

ARKANSAS DEPARTMENT OF HUMAN SERVICES
PERFORMANCE BASED CONTRACTING

Pursuant to Ark. Code Ann. 19-11-267 et. seq., the selected contractor shall comply with performance-based standards. Following are the performance-based standards that will be a part of the contract and with which the contractor must comply for acceptable performance to occur under the contract.

- I. The contractor must comply with all statutes, regulations, codes, ordinances, and licensure or certification requirements applicable to the contractor or to the contractor's agents and employees and to the subject matter of the contract. Failure to comply shall be deemed unacceptable performance.
- II. Except as otherwise required by law, the contractor agrees to hold the contracting Division/Office harmless and to indemnify the contracting Division/Office for any additional costs of alternatively accomplishing the goals of the contract, as well as any liability, including liability for costs or fees, which the contracting Division/Office may sustain as a result of the contractor's performance or lack of performance.
- III. During the term of the contract, the division/office will complete sufficient performance evaluation(s) to determine if the contractor's performance is acceptable. The damages set forth below are not exclusive and shall in no way exclude or limit any remedies available at law or in equity.
- IV. The State **shall** have the right to modify, add, or delete Performance Standards throughout the term of the contract, should the State determine it is in its best interest to do so. Any changes or additions to performance standards will be made in good faith following acceptable industry standards and may include the input of the vendor so as to establish standards that are reasonably achievable.
- V. The contract program deliverables and performance indicators to be performed by the contractor are:

Service Criteria ⁱ	Acceptable Performance	Damages for Insufficient Performance ⁱⁱ
<p>A. Priority Requirements The contractor shall provide the following services:</p> <p>1. Managed Care Program Rate Development</p> <p>a. The contractor shall develop actuarially sound capitated and shared savings rates and quality incentive payments for services and populations provided through programs authorized by 1915(b) and (c) waivers, including, but not limited to PASSE and NET. Rates shall be based on claims data including without limitation Medicaid and other claims data.</p> <p>b. Managed Care rate development is typically undertaken on an annual basis.</p> <p>c. Actuarial services around 1915(b) and (c) Waiver amendment work shall include without limitation:</p> <ul style="list-style-type: none"> • Development of budget neutrality and cost effectiveness figures. • Guidance on waiver concepts and terms. 	<p>1. Acceptable performance is defined as one hundred percent (100%) compliance with all service criteria as determined by DHS, including but not limited to:</p> <p>2. Vendor-developed rates must adhere to Centers for Medicare and Medicaid Services (CMS) requirements for actuarial soundness (42 CFR § 438.4)</p> <p>3. Vendor must provide its methodology for all deliverables, including without limitation analyses, rate development and financial modeling.</p>	<p>1st Incident: A Corrective Action Plan (CAP) acceptable to DHS shall be due to DHS within ten (10) business days of the request.</p> <p>2nd incident: A five percent (5%) penalty will be assessed for Insufficient Performance. The five percent (5%) penalty will be calculated from the total payment for the identified month in which the deficiency took place and assessed in a future payment to Vendor.</p> <p>A five percent (5%) penalty per day for each day beyond the agreed-upon deadline the Vendor fails to meet the Service Criteria and Acceptable Performance standards shall be assessed in a future payment to the vendor.</p> <p>In addition to the above penalties, DHS reserves the right to impose additional penalties including without limitation, withholding payment on future invoices until Vendor is in full compliance, maintaining a below standard Vendor Performance Report (VPR) in the vendor file and contract termination.</p>
<p>B. Actuarial Analyses for Existing Populations and Programs.</p> <p>In addition to actuarially sound managed care rate development, any additional actuarial analyses for existing populations and programs are covered under this task. The contractor shall:</p> <p>1. Consistent with the actuarial</p>	<p>1. Acceptable performance is defined as one hundred percent (100%) compliance with all service criteria and acceptable performance standards as determined by DHS.</p> <p>2. Vendor-developed rates must adhere to the applicable CMS</p>	<p>1st Incident: An acceptable Corrective Action Plan will be due to DHS within ten (10) business days of the request.</p> <p>2nd incident: A fifty percent (50%) penalty will be assessed for Insufficient Performance. The fifty percent (50%) penalty will</p>

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<p>analyses tasks above, develop actuarially sound rates for various models for delivering Medicaid programs and services including without limitation:</p> <ul style="list-style-type: none"> • 1915(b) • 1915(c) Waivers • 1115(a) waivers • State plan services and State Plan Amendments <p>2. In addition to industry standard rate development, this task will include:</p> <ul style="list-style-type: none"> • Analysis of overall utilization and unit cost trends, • Incurred but not reported claims calculations, • Impacts of programmatic changes, • Efficiency adjustments, • Development of nonmedical expenditures including administration, • Medical management and profit, risk, and contingency margins, • Review and analysis of legislative estimates • Other actuarial analyses impacting rate development. <p>3. Actuarial services around 1915(b) and (c) Waiver amendment work shall include without limitation:</p> <ul style="list-style-type: none"> • Assistance with CMS communications, • Development of budget neutrality and cost effectiveness figures, • Guidance on waiver concepts and terms, and • Assistance with the completion of cost effectiveness and budget neutrality portions of the Waiver applications, • Any other needed actuarial consulting with regard to 1915b/c waivers. 	<p>requirements for rate setting.</p> <p>3. Vendor must provide its methodology for all deliverables, including without limitation analyses, rate development and financial modeling.</p> <p>4. All service criteria must be satisfied according to timeframes agreed upon by DHS and Vendor.</p>	<p>be calculated from the total payment for the month in which the deficiency took place and assessed in a future payment to Vendor.</p> <p>In addition to the above penalties, DHS reserves the right to impose additional penalties including without limitation, withholding payment on future invoices until Vendor is in full compliance, maintaining a below standard Vendor Performance Report (VPR) in the vendor file and contract termination.</p>
C. Actuarial Analyses for New Populations	1. Acceptable performance is defined as one hundred	1st Incident: An acceptable Corrective Action Plan will

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<p>The contractor shall provide the following:</p> <ol style="list-style-type: none"> Analysis including industry standard rate development for new services, populations, and programs as developed by DHS, including without limitation: <ul style="list-style-type: none"> Potential newly eligible populations created as a result of changes to Medicaid, The Affordable Care Act, and Any other new populations, services and programs. In addition to actuarially sound rate development, any additional actuarial analyses for new populations and programs and their impacts are covered under this task. 	<p>percent (100%) compliance with all service criteria and acceptable performance standards as determined by DHS.</p> <ol style="list-style-type: none"> Vendor-developed rates must adhere to the applicable CMS requirements for rate setting. Vendor must provide its methodology for all deliverables, including without limitation analyses, rate development and financial modeling. All service criteria must be satisfied according to timeframes agreed upon by DHS and Vendor. 	<p>be due to DHS within ten (10) business days of the request.</p> <p>2nd incident: A fifty percent (50%) penalty will be assessed for Insufficient Performance. The fifty percent (50%) penalty will be calculated from the total payment for the identified month in which the deficiency took place and assessed in a future payment to Vendor.</p> <p>In addition to the above penalties, DHS reserves the right to impose additional penalties including without limitation, withholding payment on future invoices until Vendor is in full compliance, maintaining a below standard Vendor Performance Report (VPR) in the vendor file and contract termination.</p>
<p>D. Program Design Strategy, Development, Implementation and Monitoring</p> <p>Vendor shall provide assistance and consultation to DHS with regards to program design, including development of new services or rates. Services included under this service criterion may include the following without limitation:</p> <ol style="list-style-type: none"> Solvency standards Reserves Risk sharing approaches Quality metrics Contracting Data reporting Financial template development and reporting; and Other program items. 	<ol style="list-style-type: none"> Acceptable performance is defined as one hundred percent (100%) compliance with all service criteria and acceptable performance standards as determined by DHS. All vendor-developed rates must adhere to the applicable CMS rate setting requirements. Vendor must provide its methodology for all deliverables, including without limitation analyses, rate development and financial modeling. All service criteria must be satisfied 	<p>1st Incident: An acceptable Corrective Action Plan will be due to DHS within ten (10) business days of the request.</p> <p>2nd incident: A fifty percent (50%) penalty will be assessed for Insufficient Performance. The fifty percent (50%) penalty will be calculated from the total payment for the identified month in which the deficiency took place and assessed in a future payment to Vendor.</p> <p>In addition to the above penalties, DHS reserves the right to impose additional penalties including without limitation, withholding payment on future invoices until Vendor</p>

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	according to timeframes agreed upon by DHS and Vendor.	is in full compliance, maintaining a below standard Vendor Performance Report (VPR) in the vendor file and contract termination.
<p>E. Public Meeting Support and Facilitation</p> <p>At the request of DHS, Vendor shall attend in-person or virtually as required by DHS, and at times lead, meetings in various settings to discuss aspects of Arkansas Medicaid. Meetings shall include without limitation the following:</p> <ol style="list-style-type: none"> 1. Legislative meetings 2. Stakeholder meetings 3. Public comment meetings 4. Provider community meetings, and 5. Internal DHS meetings. 	<ol style="list-style-type: none"> 1. Acceptable performance is defined as one hundred percent (100%) compliance with all service criteria and acceptable performance standards as determined by DHS. 2. Vendor shall attend all meetings as required by DHS. 	<p>1st Incident: An acceptable Corrective Action Plan will be due to DHS within ten (10) business days of the request.</p> <p>2nd incident: A fifty percent (50%) penalty will be assessed for Insufficient Performance. The fifty percent (50%) penalty will be calculated from the total payment for the identified month in which the deficiency took place and assessed in a future payment to Vendor.</p> <p>In addition to the above penalties, DHS reserves the right to impose additional penalties including without limitation, withholding payment on future invoices until Vendor is in full compliance, maintaining a below standard Vendor Performance Report (VPR) in the vendor file and contract termination.</p>
<p>F. State General Fund Budget Modeling</p> <p>Vendor shall provide assistance with General Fund budget forecast scenario modeling including a comprehensive understanding of the funding streams used by DHS.</p>	<ol style="list-style-type: none"> 1. Acceptable performance is defined as one hundred percent (100%) compliance with all service criteria and acceptable performance standards as determined by DHS. 2. Vendor must provide its methodology for all deliverables, including without limitation analyses, rate development and 	<p>1st Incident: An acceptable Corrective Action Plan will be due to DHS within ten (10) business days of the request.</p> <p>2nd incident: A fifty percent (50%) penalty will be assessed for Insufficient Performance. The fifty percent (50%) penalty will be calculated from the total payment for the identified month in which the deficiency took place and assessed in a future payment to Vendor.</p>

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	financial modeling. 3. All service criteria must be satisfied according to timeframes agreed upon by DHS and Vendor.	In addition to the above penalties, DHS reserves the right to impose additional penalties including without limitation, withholding payment on future invoices until Vendor is in full compliance, maintaining a below standard Vendor Performance Report (VPR) in the vendor file and contract termination.
G. Hospital Financial Modeling Vendor shall provide assistance with hospital Upper Payment Limit forecast modeling, guidance and analyses for hospital reimbursement methodology approaches including All Patient Refined Diagnosis Related Groups (APR-DRGs) and Enhanced Ambulatory Patient Groups (EAPGs) (once implemented), and meeting participation and facilitation with the Arkansas Hospital Association will be a part of this task among any other needed items.	1. Acceptable performance is defined as one hundred percent (100%) compliance with all service criteria and acceptable performance standards as determined by DHS. 2. Vendor-developed rates must adhere to CMS requirements hospital rate setting. 3. Vendor must provide its methodology for all deliverables, including without limitation analyses, rate development and financial modeling. 4. All service criteria must be satisfied according to timeframes agreed upon by DHS and Vendor.	1st Incident: An acceptable Corrective Action Plan will be due to DHS within ten (10) business days of the request. 2nd incident: A fifty percent (50%) penalty will be assessed for Insufficient Performance. The fifty percent (50%) penalty will be calculated from the total payment for the identified month in which the deficiency took place and assessed in a future payment to Vendor. In addition to the above penalties, DHS reserves the right to impose additional penalties including without limitation, withholding payment on future invoices until Vendor is in full compliance, maintaining a below standard Vendor Performance Report (VPR) in the vendor file and contract termination.
H. Benefit and Reimbursement Studies Vendor shall provide analyses determining the impacts and implications of potential benefit changes or reimbursement adjustments on the following without limitation: 1. Rates 2. Access	1. Acceptable performance is defined as one hundred percent (100%) compliance with all service criteria and acceptable performance standards as determined by DHS. 2. Vendor-developed rates	1st Incident: An acceptable Corrective Action Plan will be due to DHS within ten (10) business days of the request. 2nd incident: A fifty percent (50%) penalty will be assessed for Insufficient

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3. Quality of care 4. Budgets, and 5. Other potential points of impact as requested by DHS.	must adhere to applicable CMS requirements for rate setting. 3. Vendor must provide its methodology for all deliverables, including without limitation analyses, rate development and financial modeling. 4. All service criteria must be satisfied according to timeframes agreed upon by DHS and Vendor.	Performance. The fifty percent (50%) penalty will be calculated from the total payment for the identified month in which the deficiency took place and assessed in a future payment to Vendor. In addition to the above penalties, DHS reserves the right to impose additional penalties including without limitation, withholding payment on future invoices until Vendor is in full compliance, maintaining a below standard Vendor Performance Report (VPR) in the vendor file and contract termination.
I. Pharmaceutical Studies Vendor shall provide analyses regarding different Pharmacy impacts including without limitation the following: 1. Cost of dispensing 2. Reimbursement methodology 3. Potential management and 4. Other potential points of impact as requested by DHS.	1. Acceptable performance is defined as one hundred percent (100%) compliance with all service criteria and acceptable performance standards as determined by DHS. 2. Vendor-developed rates must adhere to applicable CMS requirements for rate setting. 3. Vendor must provide its methodology for all deliverables, including without limitation analyses, rate development and financial modeling. 4. All service criteria must be satisfied according to timeframes agreed upon by DHS and Vendor.	1st Incident: An acceptable Corrective Action Plan will be due to DHS within ten (10) business days of the request. 2nd incident: A fifty percent (50%) penalty will be assessed for Insufficient Performance. The fifty percent (50%) penalty will be calculated from the total payment for the identified month in which the deficiency took place and assessed in a future payment to Vendor. In addition to the above penalties, DHS reserves the right to impose additional penalties including without limitation, withholding payment on future invoices until Vendor is in full compliance, maintaining a below standard Vendor Performance Report (VPR) in the vendor file and contract termination.
J. Long-Term Services and Supports	1. Acceptable	1st Incident: An acceptable

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<p>Assistance</p> <p>Vendor shall provide analyses surrounding the State's Long-Term Care population including without limitation assistance with the following:</p> <ol style="list-style-type: none"> 1. Program design 2. Waiver development 3. Actuarially sound capitation rate setting 4. Budget impacts 5. Quality of care goals and results 6. Access to care 7. Home and community-based service slots; and 8. Other analyses as requested by DHS. 	<p>performance is defined as one hundred percent (100%) compliance with all service criteria and acceptable performance standards as determined by DHS.</p> <ol style="list-style-type: none"> 2. Vendor-developed rates must adhere to CMS requirements for actuarial soundness (42 CFR § 438.4). 3. Vendor must provide its methodology for all deliverables, including without limitation analyses, rate development and financial modeling. 4. All service criteria must be satisfied according to timeframes agreed upon by DHS and Vendor. 	<p>Corrective Action Plan will be due to DHS within ten (10) business days of the request.</p> <p>2nd incident: A fifty percent (50%) penalty will be assessed for Insufficient Performance. The fifty percent (50%) penalty will be calculated from the total payment for the identified month in which the deficiency took place and assessed in a future payment to Vendor</p> <p>In addition to the above penalties, DHS reserves the right to impose additional penalties including without limitation, withholding payment on future invoices until Vendor is in full compliance, maintaining a below standard Vendor Performance Report (VPR) in the vendor file and contract termination.</p>
<p>K. Technical Assistance, Centers for Medicare and Medicaid Services (CMS) Communications</p> <p>Upon request by DHS, Vendor shall provide technical assistance and participation in calls, meetings, and other communications with CMS on all current populations and programs, as well as any future programs and populations as developed by DHS. All written communications are subject to approval by DHS.</p>	<ol style="list-style-type: none"> 1. Acceptable performance is defined as one hundred percent (100%) compliance with all service criteria and acceptable performance standards as determined by DHS. 2. Vendor must provide its methodology for all deliverables, including without limitation analyses, rate development and financial modeling. 3. All service criteria must be satisfied according to timeframes agreed upon by DHS and Vendor. 	<p>1st Incident: An acceptable Corrective Action Plan will be due to DHS within ten (10) business days of the request.</p> <p>2nd incident: A fifty percent (50%) penalty will be assessed for Insufficient Performance. The fifty percent (50%) penalty will be calculated from the total payment for the identified month in which the deficiency took place and assessed in a future payment to Vendor.</p> <p>In addition to the above penalties, DHS reserves the right to impose additional penalties including without limitation, withholding payment on</p>

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		future invoices until Vendor is in full compliance, maintaining a below standard Vendor Performance Report (VPR) in the vendor file and contract termination.
<p>L. Ad Hoc Projects Vendor shall complete ad hoc projects at the request of DHS to include, without limitation, the following:</p> <ol style="list-style-type: none"> 1. Future state and federal changes to the Arkansas Medicaid program that may result in rate or budget changes; 2. Non-Medicaid services provided through DHS; and 3. Annual reviews of the overall health care landscape in the state of Arkansas. 	<ol style="list-style-type: none"> 1. Acceptable performance is defined as one hundred percent (100%) compliance with all service criteria and acceptable performance standards as determined by DHS. 3. Vendor must provide its methodology for all deliverables, including without limitation analyses, rate development and financial modeling. 4. All service criteria must be satisfied according to timeframes agreed upon by DHS and Vendor. 	<p>1st Incident: An acceptable Corrective Action Plan will be due to DHS within ten (10) business days of the request.</p> <p>2nd incident: A fifty percent (50%) penalty will be assessed for Insufficient Performance. The fifty percent (50%) penalty will be calculated from the total payment for the identified month in which the deficiency took place and assessed in a future payment to Vendor.</p> <p>In addition to the above penalties, DHS reserves the right to impose additional penalties including without limitation, withholding payment on future invoices until Vendor is in full compliance, maintaining a below standard Vendor Performance Report (VPR) in the vendor file and contract termination.</p>
<p>M. Actuarial and Consulting Services for Rate Development</p> <ol style="list-style-type: none"> 1. Prior to initiating any actuarial consulting project, DHS will request a consultation to discuss the service needs with the contractor. <ol style="list-style-type: none"> a. After the consultation, the contractor shall develop a scope of work and applicable fee schedule for DHS review and approval. b. This estimated total fee shall include an explanation of the basis for the cost including Contractor's schedule of required hours and 	<ol style="list-style-type: none"> 1. Acceptable performance is defined as one hundred percent (100%) compliance with all service criteria and acceptable performance standards as determined by DHS. 2. Vendor-developed rates must adhere to CMS's rate setting requirements and guidance, including those found in the 	<p>1st Incident: A Corrective Action Plan (CAP) acceptable to DHS shall be due to DHS within ten (10) business days of the request.</p> <p>2nd incident: A five percent (5%) penalty will be assessed for Insufficient Performance. The five percent (5%) penalty will be calculated from the total payment for the identified month in which the deficiency took place and</p>

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<p>staffing.</p> <p>c. Payment schedule for each project, such as benchmark payments or payment at completion, will be negotiated prior to each project and may vary for each project.</p> <p>d. DHS reserves the right to negotiate pricing for each project and to make adjustments to the project scope and requirements, if desired, to reduce cost.</p> <p>2. The Contractor shall provide these services either through its internal resources, or, at DHS approval, through procurement of sub-contractors who have the specific skills required.</p> <p>a. All resulting work efforts of a subcontractor shall be administered by the Contractor through their contract with DHS.</p> <p>3. As required by DHS, the Contractor must provide status reports for each project throughout its duration and until completion and must provide detailed explanation to DHS, for DHS review and approval, for any modifications to the scope, schedule or budget.</p>	<p>Access rule at 42 CFR §§ 431, 438,441, and 447.</p> <p>3. Vendor must provide its methodology for all deliverables, including without limitation analyses, rate development and financial modeling.</p> <p>4. All service criteria must be satisfied according to timeframes agreed upon by DHS and Vendor.</p>	<p>assessed in a future payment to Vendor.</p> <p>In addition to the above penalties, DHS reserves the right to impose additional penalties including without limitation, withholding payment on future invoices until Vendor is in full compliance, maintaining a below standard Vendor Performance Report (VPR) in the vendor file and contract termination.</p>
<p>N. Contractor Responsibilities The contractor shall:</p> <p>1. Review each request for services and work with DHS to ensure all areas of ambiguity have been addressed.</p> <p>2. Identify qualified staff/project teams, including subcontractors, which can meet the needs outlined in the request for services.</p> <ul style="list-style-type: none"> The contractor shall replace any project team members at the request of DHS. <p>3. Within five (5) business days, submit a workplan to DHS, for DHS review and approval, detailing total hours for each person/position assigned to the project</p>	<p>1. Acceptable performance is defined as one hundred percent (100%) compliance with all service criteria and acceptable performance standards as determined by DHS.</p> <p>2. Vendor-developed rates must adhere to CMS's rate setting requirements and guidance, including those found in the Access rule at 42 CFR parts 431, 438,441,</p>	<p>1st Incident: A Corrective Action Plan (CAP) acceptable to DHS shall be due to DHS within ten (10) business days of the request.</p> <p>2nd incident: A five percent (5%) penalty will be assessed for Insufficient Performance. The five percent (5%) penalty will be calculated from the total payment for the identified month in which the deficiency took place and assessed in a future payment to Vendor.</p>

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<p>and collaborate with DHS to make any adjustments to the plan for a mutually agreeable final hourly plan.</p> <p>4. Assign a point of contact for each project who will lead coordination with DHS project team.</p> <p>5. Administer all billing activities.</p> <p>6. Be responsible for the project from initiation to completion; and report progress of hours used toward total hours and/or costs of all project activities monthly or with invoices, whichever occurs most often.</p> <p>a. Use the provided template for submitting progress reports.</p>	<p>and 447.</p> <p>3. Vendor must provide its methodology for all deliverables, including without limitation analyses, rate development and financial modeling.</p> <p>4. All service criteria must be satisfied according to timeframes agreed upon by DHS and Vendor</p>	<p>A five percent (5%) penalty per day for each day beyond the agreed-upon deadline the Vendor fails to meet the Service Criteria and Acceptable Performance standards shall be assessed in a future payment to the vendor.</p> <p>In addition to the above penalties, DHS reserves the right to impose additional penalties including without limitation, withholding payment on future invoices until Vendor is in full compliance, maintaining a below standard Vendor Performance Report (VPR) in the vendor file and contract termination.</p>
<p>Mandated Reporting</p> <p>Pursuant to Ark. Code Ann. §12-18-402 (b)(10) and Ark. Code Ann. §§ 12-12-1708(a)(1)(AA), Contractor and all of its employees, agents, and all Subcontractors and Subcontractor's employees and agents shall immediately make a report to the Child Abuse Hotline or the Adult Maltreatment Hotline (based on type of maltreatment) if Contractor or any of its employees, agents, or Subcontractors' employees and agents, while performing duties under this contract, have reasonable cause to suspect that:</p> <p>a. A child has been subjected to child maltreatment;</p> <p>b. A child died as a result of child maltreatment;</p> <p>c. A child died suddenly and unexpectedly; or</p> <p>d. Observe a child being subjected to conditions or circumstances that would reasonably result in child maltreatment.</p> <p>or</p> <p>e. An endangered person or an impaired person has been subjected to conditions or circumstances that constitute adult maltreatment or long-</p>	<p>Acceptable performance is defined as one hundred percent (100%) compliance with all service criteria and standards for acceptable performance throughout the contract term as determined by DHS.</p>	<p>For each failure to report, DHS may impose:</p> <p>1. A ten percent (10%) penalty, assessed in future payments for each failure to report. The penalty will be calculated from the total payment for the identified month in which the deficiency took place; or</p> <p>2. A one percent (1%) penalty, assessed in future payments for each failure to report. The penalty will be calculated from the projected total yearly contract amount for the contract, as determined by DHS. DHS may elect to calculate penalties/damages differently per occurrence.</p> <p>In addition to the above</p>

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<p>term care facility resident maltreatment.</p> <p>A privilege or contract shall not prevent a person from reporting maltreatment when he or she is a mandated reporter and required to report under this section.</p> <p>An employer or supervisor of a mandated reporter shall not prohibit an employee or a volunteer from directly reporting maltreatment to the Hotline.</p> <p>An employer or supervisor of a mandated reporter shall not require an employee or a volunteer to obtain permission or notify any person, including an employee or a supervisor, before reporting maltreatment to the Hotline.</p> <p>Pursuant to Act 531 of 2019, Ark. Code Ann. §12-18-402 (b)(10) and Ark. Code Ann. §§ 12-12-1708(a)(1)(AA), Contractor and all of its employees, agents, and all Subcontractors and Subcontractor's employees and agents are mandated reporters.</p>		<p>penalties, DHS reserves the right to impose additional penalties including without limitation, requiring a Corrective Action Plan (CAP), withholding payment on future invoices until Vendor is in full compliance, maintaining a below standard Vendor Performance Report (VPR) in the vendor file and contract termination.</p>
<p>Conflict of Interest Mitigation</p> <p>During the term of this contract, the Vendor shall comply with the terms of the DHS Organizational or Personal Conflict of Interest provisions. The Vendor shall disclose all actual, apparent, or potential conflicts of interest to the Department of Human Services (DHS) within five (5) days of having knowledge of them. The Vendor shall develop a mitigation plan as requested by DHS which must be approved and accepted by DHS. Any changes to the approved mitigation plan must be approved in advance by DHS.</p>	<p>The Vendor must maintain one hundred percent (100%) compliance with this item at all times throughout the term of the contract.</p>	<p>The Vendor will be fined one thousand dollars (\$1,000) per day for each day past five (5) days for each actual, apparent, or potential conflict of interest it fails to disclose. The Vendor shall be fined ten thousand dollars (\$10,000) for the first failure to comply with the mitigation plan developed by the Vendor and approved by DHS. Each subsequent violation of the mitigation plan shall be twice the amount of the immediately preceding violation fine.</p>
<p>Transition Planning</p> <p>1) Ninety (90) calendar days prior to the contract end date, the Contractor shall submit for DHS approval, a detailed plan for transitioning all contracted services to DHS, or to another contractor selected by</p>	<p>The Vendor must maintain one hundred percent (100%) compliance with this item at all times throughout the term of the contract.</p>	<p>If the Vendor fails to meet the acceptable performance standard, DHS may issue a below standard Vendor Performance Report (VPR) maintained in the vendor file.</p>

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<p>DHS to provide the contracted services. The plan must include, but is not limited to, the following:</p> <ul style="list-style-type: none"> a) Contractor's proposed approach to the transition, b) Complete and updated system and user documentation, c) List of Contractor's tasks, subtasks, and schedule for all transition activities, d) Contractor's organizational chart and staffing matrix, for all staff responsible for transition activities including title, telephone number, and email address, e) Operational tasks and procedures necessary to support ongoing operations during transition, and f) A detailed description of the services required by the new Contractor to complete the transition. <p>2) All transition activity shall be included in the contract price. DHS must pre-approve the format and delivery method of all proprietary data. The transition plan shall include:</p> <ul style="list-style-type: none"> a) Provisions for the delivery of all proprietary data collected and/or created during the life of the contract to DHS thirty (30) calendar days prior to the contract end date. b) All proprietary data collected and/or created during the final thirty (30) business days of the contract, or any proprietary data not captured in the initial delivery, shall be delivered to DHS no more than fifteen (15) business days following the contract end date. c) DHS reserves the right to request re-submission of any proprietary information deemed unacceptable after the Contractor's initial transfer. <p>3) The Contractor shall not implement the plan until it has received DHS's written approval of the plan. The Contractor shall take all reasonable action to provide a minimally disruptive turnover.</p>		<p>Final payment may be withheld from the vendor until all elements of the transition are satisfied as determined by DHS.</p>

Service Criteria ⁱ	Acceptable Performance	Damages for Insufficient Performance ⁱⁱ
<p>4) Deliverable Acceptance Process: If DHS rejects a deliverable, DHS will give the Contractor a written description of the changes that must be made to the deliverable. This cycle of submission, review, rejection, revision, and resubmission shall be repeated until DHS accepts the deliverable. The Contractor shall be liable for all costs associated with additional work related to deliverables rejected by DHS.</p> <p>5) Ten (10) business days after the completed transition, Contractor must provide DHS with a Transition Results Report documenting the results of each step of the Transition Plan. The transition shall not be considered complete until this document is approved by DHS.</p>		
<p>Arkansas Freedom of Information Act (Ark. Code Ann. §25-19-101 et seq.):</p> <ol style="list-style-type: none"> 1. Contractor shall cooperate with DHS requests for information and documents that DHS requires to fulfil an Arkansas Freedom of Information Act (FOIA) request. 2. Contractor shall timely provide all documents in its possession or control to DHS that match the request made by DHS. 3. Contractor is subject to Arkansas FOIA law pursuant to Ark. Code Ann. §25-19-103(7)(A). <p>Contractor shall timely and accurately respond to FOIA requests made directly to Contractor. See Ark. Code Ann. §25-19-101 et seq. for specific requirements. For all FOIA requests received, the Contractor shall also notify DHS of the request at DHS.FOIA@arkansas.gov.</p>	<p>Contractor shall respond to FOIA requests timely and accurately one hundred percent (100%) of the time.</p> <p>Contractor shall provide information and documents to DHS upon request in the timeframe specified in the request one hundred percent (100%) of the time. DHS shall have sole determination as to the sufficiency of Contractor's response and provision of documents.</p>	<ol style="list-style-type: none"> 1. For each failure to meet performance standard, DHS may impose: <ol style="list-style-type: none"> a. A ten percent (10%) penalty, assessed in future payments for each failure to report. The penalty will be calculated from the total payment for the identified month in which the deficiency took place; or b. A one percent (1%) penalty, assessed in future payments for each failure to report. The penalty will be calculated from the projected total yearly contract amount for the contract, as determined by DHS. <p>DHS may elect to calculate penalties/damages differently per occurrence.</p>

Service Criteria ⁱ	Acceptable Performance	Damages for Insufficient Performance ⁱⁱ
		<p>In addition to the above, Contractor shall be responsible for any penalties, fees, and costs imposed on DHS associated with vendor's failure to timely and accurately provide the requested information and documents.</p> <p>In addition to the above penalties, DHS reserves the right to impose additional penalties including without limitation, requiring a Corrective Action Plan (CAP), withholding payment on future invoices until Vendor is in full compliance, maintaining a below standard Vendor Performance Report (VPR) in the vendor file and contract termination.</p>

Failure to meet the minimum Performance Standards as specified **may** result in the assessment of damages.

In the event a Performance Standard is not met, the vendor will have the opportunity to defend or respond to, or cure to the satisfaction of the State, the insufficiency. The State **may** waive damages if it determines there were extenuating factors beyond the control of the vendor that hindered the performance of services of it is in the best interest of the State. In these instances, the State **shall** have final determination of the performance acceptability.

Should any compensation be owed to the agency due to the assessment of damages, vendor **shall** follow the direction of the agency regarding the required compensation process.

ⁱ Nothing in this table is intended to set forth all obligations of the Contractor under the contract. These obligations are in addition to any others imposed by the contract and applicable law.

ⁱⁱ The damages set forth are not exclusive and shall in no way exclude or limit any remedies available at law or in equity.