

**SIGNATURE DOCUMENT FOR
HHSC CONTRACT No. HHS000663300001**

I. PURPOSE

The Health and Human Service Commission (“System Agency”), an administrative agency within the executive department of the State of Texas and having its principal office at 4900 North Lamar Blvd. Austin, Texas, 78751, and Navigant Consulting, Inc. (“Contractor”), having its principal office at 150 North Riverside Plaza, Suite 2100, Chicago, Illinois 60606, (each a “Party” and collectively “the Parties”) enter into the following contract for actuarial and financial data management services (the “Contract”).

II. LEGAL AUTHORITY

This Contract is authorized by and in compliance with the provisions of Section 531.039 of the Texas Gov’t Code.

III. STATEMENT OF SERVICES TO BE PROVIDED

Contractor shall perform or cause to be performed the actuarial and financial data management services (“Services”) in accordance with the Statement of Work, Budget, the Request for Proposals, and the Contractor’s Proposal, attached hereto and incorporated herein as **ATTACHMENTS A, B, H, AND I**, respectively.

IV. DURATION

The Contract is effective on the signature date of the latter of the Parties to sign this agreement and terminates on August 31, 2022, unless renewed, extended, or terminated pursuant to the terms and conditions of the Contract. System Agency, at its own discretion, may extend this Contract for two (2) additional (1) one-year periods, subject to terms and conditions mutually agreeable to the Parties.

At the discretion of the System Agency any Work Order issued hereunder may survive the expiration or termination of this Contract.

V. BUDGET

The total amount of this Contract will not exceed **\$15,000,000.00**. All expenditures under the Contract will be in accordance with **ATTACHMENT B, BUDGET**.

VI. CONTRACT REPRESENTATIVES

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

System Agency

Anthony Webb, Contract Manager
Health and Human Services Commission
P.O. Box 13247
Austin Texas 78711-3247
Tel: (512) 438-3514
E-mail: anthony.webb@hhsc.state.tx.us

Contractor

Navigant Consulting, Inc.
Attn: Russell Ackerman, Managing Director
980 San Jacinto, Suite 900
Austin, Texas 78701
Tel: (480) 318-9390
E-mail: russ.ackerman@navigant.com

VII. LEGAL NOTICES

Any legal notice required under this Contract shall be deemed delivered when deposited by the System Agency either in 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

Dr. Courtney N. Phillips
Executive Commissioner
Health and Human Services Commission
P.O. Box 13247
Austin Texas, 78711-3247

With Required Copy to:

Karen Ray
Chief Counsel
Health and Human Services Commission
P.O. Box 13247
Austin Texas 78711-3247
Fax: (512) 424-6586

Contractor

Navigant Consulting, Inc.
Attn: Russell Ackerman, Managing Director
150 N. Riverside Plaza, Suite 2100
Chicago, Illinois 60606

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

SIGNATURE PAGE FOLLOWS

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RFP No. HHS0001600


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SIGNATURE PAGE FOR HHSC CONTRACT NO. HHS000663300001

SYSTEM AGENCY

NAVIGANT CONSULTING, INC.

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Stephanie Muth
Deputy Executive Commissioner,
Medicaid & CHIP Services
Date of execution: September 12, 2019

Name: Russell Ackerman
Title: Managing Director
Date of execution: September 12, 2019

**THE FOLLOWING ATTACHMENTS TO HHSC CONTRACT NO. HHS000663300001 ARE
HEREBY ATTACHED AND INCORPORATED BY REFERENCE:**

- ATTACHMENT A – STATEMENT OF WORK**
- ATTACHMENT B – BUDGET**
- ATTACHMENT C – UNIFORM TERMS AND CONDITIONS**
- ATTACHMENT D – CONTRACT AFFIRMATIONS**
- ATTACHMENT E – SPECIAL CONDITIONS**
- ATTACHMENT F – FEDERAL ASSURANCES/CERTIFICATIONS**
- ATTACHMENT G – DATA USE AGREEMENT**
- ATTACHMENT G-1 – SECURITY AND PRIVACY INQUIRY**
- ATTACHMENT H – SYSTEM AGENCY SOLICITATION NO. HHS0001600**
- ATTACHMENT H-1 – SAMPLE WORK ORDER**
- ATTACHMENT I – CONTRACTOR'S SOLICITATION RESPONSE**
- ATTACHMENT J – INSURANCE CERTIFICATES**

**THE EXHIBITS AND ALL ADDENDA ASSOCIATED WITH ATTACHMENT H, SYSTEM
AGENCY SOLICITATION NO. HHS0001600, ARE HEREBY INCORPORATED BY
REFERENCE.**

ATTACHMENTS FOLLOW

HHSC CONTRACT No. HHS000663300001

RFP No. HHS0001600

ATTACHMENT A – STATEMENT OF WORK

Attachment A

Statement of Work

HHSC CONTRACT NO. HHS000663300001**RFP NO. HHS0001600****ATTACHMENT A – STATEMENT OF WORK**

HHSC is contracting for actuarial services and financial data management and modeling as requested to support HHSC programs and financial systems including the Texas Medicaid program, which includes the Texas Healthcare Transformation and Quality Improvement Program, CHIP, and managed care delivery systems.

All Scope of Work activities listed in the chart below are as needed and as requested by HHSC.

The Scope of Work activities outlined below, SOW-01 to SOW-04, may be included in subsequent Work Orders under this Contract:	
SOW-01	Perform data management and data analysis for the Texas Healthcare Transformation and Quality Improvement Program including: <ol style="list-style-type: none"> 1. Provide financial data management and data modeling for the DSRIP pool funds reporting and payment process including collecting, organizing, and managing DSRIP pool funds and financial data payment processes; 2. Perform data analysis for DSRIP reporting for use by HHSC, the Centers for Medicare and Medicaid Services (CMS), and stakeholders; 3. Provide data analysis for the Texas Healthcare Transformation and Quality Improvement Program evaluation; 4. Perform budget neutrality analysis; and 5. Develop Excel-based tools for use in DSRIP plan modification requests for demonstration years nine (9) and ten (10) and other DSRIP Excel-based tools and templates.
SOW-02	Provide actuarial services and, in cooperation with HHSC, devise options for managed care organization (MCO) capitation rate models, including quality-based payment strategies.
SOW-03	Provide analyses for quality-based payment strategies including: <ol style="list-style-type: none"> 1. Evaluate and analyze Texas and nationally identified state capitation rate setting methodologies for MCOs; 2. Develop options for MCO capitation rate setting methodologies and assess the impact of those options; 3. Perform periodic assessment/analysis of the MCO's payment models to assess transitions from fee-for-service providers to quality-based payment strategies; 4. Develop plans for implementation of alternative capitation methodologies, if alternative approaches are approved by HHSC; 5. Develop recommendations for strategies to increase and measure MCO quality-based payment approaches with providers; and 6. Provide technical assistance to HHSC regarding other incentive/disincentive strategies for promoting quality and efficiency.
SOW-04	Provide special actuarial and financial support services and reports not covered under other agency contracts.
The Scope of Work activities outlined below, SOW-05 to SOW-10, are applicable to all Work Orders under this Contract:	

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SOW-05	Provide complete explanations of all calculations and provide all formulas to HHSC or its Contractors.
SOW-06	Provide Deliverables in accordance with the timelines established for each Work Order.
SOW-07	Provide expertise regarding CMS regulations and waiver requirements.
SOW-08	Participate in meetings with HHSC and other agency staff, HHSC Contractors, legislative committees, and CMS representatives as needed. Meetings may be face-to-face and may be scheduled on very short notice.
SOW-09	Provide effective presentations on analyses performed.
SOW-10	Maintain confidentiality of Medicaid and CHIP recipient data and other information provided by HHSC and/or its Contractors/vendors/providers in accordance with HHSC's Data Use Agreement, attached as ATTACHMENT G, DATA USE AGREEMENT , and all subsequent versions of the Data Use Agreement that are transmitted to Contractor by HHSC.

Work will be requested through an executed Work Order as indicated in **Section 2.5 of ATTACHMENT H, SYSTEM AGENCY SOLICITATION NO. HHS0001600**. Additional details on the Work Order approval and management process are outlined in **Section 1.1.2** below.

1.1.1 Performance Measures and Associated Remedies (PMAR)

HHSC will monitor the performance of the Contract. All Services and Deliverables under the Contract shall be provided at an acceptable quality level and in a manner consistent with acceptable industry standard, custom, and practice. HHSC Deliverables are invoiced by the Contractor upon completion and specifically paid for by HHSC. In the event Contractor fails to timely meet the performance measures enumerated below, it will be difficult if not impossible for HHSC to determine the actual damage to HHSC. As such, a reasonable estimate of HHSC's projected financial loss and damage from Contractor's failure to timely meet performance measures may be assessed against the Contractor as liquidated damages. The performance measures and liquidated damages are indicated in the table below. HHSC reserves the right to assess additional damages and other remedies, such as those outlined in **ATTACHMENT E, SPECIAL CONDITIONS, Section 8.02, Operational Remedies**, depending on the nature of the specific Work requested in the Work Orders.

Item No.	Performance Measure	Liquidated Damages
PMAR-01	Contractor must complete requested Deliverables/tasks within the negotiated timeframes and by the due date for each Project as indicated in the issued Work Order or as otherwise agreed upon by the Parties.	The State may assess \$500 per business day for each day the requested Services are not timely submitted, are inaccurate, or incomplete.

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PMAR-02	Contractor must provide sound analysis for actuarial and fiscal impact pertaining to program changes, proposed provider rate methodologies, and special projects.	The State may assess \$500 per business day for each day the actuarial opinions are not timely submitted, are inaccurate, or incomplete.
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1.1.2 Work Order Approval and Management Process

HHSC will use the Work Order process described in this section to establish the individual Work Orders throughout the term of the Contract. Each Work Order will be subject to specific Work authorization in the form of a purchase order signed by HHSC, which will be sent to the Contractor after execution of the Work Order. The level of detail required in the Work Orders will identify how the major tasks/Deliverables are to be accomplished under each Work Order and should provide sufficient information to be used as a scheduling and managing tool.

A. HHSC will generally manage the Work Order process as follows:

1. HHSC project manager or designee will email a draft Work Order (see **ATTACHMENT H-1, SAMPLE WORK ORDER**) to Contractor containing specific tasks or Deliverables with associated deadlines for completion. This email will request Contractor’s input into the draft Work Order document and will also contain a due date for Contractor’s input to the draft Work Order. The Work Order will describe some or all the following:
 - a. Scope of the requested Services and any Deliverables or tasks required by HHSC;
 - b. Applicable timelines;
 - c. Method used to monitor Deliverables;
 - d. Work Order’s HUB requirements;
 - e. Work Order’s quality requirements;
 - f. Work Plan requirements;
 - g. NTE Allowance for reimbursable expenses, if any, consistent with **ATTACHMENT B, BUDGET**, and **ATTACHMENT I, CONTRACTOR’S SOLICITATION RESPONSE**;
 - h. Contact information for the HHSC project manager and HHSC contract manager;
 - i. Contact information for other HHSC program staff, state resources, or personnel dedicated to work on the Work Order; and
 - j. Any other requirements applicable to the Work requested and deemed necessary by HHSC.

2. Contractor must respond within the specific timeframe noted in HHSC’s email requesting Contractor’s input to the draft Work Order. Contractor must provide information specified in the Work Order including detailed cost information for each Deliverable or task. Contractor must also include in the Work Order any costs associated with travel that is needed to fulfill the Work as described in the Work Order. Contractor should contact HHSC regarding any requested Deliverables or tasks in the draft Work Order that are

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unclear or do not contain the information needed for developing an accurate cost per Deliverable or task. HHSC will not reimburse Contractor any amount in excess of an approved and signed Work Order and associated purchase order. The rates for each staff position may not exceed established rates identified in **ATTACHMENT B, BUDGET**. Submission of cost information on a Work Order does not guarantee funding or assignment to Contractor unless and until the Work Order and associated purchase order is signed by HHSC.

3. HHSC will evaluate the Contractor's cost information provided on the draft Work Order and, if approved, will request that Contractor execute the Work Order. HHSC will sign the Work Order last and initiate a purchase order through the HHSC purchasing process at that time. Once the Work Order is signed and approved by both Parties, HHSC Procurement and Contracting Services (PCS) staff will send a copy of the issued purchase order to the Contractor. The date the Work Order is signed by HHSC and delivered to the Contractor will be the Start Date for the Work Order Project Timeline for that individual Work Order. HHSC's signature on the Work Order and delivery to the Contractor will constitute the notice to proceed for each Work Order.
4. Each approved Work Order and associated purchase order will be automatically incorporated as an Amendment to the Contract.
5. After receiving the purchase order associated with an executed Work Order, Contractor performs Work described in the approved Work Order under the supervision of HHSC or its designees. Contractor is responsible for providing status updates, as requested, and reporting issues, as necessary, concerning performance of Work described in the Work Order to the HHSC project manager or designee. Each Work Order is made up of specific Deliverables/tasks with corresponding Deliverable start and end dates. Each Work Order also contains a start and end date for the Work Order as a whole. Each Deliverable must be completed within the timeframe indicated in the Work Order, and each Work Order as a whole must be completed within the timeframe allowed. For all Work Orders and Deliverables within each Work Order not completed within the timeframes indicated in the Work Order, liquidated damages of \$500.00 can be assessed per day and will be calculated for each Work Order as indicated in **Section 1.1.1, Performance Measures and Associated Remedies**, under PMAR-01, above. Time is of the essence, and Contractor shall complete all Work described in subsequent Work Orders within the stated duration for each Deliverable and for the Work Order as a whole, unless the Work Order is first amended.
6. Prior to invoicing, Contractor must email the HHSC project manager or designee requesting approval to invoice for specific Deliverables or tasks on any Work Order. HHSC project manager or designee will give Contractor approval or denial to invoice via email reply after confirming that these tasks or Deliverables have been satisfactorily completed and accepted, as determined by HHSC. After receiving HHSC's approval to invoice, Contractor will then submit an invoice to the HHSC Contract Manager noting the approved purchase order under which the Contractor's Work was performed. This invoice must also

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include any necessary supporting documentation and HHSC's email from the project manager or designee approving Contractor to invoice for specific Deliverables or tasks for any Work Order. All actual costs invoiced by Contractor must not exceed the total amount authorized on the executed Work Order and associated purchase order.

7. HHSC will reimburse Contractor for successfully performing each individual Deliverable or task not to exceed the total amount authorized on the associated Work Order. HHSC will also consider allowing progress payments for longer Work Orders when the Deliverables are clearly tied to intermediate milestones and interim Deliverables accepted by HHSC. The actual costs reimbursed for all Work Orders issued under any Contract resulting from this RFP must not exceed the Contract amount. HHSC will not reimburse Contractor any amount in excess of an approved Work Order and associated purchase order.
- B. Before additional work may be performed or additional costs incurred beyond what is specified in an approved Work Order, both Parties must execute a written Work Order Amendment. HHSC is not responsible for actions by the Contractor or any costs incurred by the Contractor relating to additional work prior to the execution of any Work Order Amendment. Any additional work must be performed under applicable provisions of the Contract and within the time period established in the Work Order Amendment. HHSC will generally manage the Work Order amendment process as follows:
1. Work Order Amendments, as defined in **Section 1.1.2(B)(4)** below, can be requested by HHSC or the Contractor. If HHSC requests a Work Order Amendment, then HHSC will mark-up the final Word version of the approved Work Order that is currently in place using the track changes function in Word. HHSC will email the revised, marked-up Work Order to Contractor for review. Contractor will supply any necessary edits to the marked-up Work Order using the track changes function in Word. Contractor will also revise the budget per Deliverable or travel costs, if applicable, based on HHSC revisions. Contractor should contact HHSC regarding any requested revisions to the Work Order that are unclear or do not contain the information needed for revising or developing an accurate cost per Deliverable or task, if applicable.
 2. Once Contractor has supplied any necessary edits to the marked-up Work Order using the track changes function in Word, including revisions to the Work Order budget if applicable, then Contractor will email the marked-up Work Order containing Contractor's and HHSC's revisions to HHSC for approval. Submission or revision of cost information on the marked-up Work Order document does not guarantee funding or assignment to Contractor unless and until the revised Work Order document and associated purchase order is signed by HHSC. A new or revised purchase order could be necessary if revisions to the Work Order Deliverables or the addition of new Deliverables requires revisions to the Work Order budget.

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3. Once HHSC has reviewed and approved of any revisions to the marked-up Work Order document, then HHSC will accept the track changes in the marked-up Work Order document and request that Contractor execute the amended Work Order. HHSC will sign the amended Work Order after Contractor has executed the document and will initiate a purchase order through the HHSC purchasing process at that time, if applicable. Once the Work Order is signed and approved by both Parties, HHSC PCS staff will send a copy of the issued purchase order to the Contractor, if applicable.
4. This revised Work Order document, executed by both Parties, and with accepted changes will be considered the Work Order Amendment and will be effective upon HHSC's signature or as otherwise specified in the Work Order Amendment. The Work Order Amendment will replace the terms of the original Work Order, and any subsequent Work Order Amendments will replace the terms of any previous Work Order Amendments.
5. Each approved Work Order Amendment and associated purchase order, if applicable, will be automatically incorporated as an Amendment to the Contract.
6. Contractor should generally follow this same process when requesting revisions to an existing Work Order.

Attachment B

Budget

Exhibit I: Cost Proposal Template

Initial Three-Year Contract Term

RFP No.: HHS0001600

Actuarial and Financial Data Management Services

Respondent must complete this Cost Proposal Template and submit the completed template as part of Respondent's proposal. Additional information regarding the Cost Proposal, packaging, and submission requirements can be found in Article 7 of the RFP. Respondents must complete all relevant yellow cells in the following tabs: Table 1 and Table 2. The Value-Added Benefits and the Assumptions tabs are optional for Respondents wishing to include value-added benefits or assumptions associated with the Cost Proposal. The Value-Added Benefits and the Assumptions tabs also include yellow-cells to indicate which fields should be completed by Respondents.

Navigant is providing this Cost Proposal as required by the RFP. In it, Texas HHSC will see exceptional value for the services we render. Navigant will effectively manage all costs of providing quality services and results to the State of Texas to meet budget objectives.

Our leadership and team approach provides the most appropriate level of expertise to the tasks performed. This approach ensures our clients receive high quality consulting services leading to the most optimal results.

The following tabs include our completed Cost Proposal using the template provided with this RFP. It consists of these three Tables:

Table 1: Represents our **Best and Final Offer (BAFO)** hourly rates by staff level for September 1, 2019 - August 31, 2020. Due to Navigant's recognition of the high importance of Texas as our client, these BAFO hourly rates represent a significant reduction from our prior proposed rate. As you will also see described in our Value-Added Benefit Table, we propose a reduction from the RFP cited 3% increase to 2% for hourly rates in each subsequent contract year: September 1, 2020 - August 31, 2021, and September 1, 2021 - August 31, 2022. You will also see where, per our BAFO, we will not charge for any administrative/clerical or intern project work that may be performed.

Table 2: Represents applicable travel cost calculations, however as also described in our Value-Added Benefit Table. Instead of waiving the first \$50,000 in travel cost each year, as our BAFO, **we will waive all travel costs for all Navigant and/or HUB consultants serving HHSC in this contract.**

Table 3: Provides our significant value-added benefits we are proposing to HHSC, reflecting everything we included in our originally submitted proposal.

Table 1: Fixed Hourly Rates
Initial Three-Year Contract Term
RFP No.: HHS0001600
Actuarial and Financial Data Management Services

Respondent's proposed pricing for services deemed relevant to this RFP. The prices reflected in the table below are the maximum amount Respondent may charge in response to any deliverables or Work Orders issued under any Contract resulting from this RFP. Additionally, the prices reflected in the table below are the maximum hourly rates Respondent may charge in response to a request for a project quote.

The hourly rates provided by Respondent in the chart below will apply to the first year of the initial Contract term. The next two years of the initial Contract term will incorporate a 3% annual adjustment to the hourly rate to account for inflation. Any renewals or extensions beyond the initial three-year Contract term will also incorporate a 3% annual adjustment to the hourly rate to account for inflation. The rates invoiced for reimbursement must be the rates in effect at the time services are provided.

Respondent Name: Navigant Consulting

Table 1: Fixed Hourly Rates	
Staff (List staff by functional title and provide a description of the staff's function as it relates the work being requested in the RFP)	Hourly Rate
Example 1: Actuary II	\$400.00
Function: Jane Smith, Senior Actuary, is a Fellow in the Society of Actuaries (FSA) and a Member of the American Academy of Actuaries (MAAA), department manager, supervised 2-3 staff, serves as a key analytical resources, and responsible for developing models and writing reports.	
Staff 1: Engagement Director	\$275.00
Function: Russ Ackerman will serve as the Engagement Director for HHSC. He is a Managing Director at Navigant and the firm's Chief Actuary. Russ is a Fellow of the Conference of Consulting Actuaries, an Associate in the Society of Actuaries (ASA) and a Member of the American Academy of Actuaries (MAAA). Russ has led many general Medicaid related and actuarial consulting engagements for State agencies. The Engagement Director serves in a leadership and advisory capacity. He provides the project team and HHSC guidance and review to help guide the project.	
Staff 2: Actuarial and Analytics Team Lead	\$270.00
Function: Colby Schaeffer will serve as the Actuarial and Analytics Team Lead. He is the Actuarial Director at Navigant and a credentialed actuary (ASA, MAAA). The actuarial and analytics leader guides and project manages all calculation related efforts associated with the project, and ensures appropriate analytic and actuarial staff for projects. He will also provide high level review ensuring reasonableness of results.	
Staff 3: Program and Policy Team Lead	\$270.00
Function: Jon Hamdorf will serve as the Program and Policy Team Lead. Jon is a Director at Navigant. The program and policy leader guides and project manages all programmatic efforts associated with the project, and ensures appropriate staff for these related projects. He will also provide high level review ensuring consistency, compliance, and reasonableness of deliverables.	

Staff 4:	Actuary I	\$270.00
Function:	These credentialed actuaries, represented by the highly experienced credentialed actuaries, Erica Mitchell (FSA, MAAA) and Don Wakefield (ASA, MAAA) are Associate Directors with Navigant. This level of actuary is responsible for the actuarial design, development and review efforts for the project under the direction of the Actuarial and Analytics Team Lead. They lead less experienced actuarial staff in the project.	
Staff 5:	Actuary II	\$220.00
Function:	These actuarial analysts and credentialed actuaries, represented by the expertise of Nicholas (Nick) Gersch (ASA, MAAA), who is a Managing Consultant at Navigant. This level of actuary is responsible for modeling, calculating, and accuracy of results within the project. They also lead less experienced actuarial support and technical staff in the project.	
Staff 6:	Data Analyst I	\$270.00
Function:	Data Analyst I is represented by Kory Wolf, Mal Ferguson, and Jason Duhon, who are Directors and Associate Directors at Navigant. These highly experienced data leaders and managers are responsible for leading the construction of data and tools to be utilized in the projects. They oversee and guide less experienced data analysts.	
Staff 7:	Data Analyst II	\$220.00
Function:	Data Analyst II is represented by Kian Glenn and Ryan Esslinger, who are Managing Consultants at Navigant. These experienced data analysts are responsible for building databases and developing appropriate tools and queries that will be utilized in the projects. They work under the direction of Data Analysts 1 and help lead less experienced data analysts.	
Staff 8:	Data Analyst III	\$175.00
Function:	Data Analyst III staff are additional data support staff who are typically Senior Consultants at Navigant with 5+ years of experience.	
Staff 9:	Policy Analyst I	\$270.00
Function:	These highly skilled policy analysts, represented by Yelena Barzilla, Hanford Lin, Roshni Arora, and Coy Jones, are typically Directors and Associate Directors with Navigant. They work under the leadership of the Program and Policy Lead. They help lead, guide and project manage programmatic efforts, research, policy writing, and operational consulting associated with the project. They ensure appropriate staff for these related projects and ensure compliance, and reasonableness of deliverables and any resulting implementation efforts.	
Staff 10:	Policy Analyst II	\$220.00
Function:	Policy Analyst II are typically Managing Consultants at Navigant. These experienced analysts are responsible for research and policy analysis in the projects. They work under the direction of Policy Analysts 1 and help lead less experienced policy team members.	
Staff 11:	Policy Analyst III	\$175.00
Function:	Policy Analyst III staff are additional policy and program support staff who are typically Senior Consultants at Navigant with 5+ years experience. In this proposal, this role is represented by Steven Wang.	

Staff 12:	Subject Matter Expert (SME)	\$275.00
Function:	Subject Matter Experts are highly skilled consultants with many years of experience and proven innovative solutions to State programs, including financial, clinical, programmatic, and associated policy complexities and challenges. These SMEs are represented by such industry experts as Dr. Bill Rago, Lisa Carruth, David Mosley, and Dr. Dan DeBehnke.	
Staff 13:	HUB Subcontractor	\$270.00
Function:	Our HUB Subcontractor is represented by Dr. Ester Smith, who is a proven and skilled expert in specific program areas, who will be utilized by Navigant to supplement our proposed staff in specific areas where her expertise adds high value to HHSC and Navigant.	
Staff 14:	Technical Support Analyst I	\$175.00
Function:	A Technical Support Analyst I typically has 2-4 years of experience, and is in the Consultant to Senior Consultant role level at Navigant.	
Staff 15:	Technical Support Analyst II	\$140.00
Function:	A Technical Support Analyst II typically has 0-2 years of experience, and is also in the Consultant role level at Navigant.	
Staff 16:	Technical Support Intern	\$0.00
Function:	A Technical Support Intern is typically still in college and learning consulting skills during a summer internship with Navigant.	
Staff 17:	Admin	\$0.00
Function:	Administrative staff assisting with clerical activities for the project.	

Table 2: Estimated Travel
Initial Three-Year Contract Term
RFP No.: HHS0001600
Actuarial and Financial Data Management Services

Respondent's proposed pricing for travel costs deemed relevant to this RFP. Costs reflected in Table 2 are an estimate of Respondent's anticipated annual charges for staff travel related to fulfillment of its obligations if awarded a Contract in response to this RFP. Travel reimbursement is applied to the costs of the Contract and reduces the total amount available for delivery of services/goods. Costs shown in the table below are estimated using the State travel rates established by the Texas Comptroller of Public Accounts (CPA). HHSC will reimburse no more than the State travel rates for allowable costs established by CPA. Respondent's anticipated annual charges from the table below are for the initial Contract term, but any renewals or extensions of any Contract resulting from this RFP must still adhere to the State travel rates established by CPA. The State travel rates invoiced for reimbursement must be the State travel rates in effect at the time travel occurs.

CPA State Travel Rates: <https://fm.x.cpa.texas.gov/fmx/travel/texttravel/rates/current.php>

Respondent Name: **Navigant Consulting**

Table 2: Estimated Travel		
Staff Travel (List staff by functional title and provide cost information for annual travel as it relates the work being requested in the RFP)		Annual Travel Costs
Example 1:	Actuary II	\$1,110.50
Trips:	3 trips to HHSC headquarters annually to meet with project staff. Mileage 97.4 one way x State rate \$0.545 per mile x 3 round-trips = \$338.95 plus 1 night lodging at \$160.00 State rate x 3 trips = \$480.00 plus 2 day per diem at \$61.00 State rate x 3 trips = \$366.00	
Staff 1:	Engagement Director	\$15,324.00
Trips:	6 trips to HHSC headquarters annually to meet with HHSC Aircraft mileage 850 miles each way x State rate \$1.26 x 6 round-trips = \$12,852.00 plus 2 nights lodging at \$145.00 State rate x 6 trips = \$1,740.00 plus 2 day per diem at \$61.00 State rate x 6 trips = \$732.00	
Staff 2:	Actuarial and Analytics Team Lead	\$20,616.00
Trips:	6 trips to HHSC headquarters annually to meet with HHSC Aircraft mileage 1200 miles each way x State rate \$1.26 x 6 round-trips = \$18,144.00 plus 2 nights lodging at \$145.00 State rate x 6 trips = \$1,740.00 plus 2 day per diem at \$61.00 State rate x 6 trips = \$732.00	
Staff 3:	Program and Policy Team Lead	\$17,592.00
Trips:	6 trips to HHSC headquarters annually to meet with HHSC Aircraft mileage 1000 miles each way x State rate \$1.26 x 6 round-trips = \$15,120.00 plus 2 nights lodging at \$145.00 State rate x 6 trips = \$1,740.00 plus 2 day per diem at \$61.00 State rate x 6 trips = \$732.00	
Staff 4:	Actuary I	\$15,324.00
Trips:	6 trips to HHSC headquarters annually to meet with HHSC Aircraft mileage 850 miles each way x State rate \$1.26 x 6 round-trips = \$12,852.00 plus 2 nights lodging at \$145.00 State rate x 6 trips = \$1,740.00 plus 2 day per diem at \$61.00 State rate x 6 trips = \$732.00	

Staff 5:	Data Analyst I	\$7,662.00
Trips:	3 trips to HHSC headquarters annually to meet with HHSC Aircraft mileage 850 miles each way x State rate \$1.26 x 3 round-trips = \$6,426.00 plus 2 nights lodging at \$145.00 State rate x 3 trips = \$870.00 plus 2 day per diem at \$61.00 State rate x 3 trips = \$366.00	
Staff 9:	Policy Analyst I	\$7,662.00
Function:	3 trips to HHSC headquarters annually to meet with HHSC Aircraft mileage 850 miles each way x State rate \$1.26 x 3 round-trips = \$6,426.00 plus 2 nights lodging at \$145.00 State rate x 3 trips = \$870.00 plus 2 day per diem at \$61.00 State rate x 3 trips = \$366.00	
Staff 12/13:	Subject Matter Expert (SME), HUB Subcontractors, and Local Staff	\$0.00
Trips:	The majority of SME and HUB travel, along with Austin office staff is considered local, and as such Navigant will not invoice HHSC for SME, HUB and Austin office travel cost	\$0.00

Total Estimated Annual Travel Cost	\$84,180.00
Less Waived Annual Travel Cost	-\$84,180.00
Net Estimated Annual Travel Cost	\$0.00

Value-Added Benefits
 RFP No.: HHS0001600
 Actuarial and Financial Data Management Services

Respondent's proposed Value-Added Benefits deemed relevant to this RFP. Value-Added Benefits are services or deliverables that the Respondent proposes to provide at no additional cost to HHSC. Respondents are not required to propose Value-Added Benefits, but inclusion of such benefits may result in a more favorable evaluation. Respondent will not receive additional compensation for Value-Added Benefits and may not report the costs of Value-Added Benefits as allowable costs for reimbursement.

Respondent Name: Navigant Consulting

Value-Added Benefits	
Provide a brief summary of each Value-Added Benefit proposed at no cost to the Contract.	
1:	<p><i>Up to 200 free consulting hours to support transition of services and responsibilities under this contract from the incumbent to Navigant:</i> We recognize that organizations can sometimes be averse to change – often due to the perceived level-of-effort required to switch vendors. We have helped many of our clients transition to our services and have a proven methodology to successfully transition services and responsibilities without disruption to program operations. We will perform transition-related activities free of charge for up to 200 hours so there is minimal financial impact to HHSC for selecting a new vendor.</p>
2: (revised only to reflect alignment with BAFO in Table 2)	<p><i>Waive all travel expenses each year:</i> We understand the importance of being able to meet and work face-to-face when needed. Instead of waiving travel expenses up to \$50,000 annually, we will not bill HHSC for any travel expenses (see line 31 in Table 2).</p>
3:	<p><i>Reduced year-over-year annual adjustment rate from 3% to 2% :</i> We understand that HHSC is offering that " The next two years of the initial Contract term will incorporate a 3% annual adjustment to the hourly rate to account for inflation. " Rather than a 3% adjustment for the next two years, we offer a 2% annual adjustment for the next two years of the contract term.</p>
4:	<p><i>Access to National Association of States United for Aging and Disabilities (NASUAD):</i> Individuals with intellectual and developmental disabilities and other long-term care needs comprise a significant amount of Medicaid spend and services. We have a unique strategic partnership with NASUAD, which provides us with access to NASUAD research, resources, and subject matter expertise, including the home- and community-based services (HCBS) Business Acumen Center – a resource center that provides training, technical assistance, and a learning collaborative for disability organizations.</p>

5:	<p><i>Navigant healthcare analytics and thought leadership:</i> Navigant's Chicago-based Central Analytics team produces analyses and other thought leadership that help our State clients better understand and prepare for key healthcare changes and initiatives. Complementing our Atlanta-based actuarial analytics team in this proposal, this dedicated analytics team, consisting of 30+ members and growing (including in our Austin office) combines a mix of subject matter expertise and data domain knowledge into "Centers of Excellence" that engages directly with client-based consulting teams to deliver exceptional results.</p> <ul style="list-style-type: none">• Standardized approaches and advanced analytic tools across multiple content domains provides robust advanced analytic capability in a scalable and repeatable way for both internal Navigant use as well as client-facing analytic tools• Navigant maintains large sets of publicly available 3rd party data as well as proprietary Navigant data to drive analytics• Navigant has cultivated partnerships with industry leading firms to engage artificial intelligence capabilities (e.g., machine learning, business process automation, to minimize the time to generating insights)
6:	<p><i>State, federal, and commercial experience across payers and providers:</i> Navigant professionals consist of healthcare policy experts, actuaries, data analysts, clinicians, auditors, and former senior leadership from CMS, state Medicaid and health and human services agencies, health plans, and hospitals. Our HHSC team will have access to the collective Navigant expertise to provide comprehensive, effective solutions that take into account all program stakeholders.</p>

Cost Proposal Assumptions
 RFP No.: HHS0001600
 Actuarial and Financial Data Management Services

Respondent's proposed Assumptions related to the Cost Proposal and deemed relevant to this RFP. The System Agency reserves the right to accept or reject any assumptions. All assumptions not expressly identified and incorporated into any Contract resulting from this RFP are deemed rejected by the System Agency.

Respondent Name: Navigant Consulting

Cost Proposal Assumptions		
Provide a brief summary of each Assumption associated with the Cost Proposal.		
Number	Assumption Title	Assumption Description
Example:	Exclusion of PHI Data	Respondent will not access, modify, manage, or maintain any personally identifiable information, personal health information, or similarly related information.
1: (BAFO-revised)	Travel Cost	We have calculated our estimated travel costs in Table 2, but as our Best And Final Offer, we will waive <u>all</u> travel costs.
2:		
3:		
4:		
5:		

6:		
7:		
8:		
9:		
10:		
11:		
12:		
13:		
14:		

15:		
16:		
17:		
18:		
19:		
20:		

Attachment C

Uniform Terms and Conditions



TEXAS

Health and Human Services

Health and Human Services Commission
HHSC Uniform Terms and Conditions - Vendor
Version 2.15

Published and Effective September 1, 2017

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, 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.

“[Scope 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.

“[Solicitation](#)” means the document issued by the System Agency under which the goods or services provided under the Contract were initially requested, which is incorporated herein by reference for all purposes in its entirety, including all Amendments and Attachments.

“[Solicitation Response](#)” means Contractor’s full and complete response to the Solicitation, which is incorporated herein by reference for all purposes in its entirety, including any Attachments and addenda.

“[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: HHSC 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 Solicitation Response, 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 reply 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, Contract 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.

8.18.2017NO 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
 - (7) The System Agency's administrative rules, as set forth in the Texas Administrative Code, to the extent applicable to this Agreement.

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.

- b. 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.
- c. 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://hhscx.hhsc.texas.gov/system-support-services/civil-rights/publications>

- d. 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.
- e. Upon request, Contractor will provide HHSC Civil Rights Office with copies of the Contractor's civil rights policies and procedures.
- f. 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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Attachment D

Contract Affirmations

CONTRACT AFFIRMATIONS

By entering into this Contract, Contractor affirms, without exception, as follows:

1. Contractor represents and warrants that these Contract Affirmations apply to Contractor and all of Contractor's principals, officers, directors, shareholders, partners, owners, agents, employees, subcontractors, independent contractors, and any other representatives who may provide services under, who have a financial interest in, or otherwise are interested in this Contract and any related Solicitation.
2. Contractor represents and warrants that all statements and information provided to HHSC are current, complete, and accurate. This includes all statements and information in this Contract and any related Solicitation Response.
3. Contractor understands that HHSC will comply with the Texas Public Information Act (Chapter 552 of the Texas Government Code) as interpreted by judicial rulings and opinions of the Attorney General of the State of Texas. Information, documentation, and other material prepared and submitted in connection with this Contract or any related Solicitation may be subject to public disclosure pursuant to the Texas Public Information Act. In accordance with Section 2252.907 of the Texas Government Code, Contractor is required to make any information created or exchanged with the State pursuant to the Contract, and not otherwise excepted from disclosure under the Texas Public Information Act, available in a format that is accessible by the public at no additional charge to the State.
4. Contractor accepts the Solicitation terms and conditions unless specifically noted by exceptions advanced in the form and manner directed in the Solicitation, if any, under which this Contract was awarded. Contractor agrees that all exceptions to the Solicitation, if any, are rejected unless expressly accepted by HHSC in writing.
5. Contractor agrees that HHSC has the right to use, produce, and distribute copies of and to disclose to HHSC employees, agents, and contractors and other governmental entities all or part of this Contract or any related Solicitation Response as HHSC deems necessary to complete the procurement process or comply with state or federal laws.
6. Contractor generally releases from liability and waives all claims against any party providing information about the Contractor at the request of HHSC.
7. Contractor has not given, has not offered to give, and does not intend to give at any time hereafter any economic opportunity, future employment, gift, loan, gratuity, special discount, trip, favor, or service to a public servant in connection with this Contract or any related Solicitation, or related Solicitation Response.
8. Under Section 2155.004, Texas Government Code (relating to financial participation in preparing solicitations), Contractor certifies that the individual or business entity named in this Contract and any related Solicitation Response is not ineligible to receive this

- Contract and acknowledges that this Contract may be terminated and payment withheld if this certification is inaccurate.
9. Under Sections 2155.006 and 2261.053 of the Texas Government Code (relating to convictions and penalties regarding Hurricane Rita, Hurricane Katrina, and other disasters), the Contractor certifies that the individual or business entity named in this Contract and any related Solicitation Response is not ineligible to receive this Contract and acknowledges that this Contract may be terminated and payment withheld if this certification is inaccurate.
 10. Under Section 231.006(d) of the Texas Family Code regarding child support, Contractor certifies that the individual or business entity named in this Contract and any related Solicitation Response is not ineligible to receive the specified payment and acknowledges that the Contract may be terminated and payment may be withheld if this certification is inaccurate.
 11. Contractor certifies that it and its principals are not suspended or debarred from doing business with the state or federal government as listed on the *State of Texas Debarred Vendor List* maintained by the Texas Comptroller of Public Accounts and the *System for Award Management (SAM)* maintained by the General Services Administration. This certification is made pursuant to the regulations implementing Executive Order 12549 and Executive Order 12689, Debarment and Suspension, 2 C.F.R. Part 376, and any relevant regulations promulgated by the Department or Agency funding this project. This provision shall be included in its entirety in Contractor's subcontracts, if any, if payment in whole or in part is from federal funds.
 12. Contractor certifies that it is not listed on the federal government's terrorism watch list as described in Executive Order 13224.
 13. Contractor represents and warrants that it is not engaged in business with Iran, Sudan, or a foreign terrorist organization, as prohibited by Section 2252.152 of the Texas Government Code.
 14. In accordance with Section 669.003 of the Texas Government Code, relating to contracting with the executive head of a state agency, Contractor certifies that it is not (1) the executive head of an HHS agency, (2) a person who at any time during the four years before the date of this Contract was the executive head of an HHS agency, or (3) a person who employs a current or former executive head of an HHS agency.
 15. Contractor represents and warrants that it is not currently delinquent in the payment of any franchise taxes owed the State of Texas under Chapter 171 of the Texas Tax Code.
 16. Contractor agrees that any payments due under this Contract shall be applied towards any debt or delinquency that is owed to the State of Texas.
 17. Contractor represents and warrants that payments to Contractor and Contractor's receipt of appropriated or other funds under this Contract or any related Solicitation are not prohibited by Sections 556.005, 556.0055, or 556.008 of the Texas Government Code (relating to use of appropriated money or state funds to employ or pay lobbyists, lobbying expenses, or influence legislation).

18. Contractor agrees to comply with Section 2155.4441 of the Texas Government Code, requiring the purchase of products and materials produced in the State of Texas in performing service contracts.
19. Contractor agrees that upon request of HHSC, Contractor shall provide copies of its most recent business continuity and disaster recovery plans.
20. Contractor expressly acknowledges that state funds may not be expended in connection with the purchase of an automated information system unless that system meets certain statutory requirements relating to accessibility by persons with visual impairments. Accordingly, Contractor represents and warrants to HHSC that the technology provided to HHSC for purchase (if applicable under this Contract or any related Solicitation) is capable, either by virtue of features included within the technology or because it is readily adaptable by use with other technology, of:
 - providing equivalent access for effective use by both visual and non-visual means;
 - presenting information, including prompts used for interactive communications, in formats intended for non-visual use; and
 - being integrated into networks for obtaining, retrieving, and disseminating information used by individuals who are not blind or visually impaired.

For purposes of this Section, the phrase “equivalent access” means a substantially similar ability to communicate with or make use of the technology, either directly by features incorporated within the technology or by other reasonable means such as assistive devices or services which would constitute reasonable accommodations under the Americans With Disabilities Act or similar state or federal laws. Examples of methods by which equivalent access may be provided include, but are not limited to, keyboard alternatives to mouse commands and other means of navigating graphical displays, and customizable display appearance.

In accordance with Section 2157.005 of the Texas Government Code, the Technology Access Clause contract provision remains in effect for any contract entered into before September 1, 2006.

21. If this Contract is for the purchase or lease of computer equipment, then Contractor certifies that it is in compliance with Subchapter Y, Chapter 361 of the Texas Health and Safety Code related to the Computer Equipment Recycling Program and the Texas Commission on Environmental Quality rules in 30 TAC Chapter 328.
22. If this Contract is for the purchase or lease of covered television equipment, then Contractor certifies that it is compliance with Subchapter Z, Chapter 361 of the Texas Health and Safety Code related to the Television Equipment Recycling Program.
23. Contractor represents and warrants, during the twelve (12) month period immediately prior to the date of the execution of this Contract, none of its employees including, but not limited to those will provide services under the Contract, was an employee of an HHS Agency. Pursuant to Section 2252.901, Texas Government Code (relating to prohibitions regarding contracts with and involving former and retired state agency employees), Contractor will not allow any former employee of the System Agency to perform services

- under this Contract during the twelve (12) month period immediately following the employee's last date of employment at the System Agency.
24. Contractor acknowledges that, pursuant to Section 572.069 of the Texas Government Code, a former state officer or employee of a state agency who during the period of state service or employment participated on behalf of a state agency in a procurement or contract negotiation involving Contractor may not accept employment from Contractor before the second anniversary of the date the Contract is signed or the procurement is terminated or withdrawn.
 25. If this Contract is for consulting services under Chapter 2254 of the Texas Government Code, in accordance with Section 2254.033 of the Texas Government Code, Contractor certifies that it does not employ an individual who was employed by System Agency or another agency at any time during the two years preceding the submission of any related Solicitation Response related to this Contract or, in the alternative, Contractor has disclosed in any related Solicitation Response the following: (i) the nature of the previous employment with System Agency or the other agency; (ii) the date the employment was terminated; and (iii) the annual rate of compensation at the time of the employment was terminated.
 26. Contractor represents and warrants that it has no actual or potential conflicts of interest in providing the requested goods or services to HHSC under this Contract or any related Solicitation and that Contractor's provision of the requested goods and/or services under this Contract and any related Solicitation will not constitute an actual or potential conflict of interest or reasonably create an appearance of impropriety.
 27. Contractor understands that HHSC does not tolerate any type of fraud. The agency's policy is to promote consistent, legal, and ethical organizational behavior by assigning responsibilities and providing guidelines to enforce controls. Violations of law, agency policies, or standards of ethical conduct will be investigated, and appropriate actions will be taken. All employees or contractors who suspect fraud, waste or abuse (including employee misconduct that would constitute fraud, waste, or abuse) are required to immediately report the questionable activity to both the Health and Human Services Commission's Office of the Inspector General at 1-800-436-6184 and the State Auditor's Office. Contractor agrees to comply with all applicable laws, rules, regulations, and HHSC policies regarding fraud including, but not limited to, HHS Circular C-027.
 28. The undersigned affirms under penalty of perjury of the laws of the State of Texas that (a) in connection with this Contract and any related Solicitation Response, neither I nor any representative of the Contractor has violated any provision of the Texas Free Enterprise and Antitrust Act, Tex. Bus. & Comm. Code Chapter 15; (b) in connection with this Contract and any related Solicitation Response, neither I nor any representative of the Contractor has violated any federal antitrust law; and (c) neither I nor any representative of the Contractor has directly or indirectly communicated any of the contents of this Contract and any related Solicitation Response to a competitor of the Contractor or any other company, corporation, firm, partnership or individual engaged in the same line of business as the Contractor.

29. Contractor represents and warrants that it is not aware of and has received no notice of any court or governmental agency proceeding, investigation, or other action pending or threatened against Contractor or any of the individuals or entities included in numbered paragraph 1 of these Contract Affirmations within the five (5) calendar years immediately preceding execution of this Contract or the submission of any related Solicitation Response that would or could impair Contractor's performance under this Contract, relate to the contracted or similar goods or services, or otherwise be relevant to HHSC's consideration of entering into this Contract. If Contractor is unable to make the preceding representation and warranty, then Contractor instead represents and warrants that it has provided to HHSC a complete, detailed disclosure of any such court or governmental agency proceeding, investigation, or other action that would or could impair Contractor's performance under this Contract, relate to the contracted or similar goods or services, or otherwise be relevant to HHSC's consideration of entering into this Contract. In addition, Contractor acknowledges this is a continuing disclosure requirement. Contractor represents and warrants that Contractor shall notify HHSC in writing within five (5) business days of any changes to the representations or warranties in this clause and understands that failure to so timely update HHSC shall constitute breach of contract and may result in immediate contract termination.
30. Contractor represents and warrants that, pursuant to Section 2270.002 of the Texas Government Code, Contractor does not boycott Israel and will not boycott Israel during the term of this Contract.
31. Contractor certifies that for contracts for services, Contractor shall utilize the U.S. Department of Homeland Security's E-Verify system during the term of this Contract to determine the eligibility of:
 - (a) all persons employed by Contractor to perform duties within Texas; and
 - (b) all persons, including subcontractors, assigned by Contractor to perform work pursuant to this Contract within the United States of America.
32. Contractor represents and warrants that if Contractor or Subcontractors, officers, or employees of Contractor have access to any state computer system or database, the Contractor, Subcontractors, officers, and employees of Contractor shall complete cybersecurity training pursuant to and in accordance with Government Code, Section 2054.5192.
33. Contractor understands, acknowledges, and agrees that any false representation or any failure to comply with a representation, warranty, or certification made by Contractor is subject to all civil and criminal consequences provided at law or in equity including, but not limited to, immediate termination of this Contract.
34. Contractor represents and warrants that it will comply with all applicable laws and maintain all permits and licenses required by applicable city, county, state, and federal rules, regulations, statutes, codes, and other laws that pertain to this Contract.
35. Contractor represents and warrants that all statements and information prepared and submitted by Contractor in this Contract and any related Solicitation Response are current, complete, true, and accurate. Contractor acknowledges any false statement or material misrepresentation made by Contractor during the performance of this Contract

or any related Solicitation is a material breach of contract and may void this Contract. Further, Contractor understands, acknowledges, and agrees that any false representation or any failure to comply with a representation, warranty, or certification made by Contractor is subject to all civil and criminal consequences provided at law or in equity including, but not limited to, immediate termination of this Contract.

- 36. Contractor represents and warrants that the individual signing this Contract is authorized to sign on behalf of Contractor and to bind the Contractor.

Authorized representative on behalf of Contractor must complete and sign the following:

Legal Name of Contractor: Russell H. Ackerman

Russell H. Ackerman
Signature of Authorized Representative

August 22, 2019
Date Signed

Russell H. Ackerman, Managing Director
Printed Name and Title of Authorized Representative

August 22, 2019
Phone Number

36-4094854
Federal Employer Identification Number

312.276.8658
Fax Number

022582428
DUNS Number

russ.ackerman@navigant.com
Email Address

150 N. Riverside Plaza, Suite 2100
Physical Street Address

Chicago, Illinois, 60606
City, State, Zip Code

Same
Mailing Address, if different

Same
City, State, Zip Code

Attachment E

Special Conditions



TEXAS

Health and Human Services

Health and Human Services Commission

Special Conditions

Version: 1.2

9.1.17

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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 2.14

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.

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

"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 5.02 of these Special Conditions.

"Confidential System 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 a Data Use Agreement.

"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.

"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.

"UTC" means HHSC's Uniform Terms and Conditions- Vendor --Version 2.15

ARTICLE II. GENERAL PROVISIONS

2.01 Other System Agencies Participation in the Contract

In addition to providing the Work 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 Work 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.

2.02 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.

2.03 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 Work covered by the Contract, including services similar or comparable to the Work, performed by Contractor under the Contract. If HHSC elects to procure the Work, or any portion thereof, from another vendor in accordance with this section, HHSC will have the termination rights set forth in the UTC.

Article III. Contractors Personnel and Subcontractors

3.01 Qualifications

Contractor agrees to maintain the organizational and administrative capacity and capabilities proposed in its response to the Solicitation, 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.

3.02 Conduct and Removal

While performing the Work 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 Work 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.

Article IV. Performance

4.01 Measurement

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

- (a) Compliance with Contract requirements, including all representations and warranties;
- (b) Compliance with the Work requested in the Solicitation and Work proposed by Contractor in its response to the Solicitation and approved by HHSC;
- (c) Delivery of Work in accordance with the service levels proposed by Contractor in the Solicitation Response as accepted by HHSC;
- (d) Results of audits, inspections, or quality checks performed by the HHSC or its designee;
- (e) Timeliness, completeness, and accuracy of Work; and
- (f) Achievement of specific performance measures and incentives as applicable.

Article V. Amendments and Modifications

5.01 Formal Procedure

No different or additional Work or contractual obligations will be authorized or performed unless contemplated within the Scope 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 Work 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.

5.02 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 Work 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 5.01 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.

Article VI. Payment

6.01 Enhanced Payment Procedures

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 Work 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 VII. Confidentiality

7.01 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.

7.02 Confidential System Information

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 Work 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 UTC, 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 VIII. Disputes and Remedies

8.01 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 UTC 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.

8.02 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 Work as well as the creation of a flexible and responsive relationship between the Parties. Contractor agrees that HHSC may pursue operational remedies for each Item 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:

- (a) Requesting a detailed Corrective Action Plan, subject to HHSC approval, to correct and resolve a deficiency or breach of the Contract;
- (b) Require additional or different corrective action(s) of HHSC's choice;
- (c) Suspension of all or part of the Contract or Work;
- (d) Prohibit Contractor from incurring additional obligations under the Contract;
- (e) Issue Notice to stop Work Orders;
- (f) Assessment of liquidated damages as provided in the Contract;
- (g) Accelerated or additional monitoring;
- (h) Withholding of payments; and
- (i) 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.

8.03 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.

8.04 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 Work or any duty or obligation with respect to the Contract.

Article IX. Damages

9.01 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 is 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 Work or responsibilities of the Contractor. HHSC may elect to collect liquidated damages:

- (a) Through direct assessment and demand for payment to Contractor; or
- (b) 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.

Article X. Turnover

10.01 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:

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

10.02 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 Work and the obligations of the Contract to another vendor or to perform the Work 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 XI. Additional License and Ownership Provisions

11.01 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 Work. If applicable, Contractor will reproduce and include HHSC's copyright, proprietary notice, or any product identifications provided by Contractor.

Article XII. Miscellaneous Provisions

12.01 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.

12.02 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.

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Attachment F

Federal Assurances/Certifications

ASSURANCES - NON-CONSTRUCTION PROGRAMS

Public reporting burden for this collection of information is estimated to average 15 minutes per response, including time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding the burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to the Office of Management and Budget, Paperwork Reduction Project (0348-0040), Washington, DC 20503.

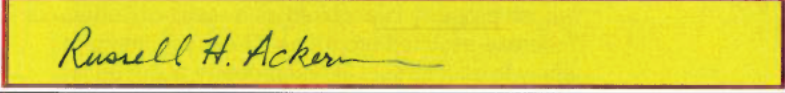
PLEASE DO NOT RETURN YOUR COMPLETED FORM TO THE OFFICE OF MANAGEMENT AND BUDGET. SEND IT TO THE ADDRESS PROVIDED BY THE SPONSORING AGENCY.

NOTE: Certain of these assurances may not be applicable to your project or program. If you have questions, please contact the awarding agency. Further, certain Federal awarding agencies may require applicants to certify to additional assurances. If such is the case, you will be notified.

As the duly authorized representative of the applicant, I certify that the applicant:

1. Has the legal authority to apply for Federal assistance and the institutional, managerial and financial capability (including funds sufficient to pay the non-Federal share of project cost) to ensure proper planning, management and completion of the project described in this application.
2. Will give the awarding agency, the Comptroller General of the United States and, if appropriate, the State, through any authorized representative, access to and the right to examine all records, books, papers, or documents related to the award; and will establish a proper accounting system in accordance with generally accepted accounting standards or agency directives.
3. Will establish safeguards to prohibit employees from using their positions for a purpose that constitutes or presents the appearance of personal or organizational conflict of interest, or personal gain.
4. Will initiate and complete the work within the applicable time frame after receipt of approval of the awarding agency.
5. Will comply with the Intergovernmental Personnel Act of 1970 (42 U.S.C. §§4728-4763) relating to prescribed standards for merit systems for programs funded under one of the 19 statutes or regulations specified in Appendix A of OPM's Standards for a Merit System of Personnel Administration (5 C.F.R. 900, Subpart F).
6. Will comply with all Federal statutes relating to nondiscrimination. These include but are not limited to: (a) Title VI of the Civil Rights Act of 1964 (P.L. 88-352) which prohibits discrimination on the basis of race, color or national origin; (b) Title IX of the Education Amendments of 1972, as amended (20 U.S.C. §§1681-1683, and 1685-1686), which prohibits discrimination on the basis of sex; (c) Section 504 of the Rehabilitation Act of 1973, as amended (29 U.S.C. §794), which prohibits discrimination on the basis of handicaps; (d) the Age Discrimination Act of 1975, as amended (42 U.S.C. §§6101-6107), which prohibits discrimination on the basis of age; (e) the Drug Abuse Office and Treatment Act of 1972 (P.L. 92-255), as amended, relating to nondiscrimination on the basis of drug abuse; (f) the Comprehensive Alcohol Abuse and Alcoholism Prevention, Treatment and Rehabilitation Act of 1970 (P.L. 91-616), as amended, relating to nondiscrimination on the basis of alcohol abuse or alcoholism; (g) §§523 and 527 of the Public Health Service Act of 1912 (42 U.S.C. §§290 dd-3 and 290 ee- 3), as amended, relating to confidentiality of alcohol and drug abuse patient records; (h) Title VIII of the Civil Rights Act of 1968 (42 U.S.C. §§3601 et seq.), as amended, relating to nondiscrimination in the sale, rental or financing of housing; (i) any other nondiscrimination provisions in the specific statute(s) under which application for Federal assistance is being made; and, (j) the requirements of any other nondiscrimination statute(s) which may apply to the application.
7. Will comply, or has already complied, with the requirements of Titles II and III of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (P.L. 91-646) which provide for fair and equitable treatment of persons displaced or whose property is acquired as a result of Federal or federally-assisted programs. These requirements apply to all interests in real property acquired for project purposes regardless of Federal participation in purchases.
8. Will comply, as applicable, with provisions of the Hatch Act (5 U.S.C. §§1501-1508 and 7324-7328) which limit the political activities of employees whose principal employment activities are funded in whole or in part with Federal funds.

9. Will comply, as applicable, with the provisions of the Davis-Bacon Act (40 U.S.C. §§276a to 276a-7), the Copeland Act (40 U.S.C. §276c and 18 U.S.C. §874), and the Contract Work Hours and Safety Standards Act (40 U.S.C. §§327-333), regarding labor standards for federally-assisted construction subagreements.
10. Will comply, if applicable, with flood insurance purchase requirements of Section 102(a) of the Flood Disaster Protection Act of 1973 (P.L. 93-234) which requires recipients in a special flood hazard area to participate in the program and to purchase flood insurance if the total cost of insurable construction and acquisition is \$10,000 or more.
11. Will comply with environmental standards which may be prescribed pursuant to the following: (a) institution of environmental quality control measures under the National Environmental Policy Act of 1969 (P.L. 91-190) and Executive Order (EO) 11514; (b) notification of violating facilities pursuant to EO 11738; (c) protection of wetlands pursuant to EO 11990; (d) evaluation of flood hazards in floodplains in accordance with EO 11988; (e) assurance of project consistency with the approved State management program developed under the Coastal Zone Management Act of 1972 (16 U.S.C. §§1451 et seq.); (f) conformity of Federal actions to State (Clean Air) Implementation Plans under Section 176(c) of the Clean Air Act of 1955, as amended (42 U.S.C. §§7401 et seq.); (g) protection of underground sources of drinking water under the Safe Drinking Water Act of 1974, as amended (P.L. 93-523); and, (h) protection of endangered species under the Endangered Species Act of 1973, as amended (P.L. 93-205).
12. Will comply with the Wild and Scenic Rivers Act of 1968 (16 U.S.C. §§1271 et seq.) related to protecting components or potential components of the national wild and scenic rivers system.
13. Will assist the awarding agency in assuring compliance with Section 106 of the National Historic Preservation Act of 1966, as amended (16 U.S.C. §470), EO 11593 (identification and protection of historic properties), and the Archaeological and Historic Preservation Act of 1974 (16 U.S.C. §§469a-1 et seq.).
14. Will comply with P.L. 93-348 regarding the protection of human subjects involved in research, development, and related activities supported by this award of assistance.
15. Will comply with the Laboratory Animal Welfare Act of 1966 (P.L. 89-544, as amended, 7 U.S.C. §§2131 et seq.) pertaining to the care, handling, and treatment of warm blooded animals held for research, teaching, or other activities supported by this award of assistance.
16. Will comply with the Lead-Based Paint Poisoning Prevention Act (42 U.S.C. §§4801 et seq.) which prohibits the use of lead-based paint in construction or rehabilitation of residence structures.
17. Will cause to be performed the required financial and compliance audits in accordance with the Single Audit Act Amendments of 1996 and OMB Circular No. A-133, "Audits of States, Local Governments, and Non-Profit Organizations."
18. Will comply with all applicable requirements of all other Federal laws, executive orders, regulations, and policies governing this program.
19. Will comply with the requirements of Section 106(g) of the Trafficking Victims Protection Act (TVPA) of 2000, as amended (22 U.S.C. 7104) which prohibits grant award recipients or a sub-recipient from (1) Engaging in severe forms of trafficking in persons during the period of time that the award is in effect (2) Procuring a commercial sex act during the period of time that the award is in effect or (3) Using forced labor in the performance of the award or subawards under the award.

SIGNATURE OF AUTHORIZED CERTIFYING OFFICIAL 	TITLE Managing Director
APPLICANT ORGANIZATION Navigant Consulting, Inc. (Navigant)	DATE SUBMITTED 05/02/2019

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ATTACHMENT F - FEDERAL ASSURANCES/CERTIFICATIONS

CERTIFICATION REGARDING LOBBYING

Certification for Contracts, Grants, Loans, and Cooperative Agreements

The undersigned certifies, to the best of his or her knowledge and belief, that:

(1) No Federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of an agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.

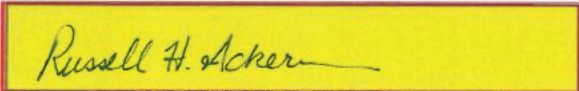
(2) If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit Standard Form-LLL, "Disclosure of Lobbying Activities," in accordance with its instructions.

(3) The undersigned shall require that the language of this certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all subrecipients shall certify and disclose accordingly. This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by section 1352, title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

Statement for Loan Guarantees and Loan Insurance

The undersigned states, to the best of his or her knowledge and belief, that:

If any funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this commitment providing for the United States to insure or guarantee a loan, the undersigned shall complete and submit Standard Form-LLL, "Disclosure of Lobbying Activities," in accordance with its instructions. Submission of this statement is a prerequisite for making or entering into this transaction imposed by section 1352, title 31, U.S. Code. Any person who fails to file the required statement shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

* APPLICANT'S ORGANIZATION Navigant Consulting, Inc. (Navigant)	
* PRINTED NAME AND TITLE OF AUTHORIZED REPRESENTATIVE	
Prefix: <input type="text"/>	* First Name: <input type="text" value="Russell"/> Middle Name: <input type="text" value="H."/>
* Last Name: <input type="text" value="Ackerman"/>	Suffix: <input type="text"/>
* Title: <input type="text" value="Managing Director"/>	
* SIGNATURE: 	* DATE: <input type="text" value="05/02/2019"/>