall SDLC to Agile SDLC.
- The Contractor will be responsible for the build and test of Kofax Product Solution in the HHSC-provided Production and Test environments.
- Contractor will participate in System Integration Test of Kofax Production Solution in alignment with IT-SSA Master Sprint Schedule, or as decided with the IT-SSA Project Manager.
- The Contractor is not responsible for delays or additional Release impacts associated with the unavailability of required HHSC resources or delays in the delivery or performance of third party tools and/or services.
- A standard work week of 40 hours, Mondays through Fridays, except on holidays determined by the State of Texas is assumed for full-time Contractor resources. Additionally, Maintenance Team support includes half a day on Saturdays for Image Application Program Interface (API) Module, and additional support for deployment activities may be required for software enhancement or maintenance deployments.

- Contractor resources are expected to perform work onsite, and should be available by phone and email during normal working hours.
- All Contractor resources will maintain a record of hours expended on the Services activities, including a separate record for each enhancement Service Request, in the IT-SSA system of record, PPM, or another project-approved tool, and provide this information to HHSC with each Monthly Status Report.
- The Contractor will designate the following roles as members of the “Key Personnel:” Kofax Product Solution Technical Lead
- Contractor will meet Service Level Agreements described in Section 1.8.

1.5 HHSC RESPONSIBILITIES

- HHSC is responsible for providing oversight for the Kofax Product Solution effort. The HHSC IT-SSA Project Manager will work in close coordination with the Contractor Technical Lead to this effect, and is responsible for management of day-to-day effort.
- HHSC will provide parking and office workspace for the Contractor’s staff.
- HHSC will provide the Contractor staff with hardware (desktops or laptops), software, office supplies, and access to HHSC systems and tools required to support the scope of the contract.
- HHSC is responsible for the planning and execution of the user acceptance testing for the Kofax Product Solution Enhancement and Maintenance Services.
- HHSC will provide a Contract Manager as the Customer representative for the project contract. The HHSC Contract Manager will:
 - ♦ Coordinate with the IT-SSA Project Manager, HHSC Legal and Procurement staff, and Security staff, as needed, to resolve contractual issues.
 - ♦ Receive, review, and coordinate the approval of any contract change requests.
 - ♦ In coordination with the IT-SSA Project Manager, receive, and review the Staffing Plan on at least a monthly basis, and approve it prior to Contractor initiating work for that month.
 - ♦ Receive, review, and approve all invoices.

1.6 CONTRACTOR WORK PRODUCTS

The Contract requires two types of work products:

Work Artifacts. This includes all documentation produced to adhere to the Statement of Work requirements in order to complete the work required.

Contract Artifacts. These might be produced as a byproduct of completing work requirements in the Statement of Work, but these artifacts, upon acceptance by HHSC, constitute payment triggers.

All Contractor Work Products must be submitted to the IT-SSA Project Manager or Contract Manager in a format approved by HHSC, adhere to RFP and Contract terms, and be provided on the dates specified. Any changes to the delivery date must have prior written approval by HHSC.

HHSC owns all Work Products produced under the Contract. IT-SSA uses the Hewlett Packard Project Management Portfolio (PPM) software as the project system of record to manage and track application defects and tickets, service requests (SRs), and timesheets, and also to store Contract Artifacts. Any Contract Artifacts produced by the Kofax Product Solutions Contractor should be stored in PPM, unless otherwise indicated by HHSC.

HHSC will review Contract Artifacts, and will notify the Contractor in written format within ten (10) business days of its receipt of a Contract Artifact of its approval or rejection, with the reason(s) for rejection and what the Contractor must do so that the Contract Artifact will be acceptable. Contractor has five (5) business days, or as otherwise agreed to by HHSC, to correct the Contract Artifact and resubmit it for HHSC review.

HHSC will provide final acceptance of the deliverable, at which time, the associated invoice can be approved for payment.

While Work Artifacts under the Contract do not require a formal HHSC review and approval process, they should adhere to stated quality, content, and timeliness criteria included in this RFP.

See below for Contract Artifacts resulting from Kofax Product Solution activities.

The Monthly Staffing Plan, described in Figure 2-3, will be prepared by the Technical Lead to document the planned resource assignments for the Contractor Maintenance and Enhancement services to execute the planned work effort for the future month. The IT-SSA Contract Manager must provide approval of the Staffing Plan prior to Contractor initiation of the monthly services.

| Monthly Staffing Plan Contract Artifact | |
|--|--|
| Required Delivery | First delivery required 5 working days prior to completion of the transition period, or the effective date of the contract, whichever occurs first. |
| Frequency | Monthly, or more frequently if an update is warranted. Plans are required to be delivered to HHSC no later than the close of business on the fifth working day prior to the end of each month, to ensure HHSC time to review and approve following month's planned effort prior to start of month. |

| Monthly Staffing Plan Contract Artifact | |
|--|---|
| Description | Based on information received from HHSC Business Area and IT-SSA Project Manager on the maintenance and enhancement support needed, prepare a Staffing Plan showing an estimate of resources needed to complete the anticipated work effort, as described in RFP Section 2.1.2, on a monthly basis to the IT-SSA Project Manager and Contract Manager. The Staffing Plan will be reviewed and approved by the IT-SSA Contract Manager monthly, prior to initiation of the following month's services. The Staffing Plan Template, included as Attachment B to the RFP, must include the Named Resource, Role, Rate, Planned Hours per month/per the full time equivalent (FTE), and description of work to be performed and/or identify the SR to be completed for the month. The roles and rates must match the categories as provided in the Contract Exhibit D, Rate Schedule. Contractor may not exceed the approved planned effort without prior approval. Contractor will be required to submit an updated Staffing Plan for HHSC approval, if additional resource support is anticipated. |

Figure 2-3 Monthly Staffing Report Contract Artifact

The Monthly Status Report will be prepared by the Technical Lead to report on activity and status of the entire Contractor effort, including enhancement and maintenance activities.

| Monthly Status Report Contract Artifact | |
|--|--|
| Required Delivery | First delivery required after first non-transition calendar month completed. |
| Frequency | Monthly. The Monthly Status Report (MSR) is required to be delivered to HHSC no later than the close of business on the fifth working day of each month immediately following each reporting period. |
| Description | <ul style="list-style-type: none"> ▪ Dashboard of Project Team status ▪ Status of the various development activities, by SR ▪ Monthly metrics on Maintenance Production activities, including: <ul style="list-style-type: none"> ♦ number of reported defects, ♦ status of the defects, ♦ planned correction release for defects, and ♦ month-over-month trend reporting ♦ Teams' self-reported Service Level Agreement performance metrics ▪ Reporting on team resource timekeeping for the period, including what was in the approved Monthly Staffing Plan compared to actuals. ▪ Document any issues, risks, and action items the Contractor team has encountered ▪ The MSR will serve as invoice backup documentation. |

Figure 2-4 Monthly Status Report Contract Artifact

| Turnover Report Contract Artifact | |
|--|--|
| Delivery | Prior to completion of the Contract Term End Date, if optional Turnover Services exercised |
| Frequency | One-time |
| Description | <ul style="list-style-type: none"> ▪ If HHSC elects to execute the optional Turnover Services, four (4) weeks prior to Contract Term End Date, Contractor will perform completion Turnover Services including providing Work Products and knowledge transfer to HHSC and/or HHSC-designated resources. ▪ Turnover lasts four (4) weeks. ▪ The Report is an inventory of Turnover artifacts, their state, and location and acknowledgment by both the Contractor and HHSC that Turnover is complete. |

Figure 2-5 Turnover Report Contract Artifact

1.7 INVOICING

Contractor will submit an invoice to HHSC on a monthly basis. The invoice must be based on actual hours worked per month, as recorded in HP PPM, for each resource.

The invoice must include a log of hours expended per resource against the approved Staffing Plan for the invoiced period, as recorded in PPM, including resource name, role, rate, and total invoiced as backup of the payment requested. The rate will be based on the Contract Exhibit D Rate Schedule.

Each invoice submitted must identify the Purchase Order number and Contract number, and the time period that the invoiced work was performed. Payment shall be in accordance with the Texas Prompt Payment Act, Texas Govt. Code, Section 2251.

Invoices shall be sent to:

Health and Human Services Commission
 Attn: Invoice-HHSC Accounting
 Health and Human Services Commission
 4900 North Lamar Blvd.
 Austin, TX 78751
 Phone: 512-424-6518
 Fax: 512-424-6901
 Email: HHSC_AP@hhsc.state.tx.us

Prior to any payment being made, HHSC must certify that the services being invoiced have been received and approved by HHSC.

1.8 SERVICE LEVEL AGREEMENTS (SLAS)

HHSC contracts for results. A successful result may be defined as the generation of discrete, defined, measurable, and beneficial outcomes that support HHSC Statement of Work goals, service delivery agreements, and product specifications.

HHSC will monitor the performance of the contract. All services and work products under the Contract shall be provided at an acceptable quality level and in a manner consistent with acceptable industry standard, custom, and practice.

Conformance to work product submission dates as agreed to with HHSC will be monitored.

Liquidated damages for not meeting SLAs are specified in Figure 2-6.

| SLA | SLA Name | Performance Evaluated | Non-Conformance | Frequency of Measurement |
|-------|---|--|---|--------------------------|
| SLA 1 | Work Artifact Timeliness | 100% of all Work Artifacts identified in Section 2.1.6 must be submitted by the date specified in the work plan and contract, with precedence given to the contract. | Liquidated Damages in the amount of \$1,000 for each occurrence of non-conformance, not to exceed \$5,000 in any given month. | Monthly |
| SLA 2 | Production Operations : Defects Repair Timeline | <p>Defects repaired in a timely manner based upon severities defined as follows:</p> <p>Severity 1: Code built by the Kofax Product Solution Contractor causes a Production issue that impacts business function(s) or component without an acceptable work-around; Resolution available in four hours maximum</p> <p>Severity 2: Code built by the Kofax Product Solution Contractor causes a Production issue that impacts business function(s) or component with an acceptable work-around; Resolution available in one day maximum</p> <p>Severity 3: Performance of the Code built by the Kofax Product Solution Contractor does not meet the below quality criteria; Repair available in one month. Quality Criteria for Performance: Reliable response times within TIERS controlled code must be less than 2 seconds for synchronous responses provided for 95% of all invocations</p> <p>Severity 4: The Code built by the Kofax Product Solution Contractor contains a functional or system characteristic defect; Repair</p> | Liquidated Damages in the amount of \$1,000 for each occurrence of non-conformance, not to exceed \$5,000 in any given month. | Monthly |

| SLA | SLA Name | Performance Evaluated | Non-Conformance | Frequency of Measurement |
|-----|----------|--|-----------------|--------------------------|
| | | available in one month or as specified by HHSC Severity 5: The Code built by the Kofax Product Solution Contractor contains a cosmetic defect; Repair available in four months or as specified by HHSC | | |

Figure 2-6 Service Level Agreements

ATTACHMENT A

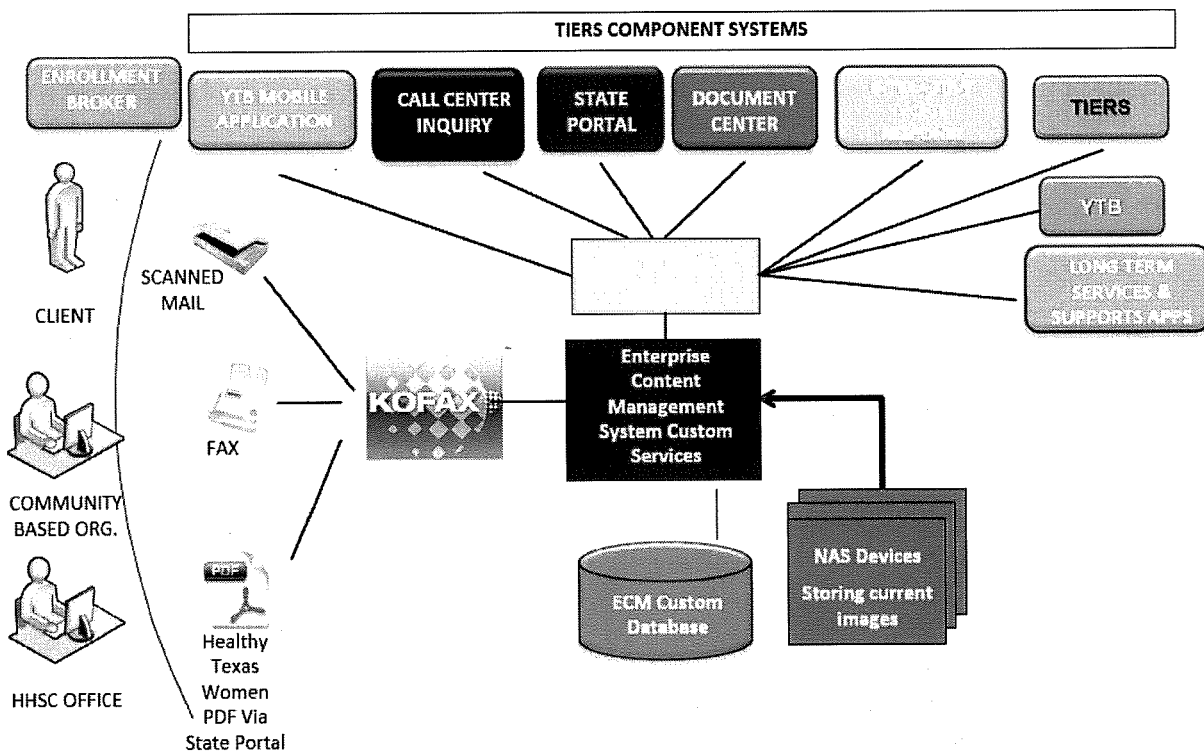


EXHIBIT D: RATE and COST Schedules

Texas Health and Human Services Commission

Contract: TIERS Kofax Product Solution Support and Services

HHSC Contract No.: 529-17-xxxxx

The Not-to-Exceed Rate Schedule and Not-to-Exceed Cost Schedule that comprise this Exhibit will govern Contract costs of this time and materials (T&M) contract, for the duration of all executed Contract terms, unless rates or maximum cost are revised by a Contract Amendment.

CONTRACT EXHIBIT D-1: RATE SCHEDULE

Texas Health and Human Services Commission

Contract: TIERS Kofax Product Solution Support and Services

HHSC Contract No.: 529-17-xxxxx

Labor Rates

| | | Contract Term: | | | | |
|-------------------------|-------------------------|----------------|-------------|---------------|---------------|---------------|
| | | Base | Base | Option Year 1 | Option Year 2 | Option Year 3 |
| | | Contract Year: | | | | |
| | | 1 | 2 | 3 | 4 | 5 |
| Kofax Service Area Role | Role, Level Description | Hourly Rate | Hourly Rate | Hourly Rate | Hourly Rate | Hourly Rate |
| Technical Lead | Project Manager 1 | \$100.00 | \$100.00 | \$100.00 | \$100.00 | \$100.00 |
| Maintenance 1 | Technical Support 1 | \$60.00 | \$60.00 | \$60.00 | \$60.00 | \$60.00 |
| Maintenance 2 | Technical Support 2 | \$60.00 | \$60.00 | \$60.00 | \$60.00 | \$60.00 |
| Maintenance 3 | Technical Support 2 | \$60.00 | \$60.00 | \$60.00 | \$60.00 | \$60.00 |
| Maintenance 4 | Technical Support 2 | \$60.00 | \$60.00 | \$60.00 | \$60.00 | \$60.00 |
| Maintenance 5 | Technical Support 2 | \$60.00 | \$60.00 | \$60.00 | \$60.00 | \$60.00 |
| Maintenance 6 | Technical Support 2 | \$60.00 | \$60.00 | \$60.00 | \$60.00 | \$60.00 |
| Enhancement 1 | Software Test Analyst 2 | \$100.00 | \$100.00 | \$100.00 | \$100.00 | \$100.00 |
| Enhancement 2 | Developer 2 | \$100.00 | \$100.00 | \$100.00 | \$100.00 | \$100.00 |
| Enhancement 3 | Developer 2 | \$100.00 | \$100.00 | \$100.00 | \$100.00 | \$100.00 |
| Enhancement 4 | Developer 3 | \$100.00 | \$100.00 | \$100.00 | \$100.00 | \$100.00 |

Notes:

- Rates listed are Not-to-Exceed for each Role.
- All costs related to services performed under this contract are included in the rates.
- The Parties agree to conduct a Rate Review in month 6 of Option Year 1 (Contract Year 3) that may result in a one-time labor rate increase no greater than 3% for specific Roles that will be applicable to Option Years 2 and 3 (Contract Years 4 and 5). Updated Contract Labor Rates would be mutually agreed upon, and enacted through a Contract Amendment.

CONTRACT EXHIBIT D-2: COST SCHEDULE

Texas Health and Human Services Commission

Contract: TIERS Kofax Product Solution Support and Services

HHSC Contract No.: 529-17-xxxxx

Contract Cost Limits

| Contract Cost ID | Contract Term | Contract Year | Total NTE Role Hours/ Contract Cost ID | Total NTE Cost/ Contract Cost ID |
|----------------------------|----------------------|----------------------|---|---|
| Kofax-1 | Base | 1 | 22,176 | \$1,733,760.00 |
| Kofax-2 | Base | 2 | 22,176 | \$1,733,760.00 |
| Kofax-3 | Option Year 1 | 3 | 22,176 | \$1,733,760.00 |
| Kofax-4 | Option Year 2 | 4 | 22,176 | \$1,733,760.00 |
| Kofax-5 | Option Year 3 | 5 | 22,176 | \$1,733,760.00 |
| Kofax-6 | Turnover | TBD | 1,848 | \$144,480.00 |
| CONTRACT NTE TOTALS | | | 112,728 | \$ 8,813,280.00 |

Notes:

- Hours and Costs per are Not-to-Exceed (NTE) for each Contract Cost identification (ID) period.
- The effective Contract Term for the Turnover Services is to be determined (TBD). HHSC will notify iBridge Group of the Contract Year and start date for Turnover Services according to terms defined in the Contract.

EXHIBIT E: Contractor Response

Agreed-Upon Excerpts from Contractor's Narrative Responses

Source documents:

- iBridge Group Narrative Proposal
- iBridge Group Best and Final Offer (BAFO) Response

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1 Executive Summary

iBridge Group, Inc. (iBridge) is pleased to respond to Texas Health and Human Services Commission (HHSC) Request for Proposal (RFP) to provide the Texas Integrated Eligibility Redesign System (TIERS) Kofax Product Solution Support and Services. iBridge seeks to continue our strategic partnership with HHSC by providing a cost-effective approach to enable the agency to meet the requirements contained in RFP Solicitation No. 52900_17_0087.

iBridge understands that HHSC is seeking a knowledgeable and experienced respondent with organizational resources and expertise in the support, maintenance and enhancement of the existing Kofax system. As an experienced Respondent with solid, proven experience with both Kofax technology and the HHSC Kofax system, iBridge offers HHSC a team with extensive experience performing the functions required for the services outlined in the RFP.

HHSC can maximize cost savings, minimize risk, ensure no disruption in service and continue to leverage a premiere Kofax provider that offers advanced expertise with direct connections with Kofax.

iBridge is at the forefront of supporting and enhancing Kofax solutions for customers throughout the United States from Hawaii to Florida. This information capture, content management and business process improvement experience gives us unique insight into client issues and more importantly resolutions for systems that are integrated with Kofax technology.

This also enables us to ensure we have the skills, capabilities, and resources to meet and exceed HHSC requirements for the Kofax services outlined in the RFP.

Our partnership with Kofax has allowed iBridge to be consistently the Kofax premiere partner of choice for state agencies in Austin. iBridge has the highest Kofax partnership status, Diamond, which is reserved for partners that are engaged with all levels in Kofax from the Executive team to the engineers. We are proud to share that we are one of only 10 partners globally and the only one in Texas that have achieved and maintained this status for several years.

iBridge Group has been consistently recognized by Kofax for our solutions and our ability to ensure our customers are successful. The following provides a few of the more recent awards from Kofax:

- 2016: Inspire Most Innovative Partner Solution
- 2015: Kofax AMS Partner of the Year
- 2014: Most Innovative Use of Kofax Technologies

iBridge has application expertise, and industry best practices that are leveraged to provide services across a range of solutions addressing every facet of information capture. This includes leveraging and embracing even more efficient software development

methodologies such as Agile. iBridge understands both the HHSC Kofax system and the vision for using Agile when implementing enhancements, which places iBridge in a position to implement the vision into a successful reality. iBridge is committed to working with HHSC to create an environment for faster and more transparent changes with business stakeholders.

By selecting a team that possesses the corporate capability and connections with Kofax, the continued commitment to HHSC vision and objectives as well as a team that understands how to support HHSC in achieving its project goals, HHSC is assured of continued success with Kofax and related technology. We believe our team has the combined depth of experience, knowledge, and resources, including Texas-specific experience, to best meet the current requirements and any future requirement throughout the next several years.

2 Proposal

2.1 Process and Methodology Approach

In response to the provided Scope of Work specifications, iBridge seeks to demonstrate clearly to HHSC that we offer a fully responsive and superior Kofax Product Solution services as we provide:

- Dedicated Kofax Product Solution Technical Lead to oversee and manage the Contractor resources who are providing production maintenance and design and development support.
- Proven Agile Manifesto principles and Agile Scrum methodology that is flexible and embraces the Agile Development process four (4) key activity areas: Roadmap, Discovery, Sprint and Release.
- Our approach to providing each of the services according to HHSC Information Technology Social Services Applications (IT SSA) documented Release Cycle set. iBridge is familiar with the fact that each cycle set includes four (4) planned Sprint cycles that are executed concurrently and rolls up into one of the three (3) major Releases planned at that time.
- Experienced resources that can support design and development to configure, integrate, and customize the Kofax Solution by implementing approved Service Requests (SR) defined within HHSC approved application Release Charters.
- Ensuring that all project documentation is planned and tracked by using Atlassian JIRA and making sure that all final documentation and code is stored in HHSC final Hewlett Packard Project and Portfolio Management (PPM) system.

2.2 Services

HHSC has defined three (3) services areas within the RFP that require four (4) roles at varying participation throughout the term of the contract. The three (3) service areas are:

- Technical Lead
- Maintenance
- Enhancements

The four (4) service roles that functions within the Service Areas include:

- Technical Lead
- Maintenance
- Enhancement – This service area includes two (2) roles; Developer and Functional Tester. This service area directly aligns with the HHSC Agile methodology principles and Agile Scrum procedures.

2.2.1 Technical Lead

iBridge has made a commitment to dedicate an experienced and local Technical lead to deliver the project deliverables and provide project oversight to oversee and manage the Contractor resources who are providing production maintenance, design, development support and overall effort.

The Technical Lead will work collaboratively with the HHSC IT-SSA Project Manager on all project management and support activities including, but not limited to, the following:

- Ensuring iBridge resources are in place through the approved Staffing Plan process and in compliance with HHSC's need for Kofax Production support and helpdesk services for mail, fax, and remote office information capture systems.
- Single Point of Contact (SPOC) to provide on-going Communication, as well as communicate progress of all affected activities to the Business Area and the HHSC IT-SSA Project Manager throughout the project life cycle.
- Coordinate scheduled activities between the iBridge resources and other IT-SSA areas.
- Coordinate and lead key project meetings.
- Identify and notify the IT-SSA Project Manager of any problems or issues that arise;
- Report on problems identified by agency staff and external customers with proposed solutions to the IT-SSA Project Manager in a timely manner;
- Provide monthly status reports to the IT-SSA Project Manager in sufficient detail to convey clearly the status of each activity and milestone and progress toward each deliverable.
- Support HHSC with Kofax Product software cost, pricing, and licensing analysis to support HHSC feasibility studies.
- Ensure Support monitoring and reconciliation, as requested by HHSC.

The Monthly Status Report will be prepared by the Technical Lead to report on activity and status of the entire Contractor effort, including enhancement and maintenance activities. The following monthly reports are:

- Monthly Staffing Plan Contract Artifact – Prepared by the Technical Lead which documents the planned resource assignments for the Contractor Maintenance and Enhancement services to execute the planned work effort for the future month. The IT-SSA Contract Manager must provide approval of the Staffing Plan prior to Contractor initiation of the monthly services.

- Monthly Status Report Contract Artifact – Prepared by the Technical Lead to report on activity and status of the entire Contractor effort, including enhancement and maintenance activities.

The monthly written status report will include at a minimum, the following:

- ♦ Date of the report and period covered by the report;
- ♦ Name of the author of the report;
- ♦ A list of defects received and the actions or plans for them;
- ♦ A list of activities and accomplishments for the completed reporting period;
- ♦ A list of planned activities and accomplishments for the next reporting period;
- ♦ A list of risks and proposed mitigation plans; and,
- ♦ A list of issues requiring IT-SSA decision

The Technical Lead is responsible for producing the above Contract Artifacts as well as including the optional, one-time Transition and Turnover Reports related to their services. The Transition Report and the Turnover report last for four (4) weeks.

- Transition Report Contract Artifact – If HHSC elects to exercise the optional Transition Services, upon Contract commencement, Contractor will carry out initial transition activities; including receiving Work Products from the incumbent Kofax Product Solution resources and HHSC resources, and performing receipt of knowledge transfer. It is our assumption in our work plan that this transition will not be requested by the customer since we are currently providing these services with this team.
- Turnover Report Contract Artifact – If HHSC elects to execute the optional Turnover Services, four (4) weeks prior to Contract Term End Date, Contractor will perform completion Turnover Services including providing Work Products and knowledge transfer to HHSC and/or HHSC-designated resources.

The iBridge Technical Lead will ensure that all Work Artifacts created by the Contractor Team are stored in the IT-SSA system of record, or other repository designated by HHSC.

All services and work products under the RFP shall be provided at an acceptable quality level and in a manner consistent with acceptable industry standard, custom, and practice. Conformance to work product submission dates as agreed to with HHSC will be monitored.

It is understood that HHSC will monitor the performance of the contract issued under this RFP No. 52900_17_0087. The approval of the deliverable and management of the defects will be monitored and failure to provide acceptable quality level services and work products under the terms of the contract will trigger the nonconformance penalties column in the Service Level Agreement chart below:

| SLA | SLA Name | Performance Evaluated | Non- Conformance | Measurement Frequency |
|-------|---|--|--|-----------------------|
| SLA 1 | Work Artifact Timeliness | 100% of all Work Artifacts identified in Section 2.1.6 must be submitted by the date specified in the work plan and contract, with precedence given to the contract. | Liquidated Damages in the amount of \$1,000 for each occurrence of nonconformance, not to exceed \$5,000 in any given month | Monthly |
| SLA 2 | Production Operations : Defects Repair Timeline | <p>Defects repaired in a timely manner based upon severities defined as follows: Severity 1: Code built by the Kofax Product Solution Contractor causes a Production issue that impacts business function(s) or component without an acceptable work-around; Resolution available in four hours maximum</p> <p>Severity 2: Code built by the Kofax Product Solution Contractor causes a Production issue that impacts</p> <p>Severity 3: Performance of the Code built by the Kofax Product Solution Contractor does not meet the below quality criteria; Repair available in one month.</p> <p>Quality Criteria for Performance: Reliable response times within TIERS controlled code must be less than 2 seconds for synchronous responses provided for 95% of all invocations</p> <p>Severity 4: The Code built by the Kofax Product Solution Contractor contains a functional or system characteristic defect; Repair available in one month or as specified by HHSC.</p> <p>Severity 5: The Code built by the Kofax Product Solution Contractor contains a cosmetic defect; Repair available in four months or as specified by HHSC.</p> | Liquidated Damages in the amount of \$1,000 for each occurrence of nonconformance, not to exceed \$5,000 in any given month. | Monthly |

2.2.2 Production Support Maintenance

iBridge Group prides itself on great customer service and decades of Kofax system experience. This allows iBridge to provide the highest level of system flexibility, system continuity, and customer support to HHSC. We will staff accordingly to fulfill the required Kofax Solution Maintenance Services (including but not limited to): onsite resources in Austin to support Kofax Production\DR daily operations including user groups and dependent systems, Kofax system monitoring, Kofax system security, Kofax Change management, Kofax Agile Deployment support, HHSC maintenance support, and system requirement recommendations.

▪ Experience.

iBridge Group has deployed and supported numerous Kofax solutions within the State of Texas over the last 10 years, both in the public and private sector. The team we have selected for this opportunity are familiar with Health and Human Services Commission's (HHSC) Kofax environments, and are experienced with delivering the products and services described within the RFP. Currently, at HHSC, experienced iBridge resources support and maintain the following Kofax systems and integration partners:

- ♦ Kramer DPC (Image API) – Dedicated Mail Channel Production Support Services, Image Capture through Export, Reporting, Reconciliation
- ♦ Winters FPC – Kofax Production Central Site and Dedicated Fax Channel Production Support Services, Image Capture through Export, Reporting, Reconciliation
- ♦ Athens DR – Dedicated Mail Channel Disaster Recovery Site, Image Capture through Export, Reporting, Reconciliation
- ♦ Document Center (HHSC) – Image Capture Processing, Indexing and Classification, Reconciliation, Problem Resolution, and Exception Handling
- ♦ Austin Enrollment Broker (Maximus) – Image Capture Processing, Reconciliation, Problem Resolution
- ♦ HHSC ECM (EA) – Image Capture Processing, Reconciliation, Problem Resolution*
- ♦ Austin NSOC / WDC OPENTEXT (Insight) – Fax Channel Image Processing, Reconciliation, Problem Resolution
- ♦ Adobe LiveCycle WHP (HHSC) – YTB-SSP Submitted WHP Image Processing, Problem Resolution
- ♦ San Antonio WHP (HHSC) – Image Classification, Training, Problem Resolution, Research
- ♦ San Antonio Enrollment Broker ETF \ DTF (Maximus IA) – Training, Exception Handling, Support
- ♦ Xerox – Local Office Scanning and Faxing Support, Auto-linking, Exception Handling, Reconciliation

What are processes without metrics? The iBridge team has created numerous reports based off of Kofax processing data that are maintained and generated by the Production Support group. These reports provide specific usage statistics to distinct Kofax user groups, and are generated on a daily, weekly or monthly basis.

▪ **Mail Channel Reporting.**

- ♦ Kofax Mail Processing Count Report – Daily scan report that provides batch, document, and image level statistics
- ♦ Kofax Mail Daily Activity Report – Daily scan report that provides batch to scan operator statistics
- ♦ First In Last Out (FILO) Report – Ran daily by Image API. It captures the Mail channel ‘first’ batch in and the ‘last’ batch out of the Kofax system
- ♦ Weekly Scan Report – Image API runs this report to ensure that weekly volume matches up to the daily activity reports.
- ♦ Monthly Mail Scanner Utilization Report – reflects which scanner and the hours that they were utilized.

▪ **Fax Channel Reporting.**

- ♦ Healthy Texas Women Processing Volume report – Daily HTW application count report
- ♦ Healthy Texas Women Kofax User Productivity report – Processing stats for the WHP clerks who use the Kofax Validation queue to register new HTW applications.

▪ **Availability.**

The iBridge support team is dedicated to providing support at the right time. On a daily basis the support team is in contact with many HHSC IT groups and HHSC vendors that support parts of the document processing system. If the DPC scan vendor has to scan paper until 10pm, there will be an iBridge team member monitoring the system until they are done. The iBridge team works with the Environmental Management Team to provide personnel for TIERS Release Support. This would continue as HHSC migrates to the Agile Deployment schedule. The iBridge team works with HHSC DCS&O TIERS Operations to support\validate systems during maintenance outages. We would continue to work with other teams to provide an iBridge team contact to be available off hours in support of fixes\updates, deployments, maintenance activities, and scanning activities as needed.

▪ **Software Assurance.**

Kofax Software Assurance grants HHSC access to patches and upgrades for their Kofax product stack. This service is based on licensed Kofax products included in the Kofax Software Maintenance contract. iBridge Support would continue to leverage this resource in tandem with iBridge’s own network of manufacturer contacts to provide the following services to HHSC:

- ♦ Software Updates delivered via service packs, which include fixes to product usage issues
- ♦ Software upgrades delivered via minor and major releases, which provide new functionality that enhances the value of the Kofax product
- ♦ Product documentation
- ♦ Access to Kofax Support and Engineering to help address software defects, and provide patch and upgrade support.

To satisfy the requirements of the Kofax Product Solution Maintenance Services, iBridge Group would align its current tiered support team to provide CRQ Level 1 and CRQ Level 2 Support.

- ♦ CRQ Level 1 Support would be staffed with Kofax certified technicians that would receive and process help requests from Kofax users. Level 1 support would provide constant monitoring of the production Kofax fax and mail channels. They would provide basic Kofax support and troubleshooting, such as Kofax end user configuration assistance, Kofax system access validation, Kofax/ scanner configuration, and issue routing/ escalation to Level 2 Support. These technicians may also escalate issues to HHSC support as needed.
- ♦ CRQ Level 2 Support would be staffed with Kofax system certified technicians that have a knowledge of Level 1 work, but have greater experience and possess in-depth customer-specific knowledge to assist problem resolution. Level 2 Support would respond to systemic issues in document processing. Their efforts would include performance tuning, root cause analysis, communicating technical information to other teams to expedite issue resolutions, and interfacing with Kofax engineering for highest level support. Level 2 Support personnel would be authorized to submit Incidents and Change Requests via the HHSC-approved platform.
- ♦ Level 2 Support would communicate directly with the Kofax onsite Technical Lead so that any Kofax Production Incidents, whether due to a Kofax defect or external causes, was escalated to the IT- SAA project manager for review. Level 2 Support would be made available to apply and validate any fix required for the Kofax system due to defect or other cause.
- ♦ Level 2 Support would continue to be staffed for a breadth of knowledge, including knowledge of form design and barcode properties, Microsoft OS administration, AD security (as this is the mechanism used to secure access to all images that are processed by the Kofax system), networking, DNS, virtualization technologies, and Microsoft SQL administration.
- ♦ Level 2 Support would be authorized to generate recommendations in regard to Document Processing Center and Disaster Recovery site infrastructure requirements, scanner support and usage, form design and maintenance, capacity planning, third-party vendor support as it relates to Kofax Security Solution interfaces, Kofax security and licensing compliance, and testing and validation.

▪ **Service Levels for Production Issues:**

Regardless of the level of support, when users call for Support, or an issue is discovered by iBridge Support, the following actions will be taken based on the scope of the issue:

| Priority | Definition | Response | Issue Resolved | Assumptions |
|----------|--|---|---|--|
| Critical | Software is inoperable for all State users. | HHSC is Contacted within 1 hour. INC\CRQ filed. | Within 1 business day or an agreed-upon due date and time. Provide updates every hour until resolved. | All environmental upgrades, patches and service packs will be fully tested in the lower environments before applying to Production environment to minimize Production outages. |
| High | Issue affects daily processing or day-to-day functions of the State. Issue affects a large group of State users. | HHSC is Contacted within 1 hour. INC\CRQ filed. | Within 1-2 business days or an agreed-upon due date. Provide updates every two hours until resolved. | All environmental upgrades, patches and service packs will be fully tested in the lower environments before applying to Production environment to minimize Production outages. |
| Medium | Issue affects a small group of users and does not affect day-to-day processing. | HHSC is contacted within 1 hour. INC\CRQ filed. | Within 1 – 4 business days, or an agreed upon due date. Provide daily update until resolved or agreed upon update frequency. | Resolution or workaround would be put in place; the problem would be worked during business hours. |
| Other | Issue affects 1 State user and is non-critical to daily processing. | HHSC is contacted within 1 hour. INC\CRQ filed as needed. | Typically 2-6 business days from reported problem, or an agreed upon due date. Provide daily update until resolved or agreed upon update frequency. | Resolution or workaround would be put in place; the problem would be worked during business hours. |

▪ **Critical Priority Issues.**

For Kofax issues reported during standard Customer Support hours classified as critical impact, a Level 1 Support representative will log the issue and attempt to validate\recreate the issue. Level 2 Support will be engaged. Upon issue validation, an Incident and\or CRQ will be filed to track the issue. Issue remediation will begin immediately and will be worked around the clock (24 hours a day, 7 days a week) until the ticket is resolved or a workaround is found. The support team will work through the Team lead to report the issue to the IT-SAA project manager. The target resolution period for a high impact issue is 1 day, depending upon severity and IT-SAA project manager guidance.

For Kofax issues classified as critical or high impact that occur outside of standard Customer Support hours, a 24x7 telephone number will connect the user with a Level 2 support representative that will work the ticket until it is resolved or a workaround is found. When standard Support hours resume, the issue will be transferred to onsite support staff to continue troubleshooting.

▪ **High Priority Issues.**

For Kofax issues reported during standard Customer Support hours classified as high impact, a Level 1 Support representative will log the issue and attempt to validate\recreate the issue. Level 2 Support will be notified. Upon issue validation, an Incident and\or CRQ will be filed to track the issue. Issue remediation will begin immediately and will be worked around the clock (24 hours a day, 7 days a week) until the ticket is resolved or a workaround is found. The support team will work through the Team lead to report the issue to the IT-SAA project manager. The target resolution period for a high impact issue is 1-2 days, depending upon severity and IT-SAA project manager guidance.

For Kofax issues classified as critical or high impact that occur outside of standard Customer Support hours, a 24x7 telephone number will connect the user with a Level 2 support representative that will work the ticket until it is resolved or a workaround is found. When standard Support hours resume, the issue will be transferred to onsite support staff to continue troubleshooting.

▪ **Medium Priority Issues.**

For Kofax issues reported during standard Customer Support hours classified as medium impact, a Level 1 Support representative will log the issue and attempt to validate\recreate the issue. Level 2 Support will be notified if needed. Upon issue validation, a determination will be made if an Incident and\or CRQ will be filed to track the issue. Issue remediation will begin as soon as possible and will be worked during standard Customer Support hours. The support team will work through the Team lead to report the issue to the IT-SAA project manager.

▪ **Other Issues.**

For Kofax issues reported during standard Customer Support hours classified as Other, a Level 1 Support representative will log the issue and attempt to validate\recreate the issue. Level 2 Support will be notified if needed. Upon issue validation, a determination will be made if an Incident and\or CRQ will be filed to track the issue. Issue remediation will begin as soon as possible and will be worked during standard Customer Support hours. The

support team will work through the Team lead to report the issue to the IT-SAA project manager.

The iBridge HHSC support policy would be to respond to each support request within one hour of receipt during normal support hours, 7:00 AM Central Time (CT) to 7:00 PM CT, Monday through Saturday.

2.2.3 Enhancement Services

During the term of the contract, iBridge will provide design, development and testing to enhance the HHSC Kofax Solution to implement approved Service Requests (SR) defined within the agency approved application release charters according to the HHSC Agile Sprint schedule. The technical lead will include an estimate of the monthly work effort for enhancement services in the Monthly Staffing Plan provided to the HHSC IT-SSA Project Manager.

iBridge will support enhancement activities in the following areas:

- HHSC Form Standardization QR Code barcodes and form design on new Enrollment Broker, and State Portal forms
- Image Only (IO) Redesign – automating document classification and auto linking
- Form Standardization
- Fax Integration – unified capture onto HHSC standard platform, and Integration and testing with RightFax
- Enrollment Broker scan and fax integration
- Other areas requested by the agency

- **Development Services.**

iBridge Development resources will provide design and development services for SRs assigned to them, as approved by IT-SSA as well as performing testing of Windows, Kofax, or Microsoft SQL related upgrades, patches and service packs.

Functional testing of the code will be performed to confirm and ensure Acceptance Criteria are met, and refine and modify code as needed, prior to submitting it to IT-SSA.

All code resulting from Kofax Product Solution enhancement tasks will be delivered to IT-SSA for system integration testing, prior to release.

Development resources are fully aware that they will need to support IT-SSA Sprint implementation and provide test support, including defect triage to address any/all Kofax Product Solution defects identified during Sprint release.

There is a possibility that after a release, the development resource might be required to address SR defects identified in production.

- **Functional Testing Services.**

iBridge functional testers are fully aware that they are responsible for testing the Kofax Product Solution to ensure that the Acceptance Criteria are achieved.

For regression testing, functional testers would need to test batch scripts/scenarios to ensure that the Kofax application functionality continues to work as expected.

Also, functional testers would execute performance scripts in order to conduct load and stress test to measure application's performance parameters for a given release.

2.3 Staffing Plan

The success of our organizational structure and management practices for the Kofax services being provided is founded on coordinated staffing and work plans specific to the HHSC requirements. Our staffing strategy is based on our experience, best practices, and lessons learned from our experience with HHSC. We use this expertise to provide HHSC business and IT stakeholders with a high quality services.

By providing knowledgeable staff with proven experience with the HHSC Kofax system, HHSC can be assured that the right people with the right skills are managing the Kofax services in a professional manner that promotes partnership with HHSC and ensures the Kofax system is stable and reliable.

We use a proven approach to manage and cultivate resources, and the project progresses through its lifespan, the percentage of personnel time is adjusted to most efficiently provide HHSC all the necessary support it needs to maintain efficient continuing operations.

Our plan ensures we staff the appropriate number and type of personnel dedicated to this contract to address every task, activity, and service necessary, including management, maintenance, development, and testing functions. The staffing plan will include the following elements:

- Clear lines of authority to maintain accountability and successful communication
- Defined functional areas to complete each service component and deliverable of the RFO
- Organizational chart
- Details on personnel with directly relevant experience
- Executive oversight and strong leadership to ensure the resources are provided for project success

By providing knowledgeable staff with proven experience with the HHSC Kofax system, HHSC can be assured that the right people with the right skills are managing the Kofax services in a professional manner that promotes partnership with HHSC and ensures the Kofax system is stable and reliable.

We use a proven approach to manage and cultivate resources, and the project progresses through its lifespan, the percentage of personnel time is adjusted to most efficiently provide HHSC all the necessary support it needs to maintain efficient continuing operations.

iBridge has provided a resume for each proposed individual assigned to the contract summarizing the professional training, certifications and performance that contribute to their qualifications for their assigned role.

iBridge Group is comprised of experienced personnel that have gathered requirements, designed, developed, tested, trained and implemented Kofax solutions using the Agile methodology and maintains a solid team of personnel that are experienced with delivering the products and services described within this RFP No. 52900_17_0087 response.

iBridge has provided a resume for each proposed individual assigned to the contract summarizing the professional training, certifications and performance that contribute to their qualifications for their assigned role.

iBridge hires and trains resources that have the skill sets to fulfill multiple delivery roles. As a result, iBridge team members can usually traverse functional boundaries which gives us flexibility in case there is a sudden, unexpected departure of personnel on the team. Should such a departure occur, we will communicate the departure to HHSC using approved processes and will fill the gap with iBridge resources currently assigned to the project to ensure project continuity. If the remaining effort associated with that role is short-term we may not need to backfill the position, assuming the work can be completed on time at the expected quality level. If the position needs to be backfilled, our staffing manager will ensure the right resource is identified and HHSC is presented their resume for approval.

| Role | Responsibilities |
|--|--|
| Kofax Product Solution Technical Lead <ul style="list-style-type: none"> ▪ Steve Gonelli | Facilitates overall communication, monthly status reporting, contract compliance for the Contractor Kofax Kofax Production Solution Maintenance and Enhancement services resources and effort. <ul style="list-style-type: none"> ▪ Prepares & manages effort within IT-SSA Project Timelines ▪ Produces a Staffing Plan monthly, and get IT-SSA approval to proceed prior to initiation of monthly services ▪ Coordinates scheduled activities ▪ Coordinates and lead key project meetings. ▪ Supports HHSC with Kofax Product software cost analysis, pricing, licensing and support needs, as requested by IT-SSA. ▪ Prepares Monthly Status Reports, Transition Report, Turnover Report. ▪ Ensures Contractor-produced Work Artifacts are stored in IT-SSA system of record (PPM). ▪ Responsible for oversight and compliance of the Kofax software maintenance and assurance program. |
| Enhancement Developer | Implements the SRs by developing code and configuration changes to the Kofax Product Solution that integrate smoothly with TIERS components. |
| Enhancement Functional Tester | Kofax testers will be responsible for testing the Kofax Product Solution to verify that the Acceptance Criteria are achieved as well as testing the Kofax patches, service packs and any/all Microsoft patches updates |

| Role | Responsibilities |
|----------------------------------|--|
| Maintenance & Production Support | Supports HHSC Production and Disaster Recovery operations, system monitoring. <ul style="list-style-type: none"> ▪ Provides technical assistance with system issue resolution during Production document ingestion, and any after-hours Production support, scanner troubleshooting, manual document processing, and exception handling. ▪ Prepares recommendations in regard to Document Processing Center and Disaster Recovery site infrastructure requirements, scanner support and usage, form design and maintenance, capacity planning, third-party interface vendor support, security and licensing compliance, testing and validation, as requested by IT-SSA. ▪ Supports emergency fixes as needed. |

2.4 Work Plan

For this RFP No. 52900_17_0087, the target commencement date is August 1, 2017 and will cover the initial Contract term with an estimated End date of July 31, 2019 of the initial term. It is understood, that HHSC, at its own discretion, may extend the contract in one year options up to three (3) additional years. It is understood that this is a time and material contract that includes optional services detailed in the Value Added Benefits, Section 2.5, of this proposal. It is further understood that following the initial terms and any allowable extensions, HHSC may extend the contract for the purpose of completing a new procurement, and/or to transition to a new vendor is necessary to avoid interruption in HHSC services.

iBridge Group provided a detailed project schedule for evaluation in response to the RFP that reflected its proposed project resources to be provided for each identified service role, and a description of each resource qualification. During the term of the Contract, iBridge Group will develop and maintain a detailed project schedule, including the expected effort for each service role, Technical Lead, Maintenance and Enhancement role, the expected Start and Stop for each activity, the submission of Work Artifacts and Date assumptions. The detailed project schedule is a deliverable that will be updated by iBridge Group as needed to reflect changes in start-finish dates, tasks and resources, subject to approval by HHSC.

2.5 Value-Added Benefits

iBridge Group provides a unique benefit to HHSC since the HHSC Kofax system is a system that we design, installed and configured and currently have supported for the last eight (8) years.

- Our resources are also experienced at designing Adobe Life Cycle forms to increase OCR / ICR rates and improve ADA 508 Compliance.
- Our experience with HHSC enables us to identify that many agency local offices maintaining Xerox Multi-Function Devices could be leveraged to act as input

devices for Image Only documents that are currently sent from the local offices to the DPC via FedEx services for scanning by a vendor. We recognize that this effort would increase local office workload and network bandwidth utilization, but there may be cases where cost savings can provide the justification for the investment in staffing and network capabilities.

- Our experience with HHSC enables us to identify departments within the agency that could improve processing by using the Kofax system as the intake or starting point for their processes.
- Expanded use of the Kofax Webservice Import Connector would enable State Portal forms and images to be processed leveraging native Kofax image formats, allowing HHSC to expand the image types that can be processed resulting in more file uploads and reduction in paper documents being processed at the DPC.
- Expanded use of the Kofax Capture and Transformation Validation screens provide HHSC with the ability to complete data entry tasks before the document is released to downstream systems – greatly improving auto-routing/auto-linking costs since Kofax Validation screens can be processed by both HHSC staff and vendor staff at multiple facilities.
- In a typical enterprise Kofax deployment, the platform can be configured for other parts of an organization, which will allow the total cost of ownership to be reduced. The services, as part of this contract, can also be leveraged to ensure that the structure is there for both expansion and support.

2.6 Staffing Profile

2.6.1 Key Personnel

iBridge Group has identified that the Technical Lead service area performed by the dedicated Kofax Product Solution Technical Lead is recognized as Key Personnel for this contract. Steve Gonelli is the person being proposed for this contract and currently performing this function for HHSC.

