

ARKANSAS DEPARTMENT OF HUMAN SERVICES
PERFORMANCE BASED CONTRACTING

Pursuant to Ark. Code Ann. 19-11-1010 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.

- 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:

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<p>A. Document Creation and Delivery. Vendor shall provide the following document creation and delivery services, without limitation, related to Internal Revenue Service (IRS) Forms 1095-B and 1094-B for original filings and corrected filings for both the current and past tax years beginning with tax year 2015 according to the requirements contained in Invitation for Bid (IFB) 710-19-1003:</p> <ol style="list-style-type: none"> 1. Create the 1095-B Form, cover letter, and envelope conforming to both IRS and Arkansas Department of Human Services (DHS) requirements. 2. Perform all letter shop activities for printing and mailing the forms. 3. Provide data formatting specific to the IRS 1095-B Form requirements, IRS Manifest requirements, and Extensible Markup Language (XML) reporting requirements. 4. Create the 1094-B form and submit to the IRS on behalf of DHS. 	<ol style="list-style-type: none"> 1. The Vendor must maintain one hundred percent (100%) compliance with all service criteria and standards for acceptable performance at all times throughout the term of the contract as determined by DHS 2. Vendor must adhere to the DHS internal work flow/process (see attachment: Arkansas Department of Human Services, Minimal Essential Coverage 1095-B Process Flow Narrative), as well as the DHS and IRS technical specifications for all processes (<i>See Attachment: Guide for Electronically Filing Affordable Care Act [ACA] Information Returns for Software Developers and Transmitters Processing Year 2018</i>, found at https://www.irs.gov/pub/irs-pdf/p5165.pdf). 3. Vendor must meet all timeframes and deadlines required by the IRS and DHS. 4. The Vendor shall be responsible for the creation of the mail piece (envelope, cover letter, and 1095-B Form) per IRS standards and input/approval from DHS. <ol style="list-style-type: none"> a. Vendor shall submit the cover letter, envelope format and 1095-B form to DHS for approval prior to use by the selected Vendor. b. The envelope must be marked with "Important Tax Documents" and a Quick Response (QR) Code. The envelope 	<ol style="list-style-type: none"> 1. A Corrective Action Plan, acceptable to DHS, will be due to DHS within ten (10) business days of the request. 2. A forty percent (40%) penalty will be assessed in the following months' payment to the provider for each thirty (30) day period the Vendor is not in full compliance with all requirements of the contract. The forty percent (40%) penalty will be calculated from the total payment for the identified month in which the deficiency took place. 3. DHS reserves the right to impose additional penalties including without limitation withholding payment on future invoices until Vendor is in full compliance and maintaining a below standard Vendor Performance Report (VPR) in the Vendor file, and may opt for contract termination.

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	<p>must also be marked with the DHS logo if determined appropriate by DHS.</p> <ol style="list-style-type: none"> 5. All forms submitted to the IRS shall contain all required fields, in the format designated by the IRS as mandatory for reporting purposes as detailed in the updated IRS instructions for forms 1094-B and 1095-B for each current year. 6. Vendor must provide functionality to send 1095-B Forms to recipients upon request as either a batch or individual (one-off) mailing. 7. Corrected, replacement or one-off forms must be mailed to the Beneficiary within five (5) business days of receipt of the updated information. 8. Vendor must create an electronic version of each document and provide to DHS and through the Vendor's portal. 9. Vendor must handle 1095-B forms for special populations, including without limitation foster and adopted children, according to DHS instructions. 	
<p>B. Utilize IRS AIR System for Form Submissions. Vendor shall engage with and utilize the IRS AIR system according to the requirements contained in IFB 710-19-1003.</p>	<ol style="list-style-type: none"> 1. The Vendor must maintain one hundred percent (100%) compliance with all service criteria and standards for acceptable performance at all times throughout the term of the contract as determined by DHS. 2. Vendor shall be responsible for generating and filing required IRS Submission files (returns) with the 	<ol style="list-style-type: none"> 1. A Corrective Action Plan, acceptable to DHS, will be due to DHS within ten (10) business days of the request. 2. A forty percent (40%) penalty will be assessed in the following months' payment to the provider for each thirty (30) day period the Vendor is not in full compliance with all

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	<p>Affordable Care Act (ACA) Information Return System (AIR) on behalf of DHS, including but not limited to 1095-B and 1094-B forms. Vendor and DHS shall determine acceptable timeframes for interpreting and triaging rejected IRS submissions, and for resubmitting corrected forms.</p> <p>3. The IRS Submission files (returns) must be filed no later than the date set by the IRS for the applicable Tax Year.</p>	<p>requirements of the contract. The forty percent (40%) penalty will be calculated from the total payment for the identified month in which the deficiency took place.</p> <p>3. DHS reserves the right to impose additional penalties including without limitation withholding payment on future invoices until Vendor is in full compliance and maintaining a below standard Vendor Performance Report (VPR) in the Vendor file, and may opt for contract termination.</p>
<p>C. User Acceptance Testing (UAT) Vendor shall effectively engage in UAT on all technical projects according to the requirements contained in IFB 710-19-1003 End-user acceptance and sign-off shall apply throughout the contract term.</p> <p>1. Vendor shall adhere to this requirement for all new development, as well as any modifications or upgrades implemented by Vendor in its normal course of business that would directly impact this contract. Direct impact shall be understood as any Vendor action that results in DHS being required to modify current processes/actions, implement new processes/actions, purchase new software, and the like.</p> <p>2. If Vendor plans changes that affect DHS processes, Vendor shall give DHS at least eight (8) weeks' notice in order for DHS to investigate the possible implementation of</p>	<p>1. The Vendor must maintain one hundred percent (100%) compliance with all service criteria and standards for acceptable performance at all times throughout the term of the contract as determined by DHS.</p> <p>2. User Acceptance Testing (UAT) shall be required between the selected Vendor and the IRS, and between the selected Vendor and DHS. Vendor shall work with DHS to develop a list of deliverables based on IRS and DHS requirements.</p> <p>3. Testing shall include, but is not limited to:</p> <ul style="list-style-type: none"> a. The IRS AIRS system, and b. The Worker Portal. <p>4. UAT requires without limitation Vendor's providing test files at agreed upon intervals as set forth in writing between Vendor and DHS for all development.</p>	<p>1. A Corrective Action Plan, acceptable to DHS, will be due to DHS within ten (10) business days of the request.</p> <p>2. A forty percent (40%) penalty will be assessed in the following months' payment to the provider for each thirty (30) day period the Vendor is not in full compliance with all requirements of the contract. The forty percent (40%) penalty will be calculated from the total payment for the identified month in which the deficiency took place.</p> <p>3. DHS reserves the right to impose additional penalties including without limitation withholding payment on future invoices until Vendor is in full compliance and maintaining a below standard Vendor Performance Report (VPR) in the Vendor file, and may opt for contract termination.</p>

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<p>modifications to processes, software, etc. If additional time is needed by DHS, DHS will work with Vendor to develop an implementation timeframe for Vendor to put changes into effect.</p>		
<p>D. Data Correction and Maintenance. Vendor shall provide the following document corrections and data maintenance services, without limitation, related to IRS Forms 1095-B and 1094-B according to the requirements contained in IFB 710-19-1003:</p> <ol style="list-style-type: none"> 1. Vendor shall provide upfront data and postal delivery hygiene, standardization and validation/verification services specific to name quality, address quality and change of address, and validation of name and Social Security Number (SSN) agreement for all tax years in which the beneficiary has at least one (1) month of coverage to minimize or avoid IRS rejection of filings. 2. Vendor shall maintain all data sent by DHS for the purposes of providing 1095-B Forms. 3. Vendor shall provide a mechanism to update (edits), delete (deletes), or add (inserts) records. 4. Vendor shall engage in error triage support and reporting related to returned mail. 5. Vendor shall work in tandem with DHS to resolve any error records. 	<ol style="list-style-type: none"> 1. The Vendor must maintain one hundred percent (100%) compliance with all service criteria and standards for acceptable performance at all times throughout the term of the contract as determined by DHS. 2. Vendor shall process corrections and update data based on data correction and maintenance processes set forth in IFB 710-19-1003. 3. Vendor shall maintain a record of all communications with Arkansas recipients and shall provide this data to DHS in a monthly report using a mutually-agreed-upon format, and shall include dates of communication, number of communications, communication reason (initial, eligibility changes, name change, address change, SSN correction, etc.) 	<ol style="list-style-type: none"> 1. A Corrective Action Plan, acceptable to DHS, will be due to DHS within ten (10) business days of the request. 2. A twenty percent (20%) penalty will be assessed in the following months' payment to the provider for each thirty (30) day period the Vendor is not in full compliance with all requirements of the contract. The twenty percent (20%) penalty will be calculated from the total payment for the identified month in which the deficiency took place. 3. DHS reserves the right to impose additional penalties including without limitation withholding payment on future invoices until Vendor is in full compliance and maintaining a below standard Vendor Performance Report (VPR) in the Vendor file, and may opt for contract termination.
<p>E. Portal Creation and Maintenance. Vendor shall provide, host,</p>	<ol style="list-style-type: none"> 1. The Vendor must maintain one hundred percent (100%) compliance with all service 	<ol style="list-style-type: none"> 1. A Corrective Action Plan, acceptable to DHS, will be due to DHS within ten (10)

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<p>administer, monitor, and perform application-level technical support for an external access point (portal) to 1095-B data for use by DHS and its vendors according to the requirements contained in IFB 710-19-1003.</p> <ol style="list-style-type: none"> 1. Vendor shall provide/host a portal available to both DHS employees/vendors and DXC call center representatives (“Worker Portal”). This function shall include development, deployment and on-going support of the portal. 2. Vendor shall provide training, including ad hoc training for changes affecting users. 	<p>criteria and standards for acceptable performance at all times throughout the term of the contract as determined by DHS.</p> <ol style="list-style-type: none"> 2. Vendor must be able to distinguish between use by each group for reporting purposes. 3. Vendor’s on-going support shall include technical matters and portal customization. Vendor must adhere to all timeframes agreed upon by Vendor and DHS for development and deployment of necessary modifications to the portal. 4. Vendor must ensure continued connectivity with all users and availability of the portal/data. 5. The Portal must adhere to the performance requirements set forth in the IFB: <ol style="list-style-type: none"> a. Availability: ninety-nine and one half percent (99.5%) Availability, Monday through Friday (M-F), 7:00 a.m. to 7:00 p.m. Central Time (CT), including holidays, except for previously-scheduled and agreed-upon downtimes for maintenance. b. Concurrent Users: the portal must effectively support three hundred (300) concurrent transaction requests. c. Performance: Average response time for web pages on the portal measured at the Point of Interface (POI) (which is 	<p>business days of the request.</p> <ol style="list-style-type: none"> 2. A thirty percent (30%) penalty will be assessed in the following months’ payment to the provider for each thirty (30) day period the Vendor is not in full compliance with all requirements of the contract. The thirty percent (30%) penalty will be calculated from the total payment for the identified month in which the deficiency took place. 3. DHS reserves the right to impose additional penalties including without limitation withholding payment on future invoices until Vendor is in full compliance and maintaining a below standard Vendor Performance Report (VPR) in the Vendor file, and may opt for contract termination.

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	<p>the demarcation handoff located at the hosted platform internet service provider [ISP] service provider firewall and does not include DHS's environment, the internet or the call center environment) must not exceed five (5) seconds ninety percent (90%) of the time during average user loads and must not exceed twenty (20) seconds five percent (5%) of the time during average user loads. Average user loads will be measured as three hundred (300) inquiries per minute.</p> <p>d. System Accessibility: Non-visual Standards for Arkansas that meets the needs of Arkansans who are blind or visually impaired must be met through reasonable accommodation in the information technology products and services of the state.</p> <p>e. Security Requirements: Portal must be compliant with all federal and state laws, rules and regulations, including but not limited to HIPAA (Health Insurance Portability and Accountability Act of 1996).</p> <p>f. Portal Content must include without limitation:</p> <ol style="list-style-type: none"> 1) Cover Letter, 2) 1095-B Form (current and historical), 3) Form delivery dates, 	

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	<p>4) Flags and historical data for:</p> <ul style="list-style-type: none"> • Returned mail • Foster children • Adopted children • Other reasons • Data fields • Request Form for duplicate or corrected 1095-B form. The form must be printable and be able to be completed on-line and printed. <p>g. Print Capability: Must provide a simple method that allows workers to download and print the most recent 1095-B form and associated cover letter.</p> <p>h. Training: Training must be provided to DXC Call Center, DHS employees, and other resources as directed by DHS. This must include without limitation: training on use of the portal, edit capabilities, script training, and other training as needed.</p> <p>i. Recipient Portal Change Communications: The Vendor shall maintain a record of all communications with Arkansas recipients via the portal and shall provide this data to DHS in a monthly report using a mutually-agreed-upon format. This shall include, but is not limited to, items such as: dates of communication, number of communications, and</p>	

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	<p>communication reason (initial, eligibility changes, name change, address change, SSN correction, etc.). Vendor shall create a monthly report (Monthly Recipient Portal Change Communications Report) that identifies and tracks all communications and changes to recipients' information via the portal.</p> <p>j. Allow Duplicate Replacement Form Request: This process must be authorized according to protocols established by Division of County Operations (DCO), which may include requests made by mail or in person only (not electronically).</p> <p>k. Security Levels and Edit Functionality: Edit functionality shall be linked to security levels applicable to each field or to a file as a whole (e.g., view-only, modify name and address only, ability to lock files completely or for limited viewing or for preventing duplicate 1095-B forms from being printed, etc.), and shall be based on login using a person's authorized work email address.</p>	
<p>F. Data maintenance and security. Vendor shall provide data maintenance and security according to the requirements contained in IFB 710-19-1003.</p>	<ol style="list-style-type: none"> 1. The Vendor must maintain one hundred percent (100%) compliance with all service criteria and standards for acceptable performance at all times throughout the term of the contract as determined by DHS. 2. Vendor shall include all provided historical data 	<ol style="list-style-type: none"> 1. A Corrective Action Plan, acceptable to DHS, will be due to DHS within ten (10) business days of the request. 2. A thirty percent (30%) penalty will be assessed in the following months' payment to the provider for each thirty (30) day period

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	<p>through the portal.</p> <p>3. Vendor shall develop a Business Continuity and Recovery Plan. The Plan must comply with 45 CFR §94.62(f) to identify every resource that requires backup and to what extent backup is required. The Plan must include at least the following provisions:</p> <ul style="list-style-type: none"> a. Include a robust disaster recovery plan. b. Require, at minimum, daily backups in the event of a system failure. c. Ensure that data must be able to be recovered within three (3) business days. d. Provide offsite electronic and physical storage in the United States. e. Identify all software and data backup requirements. <p>4. Vendor shall comply with all applicable laws regarding privacy, security, retention of records, data and information relating to this contract.</p> <p>5. After Vendor has complied with any data transfers requested by DHS, Vendor shall comply with HIPAA requirements regarding data destruction.</p> <p>6. Vendor shall complete, file, retain, and make available upon request all program records in a secure, HIPAA-compliant manner.</p>	<p>the Vendor is not in full compliance with all requirements of the contract. The thirty percent (30%) penalty will be calculated from the total payment for the identified month in which the deficiency took place.</p> <p>3. DHS reserves the right to impose additional penalties including without limitation withholding payment on future invoices until Vendor is in full compliance and maintaining a below standard Vendor Performance Report (VPR) in the Vendor file, and may opt for contract termination.</p>

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	<p>7. Vendor shall have the ability to send and receive files/data transmissions to and from DHS, the IRS and other DHS vendors:</p> <ul style="list-style-type: none"> a. Vendor shall format files to conform to IRS and DHS system requirements, and to ensure that the integrity of the data does not deviate from what is required by the IRS and DHS. b. UAT shall also be required between the selected Vendor and DHS. The selected Vendor shall work with DHS to develop a list of deliverables. c. All deliverables shall require DHS sign-off prior to production and/or implementation. d. Vendor shall use the Accellion software package to support the file transmissions required for this project. e. Vendor must have a back-fill point of contact (POC) available during main POC outages. The back-fill POC must have an active Accellion license and can process files, including "one-off" files, during the main POC's outage. <p>8. At the end of this contract, or upon DHS's request, Vendor shall work with DHS to transfer all the data contained in its database, and the tables storing 1095-B and 1094-B data. The data shall be formatted as a</p>	

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	<p>comma separated variable (CSV) file and transmitted pursuant to a mutually-agreeable date for the transfer.</p> <p>9. Vendor shall seek and obtain DHS acceptance and sign-off throughout the contract term.</p> <ul style="list-style-type: none"> i. This requirement applies to new development and modifications or upgrades implemented by Vendor in its normal course of business that would directly impact this contract. ii. Direct impact would result in DHS being required to modify current processes/actions, implement new processes/actions, purchase new software, and the like. iii. If Vendor plans changes that affect DHS processes, Vendor shall give DHS eight (8) weeks' notice for investigation into possible implementation of DHS modifications to processes, software, etc. <p>10. Any changes to the Scope of Work found in IFB 710-19-1003 §2.2 (Scope of Work) must be mutually agreed upon and made via Change Request first approved by DHS. The Change Control process must allow for both scheduled changes and emergency changes.</p>	
G. Reporting and Information.	1. The Vendor must maintain	1. A Corrective Action Plan,

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<p>Vendor shall provide Reports and Information to DMS according to the requirements contained in IFB 710-19-1003.</p> <ol style="list-style-type: none"> 1. Vendor shall provide regular weekly status reporting to DHS (listed herein). 2. Vendor shall provide monthly aggregate reporting to cover the current tax year-to-date and a separate monthly report of communications between Vendor and recipients (see Section D of this document for Recipient Portal Change Communications data and Report.) 3. Vendor shall provide DHS all IRS Submission and Error Tracking Reports. 4. Vendor shall provide ad-hoc reports as needed and requested. 5. Vendor shall provide additional information requested by DHS. 	<p>one hundred percent (100%) compliance with all service criteria and standards for acceptable performance at all times throughout the term of the contract as determined by DHS.</p> <ol style="list-style-type: none"> 2. Vendor's reports to DHS related to 1095-B activities shall include, at a minimum, the fields identified in IFB 710-19-1003. 3. Vendor shall submit the following weekly reports to DHS no later than 9:00 a.m. CT, each Friday for the prior five (5) days, i.e., Friday of the preceding week, and Monday through Thursday of the current week (this schedule may be modified by agreement with DHS): <ol style="list-style-type: none"> a. 1095-B Forms Status Report; b. 1095-B Portal Monitoring Report; c. Data Verification Error Report; d. Postal Delivery Hygiene and Standardization Error Report; and e. Change Control Report. 4. The Vendor shall submit to DHS the following monthly aggregate reports within one (1) week after the end of each month. Each monthly report must aggregate (roll-up) data on a monthly basis to cover the current tax year-to-date. <ol style="list-style-type: none"> a. 1095-B Forms Status Report; b. 1095-B Portal Monitoring 	<p>acceptable to DHS, will be due to DHS within ten (10) business days of the request.</p> <ol style="list-style-type: none"> 2. A twenty percent (20%) penalty will be assessed in the following months' payment to the provider for each thirty (30) day period the Vendor is not in full compliance with all requirements of the contract. The twenty percent (20%) penalty will be calculated from the total payment for the identified month in which the deficiency took place. 3. DHS reserves the right to impose additional penalties including without limitation withholding payment on future invoices until Vendor is in full compliance and maintaining a below standard Vendor Performance Report (VPR) in the Vendor file, and may opt for contract termination.

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	<p>Report;</p> <ul style="list-style-type: none"> c. Data Verification Error Report; d. Postal Deliver Hygiene and Standardization Error Report. <p>5. The Vendor shall submit to DHS the following monthly reports within one (1) week after the end of each month: Monthly Recipient Portal Change Communication Report (see Section D. of this document.)</p> <p>6. IRS Submission and Error Tracking Report: Vendor shall capture all IRS Submission and Error Tracking reports provided via the AIRS portal. Within three (3) business days, Vendor shall forward a copy of each report to DHS and shall begin working with DHS to address and correct the errors identified by the IRS.</p> <p>7. Vendor shall complete ad hoc reports upon request by DHS and which shall include the following without limitation:</p> <ul style="list-style-type: none"> a. Internal processes and system access. Examples include without limitation: current or previous users of the portal and permission levels. b. System compliance or specifications. Examples include without limitation: details regarding security measures pertaining to data at rest/in motion, third-party access, data 	

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	<p>retention, disaster recovery plans, root cause analytics, changes in business process activities, etc.</p> <p>8. Vendor must provide additional ad hoc reports as requested by DHS.</p> <p>9. For instances in which DHS seeks information from Vendor, Vendor shall timely respond to DHS within a timeframe agreed upon by DHS and Vendor.</p>	
<p>H. Service Delivery Location Vendor shall provide services under the contract according to the requirements contained in IFB 710-19-1003.</p> <p>1. At a minimum, services must be provided during normal state work hours and within the agreed-upon timeframes unless otherwise arranged and coordinated with DHS.</p> <p>2. Vendor shall give DHS immediate notice of any anticipated delays that will affect the service delivery requirement.</p> <p>3. All computers, equipment and other resources necessary to fulfill the terms of this contract shall be at Vendor's expense and shall be properly maintained to minimize any negative impact on performance of duties.</p>	<p>1. The Vendor must maintain one hundred percent (100%) compliance with all service criteria and standards for acceptable performance at all times throughout the term of the contract as determined by DHS.</p>	<p>1. A Corrective Action Plan, acceptable to DHS, will be due to DHS within ten (10) business days of the request.</p> <p>2. A thirty percent (30%) penalty will be assessed in the following months' payment to the provider for each thirty (30) day period the Vendor is not in full compliance with all requirements of the contract. The thirty percent (30%) penalty will be calculated from the total payment for the identified month in which the deficiency took place.</p> <p>3. DHS reserves the right to impose additional penalties including without limitation withholding payment on future invoices until Vendor is in full compliance and maintaining a below standard Vendor Performance Report (VPR) in the Vendor file, and may opt for contract termination.</p>
<p>I. Staffing Vendor shall provide staffing according to the requirements contained in IFB 710-19-1003.</p>	<p>1. The Vendor must maintain one hundred percent (100%) compliance with all service criteria and standards for</p>	<p>1. A Corrective Action Plan, acceptable to DHS, will be due to DHS within ten (10) business days of the</p>

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<ol style="list-style-type: none"> 1. Vendor must maintain sufficient staffing levels to ensure successful implementation within the timeframes specified by the IRS and for the ongoing operation throughout the duration of the contract related to 1095-B requirements under the United States Tax Code. 2. Staffing must include a Project Manager. 3. All required full-time staff shall be dedicated to contracted activities forty (40) hours per week. 	<p>acceptable performance at all times throughout the term of the contract as determined by DHS.</p> <ol style="list-style-type: none"> 2. Within ten (10) calendar days of the contract start date, Vendor must submit to DHS for approval a project organizational chart showing all proposed personnel by job title, lines of supervision, and indicating full- or part-time employment on this contract. The charts shall include how the project fits into the respondent's overall organizational structure. 3. Vendor shall identify key personnel in the organizational chart. 4. Vendor shall identify a full-time Project Manager (PM). The PM shall: <ol style="list-style-type: none"> a) Shall work directly with DHS. b) Shall be a full-time employee of the Vendor with the authority to revise processes or procedures and assign additional resources, as needed, to maximize the efficiency and effectiveness of services required under the resulting contract. c) Must be assigned and dedicated to coordinate all contracted activities between DHS and the Vendor. d) Shall have experience initiating and managing the same or similar system. e) Be capable of overseeing 	<p>request.</p> <ol style="list-style-type: none"> 2. A twenty percent (20%) penalty will be assessed in the following months' payment to the provider for each thirty (30) day period the Vendor is not in full compliance with all requirements of the contract. The twenty percent (20%) penalty will be calculated from the total payment for the identified month in which the deficiency took place. 3. DHS reserves the right to impose additional penalties including without limitation withholding payment on future invoices until Vendor is in full compliance and maintaining a below standard Vendor Performance Report (VPR) in the Vendor file, and may opt for contract termination.

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	<p>all contracted activities for which Vendor is responsible.</p> <p>f) Shall meet with DHS staff in person or by telephone at the request of DHS representatives to discuss issues pertinent to the resulting contract, such as the status of contract activities, Vendor performance, benefit analysis, necessary revisions, reviews, reports, planning, etc.</p>	
<p>J. Conflict of Interest Mitigation 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 five thousand dollars (\$5,000) 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 one hundred thousand dollars (\$100,000) 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>K. Transition Planning Ninety (90) days prior to the contract end date, the vendor shall submit to DHS a detailed plan for transitioning all contracted services to DHS, or to another vendor selected by DHS to provide the contracted services.</p> <p>The transition plan shall include provisions for the delivery of all proprietary data collected and/or created during the life of the contract to DHS thirty (30) days prior to the contract end date. All proprietary data collected</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. Final payment may be withheld from the vendor until the all elements of the transition are satisfied as determined by DHS.</p>

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and/or created during the final thirty (30) days of the contract, or any proprietary data not captured in the initial delivery, shall be delivered to DHS no more than fifteen (15) days following the contract end date.		

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.