



COMMONWEALTH OF PENNSYLVANIA
DEPARTMENT OF PUBLIC WELFARE
Division of Procurement
Room 525, Health & Welfare Building
625 Forster Street
Harrisburg, PA 17120

Daniel R. Boyd
Director

Telephone 717-783-3767
Fax 717-787-3560

January 5, 2012

SUBJECT: RFA 22-11 Vendor Fiscal/Employer Agent Financial Management Services

Dear Prospective Bidder:

You are invited to submit a proposal for the above subject RFA for the Commonwealth of Pennsylvania, Department of Public Welfare in accordance with the attached Request for Applications (RFA). To view and download a copy of the RFA, go to <http://www.emarketplace.state.pa.us/search.aspx>.

All applications must be submitted as follows: **Technical Submittal: one (1) original and ten (10) copies; Cost Submittal: two (2) copies; Complete and Exact Copies of Entire Submittal (Technical and Cost) on CD or flash drive to the Pennsylvania Department of Public Welfare, Division of Procurement, Room 525, Health and Welfare Building, 625 Forster Street, Harrisburg, PA 17120. Applications must be received at the above address no later than two o'clock P.M. (2:00 P.M.) on March 30, 2012. Late Applications will not be considered regardless of the reason.**

All questions should be directed to the **Patricia Clark, Project Officer, Department of Public Welfare, Office of Long-Term Living** via e-mail ra-rfa22-11@pa.gov no later than **January 25, 2012**. Contractors will be provided with answers to questions asked by any one contractor.

In addition, a Pre-Proposal Conference will be held at 1:00 P.M. on Wednesday, January 25, 2012 at The State Museum of Pennsylvania, 300 North Street, Harrisburg, PA 17120-0024.

Applications **must** be signed by an official authorized to bind the vendor to its provisions. Also, please include your Federal Identification Number, SAP Vendor Number and the Point of Contact's email address on the cover sheet of your proposal. Evaluation of applications and selection of vendors will be completed as quickly as possible after receipt of application.

Sincerely,

A handwritten signature in black ink, appearing to read 'Daniel R. Boyd'.

Daniel R. Boyd
Director of Procurement

Attachments

State Museum of Pennsylvania

DIRECTIONS & PARKING

FROM INTERSTATE 81:

- Follow I-81 to Exit 66, Front Street
- Follow South on Front Street
- Stay on Front Street (approx. 5 miles)
- Turn left on Forster Street
- Turn right on Commonwealth Ave.
- Turn right on North Street
- The Museum will be on your right

FROM ROUTE 22:

- Follow Route 22 West
- Route 22 will eventually become State Street
- Follow State Street across the bridge
- At the end of the bridge turn right
- Turn left on Forster Street
- Turn left on Commonwealth Ave.
- Turn right on North Street
- The Museum will be on your right

FROM INTERSTATE 83:

- Follow I-83 to Exit 43, Second Street
- Follow Second Street (approx. 3 miles)
- Turn right on Forster Street
- Turn right on Commonwealth Ave.
- Turn right on North Street
- The Museum will be on your right

FROM ROUTES 11 & 15:

- Take the Harvey Taylor Bridge
- Cross Front Street
- Stay on Forster Street
- Turn right on Commonwealth Ave.
- Turn right on North Street
- The Museum will be on your right

VISITOR PARKING

WEEKDAYS:

- Visitors may park in nearby parking garages for a fee
- Visitors may park at meters. Bring quarters. City of Harrisburg charges \$.25 per 10 min. So you will need \$1.50/hour

From:

RFA #: 22-11
Due Date: March 30, 2012 2:00PM
Department of Public Welfare
Division of Procurement
Room 525 Health and Welfare Building
625 Forster Street
Harrisburg, PA 17120

Technical Submittal

From:

RFA #: 22-11
Due Date: March 30, 2012, 2:00PM
Department of Public Welfare
Division of Procurement
Room 525 Health and Welfare Building
625 Forster Street
Harrisburg, PA 17120

Cost Submittal

REQUEST FOR APPLICATIONS
FOR
VENDOR FISCAL/EMPLOYER AGENT FINANCIAL MANAGEMENT SERVICES

RFA # 22-11

DATE OF ISSUANCE

January 5, 2012

ISSUING OFFICE:

Commonwealth of Pennsylvania
Department of Public Welfare
Office of Administration
Division of Procurement
Room 525 Health and Welfare Building
Commonwealth Avenue and Forster Street
Harrisburg, PA 17120
Website: <http://www.emarketplace.state.pa.us/Search.aspx>

RFA #: 22-11

RFA PROJECT OFFICER:

Patricia Clark
Office of Long-Term Living
555 Walnut Street, Forum Place
Harrisburg PA 17101
Email: ra-rfa22-11@pa.gov

REQUEST FOR APPLICATIONS
FOR
VENDOR FISCAL/EMPLOYER AGENT FINANCIAL MANAGEMENT SERVICES
RFA # 22-11

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LOT 2 CENTRAL REGION OLTL, PDA, AND STATEWIDE ODP (approximately 3,802 consumers for OLTL/PDA, and approximately 850 consumers for ODP)
LOT 3 EASTERN REGION- OLTL, PDA (approximately 10,106 consumers)

APPENDICES

- APPENDIX A, STANDARD GRANT TERMS AND CONDITIONS**
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CALENDAR OF EVENTS

The Commonwealth will make every effort to adhere to the following schedule:

Activity	Responsibility	Date
Deadline to submit Questions via email to ra-rfa22-11@pa.gov	Potential Offerors	January 25, 2012
<p>Pre-Proposal Conference: The State Museum of Pennsylvania 300 North Street Harrisburg PA 17120-0024</p>	Issuing Office/Potential Offerors	January 25, 2012 1:00pm
Answers to Potential Offeror questions posted to the DGS website (http://www.dgsweb.state.pa.us/RTA/Search.aspx) no later than this date.	Issuing Office	February 1, 2012
Please monitor website for all communications regarding the RFA.	Potential Offerors	On-going
<p>Sealed proposal must be received by the Issuing Office at BUREAU OF FINANCIAL OPERATIONS DIVISION OF PROCUREMENT ROOM 525 HEALTH AND WELFARE BUILDING 625 FORSTER STREET HARRISBURG, PA 17120</p>	Offerors	March 30, 2012 2:00 pm

PART I

GENERAL INFORMATION

I-1. Purpose. This Request for Application (RFA) provides sufficient information to enable those interested in submitting proposals (“Offerors”) to prepare and submit proposals for the consideration of the Department of Public Welfare’s (DPW) Office of Long-Term Living (OLTL) and Office of Developmental Programs (ODP), and the Pennsylvania Department of Aging (PDA), on behalf of the Commonwealth of Pennsylvania (“Commonwealth”). The purpose of this RFA is to select qualified vendors to satisfy the Commonwealth’s need for a statewide Vendor Fiscal/Employer Agent (VF/EA) Financial Management Services (FMS) (“Project”). A complete listing of the services covered by this RFA is included in Part IV below.

I-2. Issuing Office. The Department of Public Welfare (DPW), Bureau of Financial Operations, Division of Procurement (Issuing Office) has issued this RFA on behalf of the OLTL, PDA, ODP, and the Commonwealth. The sole point of contact in the Commonwealth for this RFA is listed on the cover page of this RFA.

An organization providing fiscal support to individuals participating in Participant-Directed Services (PDS) will be identified as a “VF/EA FMS organization” for the purpose of this RFA.

The Selected Offeror(s) will be paid in accordance with the terms and conditions as specified in Appendix A of this RFA.

Please use the following link in order to locate all Bulletins referenced in this document:
<http://services.dpw.state.pa.us/olddpw/bulletinsearch.aspx>.

I-3. Scope. This RFA contains instructions governing the requested proposals, including the requirements for the information and material to be included; a description of the service to be provided; requirements which Offerors must meet to be eligible for consideration; general evaluation criteria; and other requirements specific to this RFA. Offerors may submit proposals for any of three Lots, or any combination thereof. The Lots, and number of consumers for each Lot are as follows:

LOT 1 WESTERN REGION – OLTL and PDA programs (approximately 7,126 consumers)

LOT 2 CENTRAL REGION OLTL, PDA, AND STATEWIDE ODP programs (approximately 3,802 consumers for OLTL and PDA programs, and approximately 850 consumers for ODP programs)

LOT 3 EASTERN REGION- OLTL and PDA programs (approximately 10,106 consumers)

I-4. Method of Award. Offerors may propose on one, all, or any combination of the three (3) lots. Each lot should be submitted as a separate proposal. After final evaluation of proposals, if it is determined to be in the Commonwealth’s best interest, the Commonwealth may request top ranked Offerors to submit integrated solutions for combinations of Lots.

I-5. Problem Statement. OLTL, PDA, and ODP seek to ensure that FMS is provided consistently across all Home and Community-Based Services (HCBS) waivers and certain state funded programs. This project will ensure that all federal, state, and local taxes are managed consistently and reduce the employer-related burden to individuals and representatives/surrogates receiving participant directed services (PDS). The project will secure up to three entities with the capacity to provide FMS across the Commonwealth or on a regional basis. Additional detail is provided in **Part IV** of this RFA. The Commonwealth intends to achieve cost savings and efficiencies through the regionalization of the VF/EA FMS Services while enhancing services to eligible consumers.

I-6. Type of Agreement. It is proposed that if the Commonwealth enters into Agreements as a result of this RFA, Lots 1, 2, and 3 will be **Per Participant Per Month (PPPM)** Agreements and shall include the RFA, including all appendices and attachments, and the selected offeror's proposal. The Commonwealth, in its sole discretion, may undertake negotiations with Offerors whose proposals, in the judgment of the Commonwealth, show them to be qualified, responsible and capable of performing as a VF/EA FMS organization.

If the Commonwealth chooses to expand the Agreement to include additional Medicaid §1915(c) HCBS waivers or Medicaid State Plan program or to develop new waivers or state funded programs that include participant-direction as a service option, the Commonwealth reserves the right to adjust scope and/or payment of the Agreement. The Commonwealth reserves the right to adjust payment to the VF/EA FMS Selected Offeror(s) as a result of federal or State regulatory changes, or court order that may occur after the Agreement award. The Commonwealth will notify the VF/EA FMS Selected Offeror(s) in writing of any expansion or contraction of the nature and scope of the Agreement and its affect on the VF/EA FMS organization's operations and/or payment at least 60 days prior to implementation.

If the Commonwealth chooses to reduce the Agreement to include fewer Medicaid §1915(c) HCBS waivers or Medicaid State Plan programs or state funded programs that include participant-direction as a service option, the Commonwealth reserves the right to adjust scope and/or payment of the Agreement. The Commonwealth reserves the right to adjust payment to the VF/EA FMS Selected Offeror(s) as a result of federal or State regulatory changes, or court order that may occur after the Agreement award. The Commonwealth will notify the VF/EA FMS Selected Offeror(s) in writing of any expansion or contraction of the nature and scope of the Agreement and its affect on the VF/EA FMS organization's operations and/or payment at least 60 days prior to implementation.

I-7. Rejection of Proposals. The Commonwealth may, in its sole and complete discretion, reject any proposal received as a result of this RFA. Furthermore, the Commonwealth, in its sole discretion, may reject any proposals for any individual lot and may cancel, rebid or procure any lot or combination of lots if it is deemed to be in the Commonwealth's best interests.

I-8. Incurring Costs. The Commonwealth is not liable for any costs the Offeror incurs in preparation and submission of its proposal, in participating in the RFA process or in anticipation of award of the Agreement.

I-9. Preproposal Conference. The Commonwealth will hold a preproposal conference as specified in the Calendar of Events. The purpose of this conference is to provide an opportunity for clarification of the RFA. Offerors should forward all questions to the Project Officer in accordance with **Part I, Section I-10** to ensure adequate time for analysis before the Commonwealth provides an answer. Offerors may also ask questions at the conference. In view of the limited facilities available for the conference, Offerors should limit their representation to two individuals per Offeror. The preproposal conference is for information only. Any answers furnished during the conference will not be official until they have been verified, in writing, by the Commonwealth. All questions and written answers will be posted on the Commonwealth of General Services' (DGS) website as an addendum to, and shall become part of, this RFA. While not mandatory, attendance at the Preproposal Conference is highly recommended.

I-10. Questions & Answers. If an Offeror has any questions regarding this RFA, the Offeror must submit the questions by email (**with the subject line "RFA 22-11Question"**) to the Project Officer named on the cover page of the RFA. If the Offeror has questions, they must be submitted via email **no later than** the date indicated on the Calendar of Events. The Offeror shall not attempt to contact the Project Officer by any other means. The Issuing Office shall post the answers to the questions on the DGS website by the date stated on the Calendar of Events. An Offeror who submits a question *after* the deadline date for receipt of questions indicated on the Calendar of Events assumes the risk that its proposal will not be responsive or competitive because the Commonwealth is not able to respond before the proposal receipt date or in sufficient time for the Offeror to prepare a responsive or competitive proposal. When submitted after the deadline date for receipt of questions indicated on the Calendar of Events, the Project Officer *may* respond to questions of an administrative nature by directing the questioning Offeror to specific provisions in the RFA. To the extent that the Issuing Office decides to respond to a non-administrative question *after* the deadline date for receipt of questions indicated on the Calendar of Events, the answer must be provided to all Offerors through an addendum.

All questions and responses as posted on the DGS website are considered as an addendum to, and part of, this RFA in accordance with RFA **Part I, Section I-11**. Each Offeror shall be responsible to monitor the DGS website for new or revised RFA information. The Issuing Office shall not be bound by any verbal information nor shall it be bound by any written information that is not either contained within the RFA or formally issued as an addendum by the Issuing Office. The Issuing Office does not consider questions to be a protest of the specifications or of the solicitation. The required protest process for Commonwealth procurements is described **Part I, Section I-27** of this RFA

I-11. Addenda to the RFA. If the Issuing Office deems it necessary to revise any part of this RFA before the proposal response date, the Issuing Office will post an addendum to the DGS website at <http://www.dgsweb.state.pa.us/RTA/Search.aspx>. It is the Offeror's responsibility to periodically check the website for any new information or addenda to the RFA. Answers to the questions asked during the Questions & Answers period also will be posted to the website as an addendum to the RFA.

I-12. Response Date. To be considered for selection, hard copies of proposals must arrive at the Issuing Office **on or before** the time and date specified in the RFA Calendar of Events. The

Issuing Office will **not** accept proposals via email or facsimile transmission. Offerors who send proposals by mail or other delivery service should allow sufficient delivery time to ensure timely receipt of their proposals. If, due to inclement weather, natural disaster, or any other cause, the Commonwealth office location to which proposals are to be returned is closed on the proposal response date, the deadline for submission will be automatically extended until the next Commonwealth business day on which the office is open, unless the Issuing Office otherwise notifies Offerors. The hour for submission of proposals shall remain the same. The Issuing Office will reject unopened, any late proposals.

I-13. Proposals. To be considered, Offerors should submit a complete response to this RFA to the Issuing Office, using the format provided in **Part II**, providing one (1) original and ten (10) **paper copies of the Technical Submittal and two (2) paper copies of the Cost Submittal**. In addition to the paper copies of the proposal, Offerors shall submit **two complete and exact** copies of the entire proposal (Technical, Cost) on CD-ROM or Flash drive in Microsoft Office or Microsoft Office-compatible format. The electronic copy must be a mirror image of the paper copy and any spreadsheets must be in Microsoft Excel. The Offerors may not lock or protect any cells or tabs. Offerors should ensure that there is no costing information in the technical submittal. Offerors should not reiterate technical information in the cost submittal. The CD or Flash drive should clearly identify the Offeror and include the name and version number of the virus scanning software that was used to scan the CD or Flash drive before it was submitted. The Offeror shall make no other distribution of its proposal to any other Offeror or Commonwealth official or Commonwealth consultant. Each proposal page should be numbered for ease of reference. An official authorized to bind the Offeror to its provisions must sign the proposal. If the official signs the Proposal Cover Sheet, **Appendix H**, and the Proposal Cover Sheet is attached to the Offeror's proposal, the requirement will be met. For this RFA, the proposal must remain valid for **120** days or until an Agreement is fully executed. If the Issuing Office selects the Offeror's proposal for award, the contents of the selected Offeror's proposal will become, except to the extent the contents are changed through Best and Final Offers or negotiations, contractual obligations.

Each Offeror submitting a proposal specifically waives any right to withdraw or modify it, except that the Offeror may withdraw its proposal by written notice received at the Issuing Office's address for proposal delivery prior to the exact hour and date specified for proposal receipt. An Offeror or its authorized representative may withdraw its proposal in person prior to the exact hour and date set for proposal receipt, provided the withdrawing person provides appropriate identification and signs a receipt for the proposal. An Offeror may modify its submitted proposal prior to the exact hour and date set for proposal receipt only by submitting a new sealed proposal or sealed modification which complies with the RFA requirements.

I-14. Economy of Preparation. Offerors should prepare proposals simply and economically, providing a straightforward, concise description of the Offeror's ability to meet the requirements of the RFA.

I-15. Alternate Proposals. The Issuing Office has identified the basic approach to meeting its requirements, allowing Offerors to be creative and propose their best solution to meeting these requirements. The Issuing Office will not accept alternate proposals.

I-16. Discussions for Clarification. Offerors may be required to make an oral or written clarification of their proposals to the Issuing Office to ensure thorough mutual understanding and Offeror responsiveness to the solicitation requirements. The Issuing Office will initiate requests for clarification. Clarifications may occur at any stage of the evaluation and selection process prior to Agreement execution.

I-17. Prime Contractor Responsibilities. The Agreement will require the selected Offeror to assume responsibility for all services offered in its proposal whether it produces them itself or by subcontract. The Commonwealth will consider the selected Offeror to be the sole point of contact with regard to contractual matters.

I-18. Proposal Contents.

a. Confidential Information. The Commonwealth is not requesting, and does not require, confidential proprietary information or trade secrets to be included as part of Offerors' submissions in order to evaluate proposals submitted in response to this RFA. Accordingly, except as provided herein, Offerors should not label proposal submissions as confidential or proprietary or trade secret protected. Any Offeror who determines that it must divulge such information as part of its proposal must submit the signed written statement described in subsection c. below and must additionally provide a redacted version of its proposal, which removes only the confidential proprietary information and trade secrets, for required public disclosure purposes.

b. Commonwealth Use. All material submitted with the proposal shall be considered the property of the Commonwealth of Pennsylvania and may be returned only at the Issuing Office's option. The Commonwealth has the right to use any or all ideas not protected by intellectual property rights that are presented in any proposal regardless of whether the proposal becomes part of an Agreement. Notwithstanding any Offeror copyright designations contained on proposals, the Commonwealth shall have the right to make copies and distribute proposals internally and to comply with public record or other disclosure requirements under the provisions of any Commonwealth or United States statute or regulation, or rule or order of any court of competent jurisdiction.

c. Public Disclosure. After the award of an Agreement pursuant to this RFA, all proposal submissions are subject to disclosure in response to a request for public records made under the Pennsylvania Right-to-Know-Law, 65 P.S. § 67.101, et seq. If a proposal submission contains confidential proprietary information or trade secrets, a signed written statement to this effect must be provided with the submission in accordance with 65 P.S. § 67.707(b) for the information to be considered exempt under 65 P.S. § 67.708(b)(11) from public records requests. Financial capability information submitted in response to Part II, Section II-7 of this RFA is exempt from public records disclosure under 65 P.S. § 67.708(b)(26).

I-19. Best and Final Offers.

A. While not required, the Issuing Office reserves the right to conduct discussions with Offerors for the purpose of obtaining “best and final offers.” To obtain best and final offers from Offerors, the Issuing Office may do one or more of the following, in any combination and order:

1. Schedule oral presentations;
2. Request revised proposals;
3. Enter into pre-selection negotiations.

B. The following Offerors will **not** be invited by the Issuing Office to submit a Best and Final Offer:

1. Those Offerors, which the Issuing Office has determined to be not responsible or whose proposals the Issuing Office has determined to be not responsive.

2. Those Offerors, which the Issuing Office has determined in accordance with **Part III, Section III-5**, from the submitted and gathered financial and other information, do not possess the financial capability, experience or qualifications to assure good faith performance of the Agreement.

3. Those Offerors whose score for their technical submittal of the proposal is less than 70% of the total amount of technical points allotted to the technical criterion.

The issuing office may further limit participation in the best and final offers process to those remaining responsible offerors which the Issuing Office has, within its discretion, determined to be within the top competitive range of responsive proposals.

C. The Evaluation Criteria found in **Part III, Section III-4**, shall also be used to evaluate the Best and Final offers.

D. Price reductions shall have no effect upon the Offeror’s Technical Submittal. Dollar commitments to Disadvantaged Businesses and Enterprise Zone Small Businesses can be reduced only in the same percentage as the percent reduction in the total price offered through negotiations. However, Offerors are encouraged to maintain or increase their commitment to Disadvantaged Business during the best and final offer process and negotiations.

I-20. News Releases. Offerors shall not issue news releases, Internet postings, advertisements or any other public communications pertaining to this Project without prior written approval of the Issuing Office, and then only in coordination with the Issuing Office.

I-21. Restriction of Agreement From the issue date of this RFA until the Issuing Office selects a proposal for award; the Project Officer is the sole point of contact concerning this RFA. Any violation of this condition may be cause for the Commonwealth to reject the offending Offeror's proposal. If the Issuing Office later discovers that the Offeror has engaged in any violations of this condition, the Commonwealth may reject the offending Offeror's proposal or rescind its Agreement award. Offerors must agree not to distribute any part of their proposals beyond the Commonwealth. An Offeror who shares information contained in its proposal with other Commonwealth personnel and/or competing Offeror personnel may be disqualified.

I-22. Issuing Office Participation. Offerors shall provide all services, supplies, facilities, and other support necessary to complete the identified work, except as otherwise provided in this **Part I, Section I-22**

I-23. Term of Agreement. The term of the Agreement will commence on the Effective Date and will be for a period of **two years and four months**. Subject to the performance of the Offeror and other considerations, the Commonwealth may renew the Agreement on the same terms and conditions for up to **two** additional **one-year** periods. The Commonwealth will fix the Effective Date after the Agreement has been fully executed by the selected Offeror and by the Commonwealth and all approvals required by Commonwealth contracting procedures have been obtained. The selected Offeror shall not start the performance of any work prior to the Effective Date of the Agreement and the Commonwealth shall not be liable to pay the selected Offeror for any service or work performed or expenses incurred before the Effective Date of the Agreement.

I-24. Offeror's Representations and Authorizations. By submitting its proposal, each Offeror understands, represents, and acknowledges that:

- a. The Offeror's information and representations in the proposal are material and important, and the Commonwealth may rely upon the contents of the proposal in awarding the Agreement(s). The Commonwealth may treat a misstatement, omission or misrepresentation as fraudulent concealment of the true facts relating to the Proposal submission, punishable pursuant to 18 Pa. C.S. § 4904.
- b. The Offeror has arrived at the price(s) and amounts in its proposal independently and without consultation, communication, or agreement with any other Offeror or potential offeror.
- c. The Offeror has not disclosed the price(s), the amount of the proposal, nor the approximate price(s) or amount(s) of its proposal to any other firm or person who is an Offeror or potential offeror for this RFA, and the Offeror shall not disclose any of these items on or before the proposal submission deadline specified in the Calendar of Events of this RFA.
- d. The Offeror has not attempted, nor will it attempt, to induce any firm or person to refrain from submitting a proposal on this Agreement, or to submit a proposal higher than this proposal, or to submit any intentionally high or noncompetitive proposal or other form of complementary proposal.

- e. The Offeror makes its proposal in good faith and not pursuant to any agreement or discussion with, or inducement from, any firm or person to submit a complementary or other **noncompetitive** proposal.
- f. To the best knowledge of the person signing the proposal for the Offeror, the Offeror, its affiliates, subsidiaries, officers, directors, and employees are not currently under investigation by any governmental agency and have not in the last **four (4)** years been convicted or found liable for any act prohibited by State or Federal law in any jurisdiction, involving conspiracy or collusion with respect to bidding or proposing on any public Agreement, except as the Offeror has disclosed in its proposal.
- g. To the best of the knowledge of the person signing the proposal for the Offeror and except as the Offeror has otherwise disclosed in its proposal, the Offeror has no outstanding, delinquent obligations to the Commonwealth including, but not limited to, any state tax liability not being contested on appeal or other obligation of the Offeror that is owed to the Commonwealth.
- h. The Offeror is not currently under suspension or debarment by the Commonwealth, any other state or the federal government, and if the Offeror cannot so certify, then it shall submit along with its proposal a written explanation of why it cannot make such certification.
- i. The Offeror has not made, under separate Agreement with the Commonwealth, any recommendations to the Commonwealth concerning the need for the services described in its proposal or the specifications for the services described in the proposal.
- j. Each Offeror, by submitting its proposal, authorizes Commonwealth agencies to release to the Commonwealth information concerning the Offeror's Pennsylvania taxes, unemployment compensation and workers' compensation liabilities.
- k. Until the selected Offeror receives a fully executed and approved written Agreement from the Commonwealth, there is no legal and valid Agreement, in law or in equity, and the Offeror shall **not** begin to perform.

I-25. Notification of Selection.

- a. **Agreement Negotiations.** The Commonwealth will notify all Offerors in writing of the Offeror selected for Agreement negotiations after the Issuing Office has determined, taking into consideration all of the evaluation factors, the proposal that is the most advantageous to the Commonwealth.
- b. **Award.** Offerors whose proposals are not selected will be notified when Agreement negotiations have been successfully completed and the Issuing Office has received the final negotiated Agreement signed by the selected Offeror.

I-26. Debriefing Conferences. Upon notification of award, Offerors whose proposals were not selected will be given the opportunity to be debriefed. The Issuing Office will schedule the debriefing at a mutually agreeable time. The debriefing will not compare the Offeror with other Offerors, other than the position of the Offeror's proposal in relation to all other Offeror proposals. An Offeror's exercise of the opportunity to be debriefed does not constitute nor toll the time for filing a protest (See Section I-27 of this RFA).

I-27. RFA Protest Procedure. Offerors and prospective offerors who are aggrieved in connection with the solicitation or award of an Agreement under this RFA may file a protest with the Commonwealth. Any such protest must be in writing and must comply with the requirements set forth in the Commonwealth Procurement Code at 62 Pa.C.S. §1711.1.

Any protest filed in relation to this RFA must be delivered to:

Department of Public Welfare
Division of Procurement
Room 525 Health and Welfare Building
Commonwealth Avenue and Forster Street
Harrisburg, Pennsylvania 17120
Attn: Daniel R. Boyd
Email address: dboyd@pa.gov
Fax: 717-787-3560

Offerors and prospective Offerors may file a protest electronically or by facsimile but also must simultaneously send a hard copy of the protest to the address listed above.

I-28. Use of Electronic Versions of this RFA. This RFA is being made available by electronic means. If an Offeror electronically accepts the RFA, the Offeror acknowledges and accepts full responsibility to insure that no changes are made to the RFA. In the event of a conflict between a version of the RFA in the Offeror's possession and the Issuing Office's version of the RFA, the Issuing Office's version shall govern.

I-29. Information Technology Bulletins.

This RFA is subject to the Information Technology Bulletins (ITB's) issued by the Office of Administration, Office for Information Technology (OA-OIT). ITB's may be found at <http://www.portal.state.pa.us/portal/server.pt?open=512&objID=416&PageID=210791&mode=2>

All proposals must be submitted on the basis that all ITBs are applicable to this procurement. It is the responsibility of the Offeror to read and be familiar with the ITBs. Notwithstanding the foregoing, if the Offeror believes that any ITB is not applicable to this procurement, it must list all such ITBs in its technical submittal, and explain why it believes the ITB is not applicable. The Issuing Office may, in its sole discretion, accept or reject any request that an ITB not be considered to be applicable to the procurement. The Offeror's failure to list an ITB will result in its waiving its right to do so later, unless the Issuing Office, in

its sole discretion, determines that it would be in the best interest of the Commonwealth to waive the pertinent ITB.

PART II

PROPOSAL REQUIREMENTS

Offerors must submit their proposals in the format, including heading descriptions, outlined below. To be considered, the proposal must respond to all requirements in this part of the RFA. Offerors should provide any other information thought to be relevant, but not applicable to the enumerated categories, as an appendix to the Proposal. All cost data relating to this proposal and all Disadvantaged Business cost data should be kept separate from and not included in the Technical Submittal. Each Proposal shall consist of the following two separately sealed submittals:

- a. Technical Submittal, which shall be a response to RFA **Part II, Sections II-1 through II-8** and Domestic Workforce Utilization Certification Submittal **II-10**;
- b. Cost Submittal in response to RFA **Part II, Section II-9**

The Commonwealth reserves the right to request additional information which, in the Commonwealth's opinion, is necessary to assure that the Offeror's competence, number of qualified employees, business organization, and financial resources are adequate to perform according to the RFA.

The Commonwealth may make investigations as deemed necessary to determine the ability of the Offeror to perform the Project, and the Offeror shall furnish to the Commonwealth all requested information and data. The Commonwealth reserves the right to reject any proposal if the evidence submitted by, or investigation of, such Offeror fails to satisfy the Commonwealth that such Offeror is properly qualified to carry out the obligations of the RFA and to complete the Project as specified.

II-1. Statement of the Problem. The Offeror shall state in succinct terms its (1) understanding of service and related requirements required by this RFA, (2) the Offeror's qualifications to serve as the Selected Offeror(s) for this project, and (3) the Offeror's overall approach to the project and a summary of the contents of the proposal.

II-2. Management Summary. Include a narrative description of the proposed effort and a list of the items to be delivered or services to be provided.

II-3. Work Plan and Project Management. The Offeror will include a detailed work plan (Microsoft Project 2000 or compatible version) detailing the sequencing of events and the time required to implement this project for new enrollees effective September 1, 2012 and the entire PDS program effective January 1, 2013. Use the task descriptions in **Part IV-Work Statement** of this RFA as the Offeror's reference point. The relationship between key staff and the specific tasks and assignments and deliverables proposed to accomplish the scope of work also will be included. A PERT, Gantt or Bar Chart that clearly outlines the project timetable from beginning to end will be included. Key dates and events and deliverables relative to the project will be clearly shown on the chart including critical paths of tasks. The

Offeror will describe its management approach and how its proposed work plan will be executed. Offeror should include detailed information to demonstrate that it meets all qualifications included in this RFA. The Offeror shall include organizational charts outlining the company's headquarters office and Pennsylvania office, reporting relationships and staff members in its description of project management. The Offeror shall describe the approach it will take to establish, capture, document, evaluate, and report on core performance metrics relative to Agreement and business operation performance, efficiencies, and effectiveness and provide an outline of its process improvement procedures. Finally, the work plan must be completely responsive to all written specifications and requirements contained in the RFA.

- 1. Technical Plan.** Describe in narrative form your technical plan for accomplishing the work. Use the task descriptions in **Part IV** of this RFA as your reference point. Modifications of the task descriptions are permitted; however, reasons for changes should be fully explained. Indicate the number of person hours allocated to each task. Include a Program Evaluation and Review Technique (PERT) or similar type display, time related, showing each event. If more than one approach is apparent, comment on why you chose this approach.
- 2. Progress Reports.** The Selected Offeror(s) must prepare a written progress report by the tenth of the month or more frequently, as requested, and present this report to the Project Officer or designee. The report must include:
 - a. Status of major activities and tasks in relation to the Selected Offeror(s)'s work plan.
 - b. Target dates for completion of remaining tasks.
 - c. Any potential delays or problems anticipated or encountered in reaching target dates and the reason for such delays.
 - d. Any revisions to the overall work schedule.

II-4. Prior Experience. Experience shown should be work done by individuals who will be assigned to this project as well as that of your company. Studies or projects referred to must be identified and the name of the customer shown, including the name, address, and telephone number of the responsible official of the customer, company, or agency who may be contacted.

- a. **Corporate Background.** The Offeror must describe the corporate history and relevant experience of the Offeror and any subcontractors. This section must detail information on the ownership of the company (names and percent of ownership), the date the company was established, the date the company began operations, the physical location of the company, and the current size of the company. The Offeror must provide a corporate organizational chart as part of this section.

Offerors must identify any current contracting or subcontracting relationship(s) that may result in a conflict of interest with the requirements of this RFA. Offerors must also abide by the Commonwealth's conflict of interest standards identified in

Appendix A, Standard Terms and Conditions for Services and Appendix B, Department of Public Welfare Addendum to Standard Terms and Conditions.

- b. **Corporate Experience.** The Offeror must describe experience providing similar services, including the name, address, and telephone number of the responsible official of the customer, company, or agency who may be contacted. This section of the proposal must include a description of the Offeror's experience in:

Qualifications and Prior Experience. For the purposes of this Project, the Selected Offeror(s) must meet the following qualifications and prior experience.

- i. The Selected Offeror(s) must have a history (at least three years experience) successfully providing similar services.
 - ii. The Selected Offeror(s) must provide at least one reference from organizations to which it has provided similar services during the past five (5) years.
 - iii. The Selected Offeror(s) must have a working knowledge of VF/EA FMS as described in this RFA, including the need for VF/EA FMS, the procedures and internal controls needed to provide VF/EA FMS, and the scope/nature of VF/EA FMS provided in accordance with Section 3504 of the IRS code, IRS Revenue Procedure 70-6, IRS Proposed Notice 2003-70 and REG-137036-08, as applicable, federal and state labor laws, state and local employment tax laws and state workers' compensation insurance laws.
 - iv. The Selected Offeror(s) must meet VF/EA FMS organization qualifications as outlined in OLTL Bulletin 54-541-10-03 and ODP Bulletin 00-08-14 and any Commonwealth revisions relating to VF/EA FMS.
- c. **References.** The Offeror must provide a list of at least one relevant Agreement within the past three (3) years to serve as corporate references. This list shall include the following for each reference:
- i. Name of contractor
 - ii. Type of Agreement
 - iii. Agreement description, including type of service provided
 - iv. Total Agreement value
 - v. Contracting officer's name and telephone number
 - vi. Role of subcontractor(s) (if any)
 - vii. Time period in which service was provided

The Offeror must submit **Appendix D, Corporate Reference Questionnaire**, directly to the contacts listed. The references should return completed questionnaires

in sealed envelopes to the Offeror. The Offeror must include these sealed references with its proposal.

II-5. Personnel. Include the number of executive and professional personnel, analysts, auditors, researchers, programmers, consultants, etc., who will be engaged in the work. Show where these personnel will be physically located during the time they are engaged in the Project. For key personnel, include the employee's name and, through a resume or similar document, the Project personnel's education and experience in. Indicate the responsibilities each individual will have in this Project and how long each has been with your company. Identify by name any subcontractors you intend to use and the services they will perform.

1. Personnel. Selected Offeror(s) must have in place sufficient administrative staff and organizational components to comply with the Project requirements and complete Project tasks. The tasks must be staffed by qualified persons in numbers appropriate to the Project scope. The Selected Offeror(s) may combine tasks or split the responsibility for a task across multiple units, unless otherwise indicated, as long as it can demonstrate that the duties are fulfilled. The Selected Offeror(s) must train personnel including subcontractor personnel to meet the OLTL/PDA/ODP's goals, objectives, and requirements.

- a. Have an organizational chart for the organization overall and for the VF/EA FMS function.
- b. The Selected Offeror(s) will ensure that all personnel working on Project tasks receive appropriate training. Training topics must include but are not limited to:
 - i. The Medicaid §1915(c) Waivers and state funded programs as outlined in the Nature and Scope section IV-2 of this RFA;
 - ii. Customer service and communication skills;
 - iii. Mandatory reporting procedures;
 - iv. The differing geographically-based needs for rural verses urban settings and the challenges and opportunities faced by consumers in each area;
 - v. VF/EA FMS organization tasks and program requirements; and
 - vi. Current federal, state and local tax, labor, workers' compensation insurance, program regulations related to PDS, the delivery of VF/EA FMS, household employers, and domestic service workers as applicable in accordance with current Commonwealth policy.
- c. The following staffing requirements for key personnel must be met:
 - i. **VF/EA FMS Program Manager.** The Selected Offeror(s)'s VF/EA FMS Program Manager will serve as the primary contact person for the OLTL/PDA/ODP regarding the RFA. The VF/EA FMS Program Manager must have a Bachelors degree and have knowledge of the VF/EA FMS operations and have two (2) years experience overseeing

budgets and managing staff and the provision of VF/EA FMS. Experience working in the human services industry is preferred. A resume must be submitted to verify the Program Manager's knowledge and experience in the required areas. The VF/EA FMS Program Manager must be available to the Commonwealth via telephone or email during the Commonwealth's regular business hours and must be located within Pennsylvania. The VF/EA FMS Program Manager's responsibilities must include, but are not limited to:

- (i). Ensuring compliance with applicable policies and procedures;
- (ii). Monitoring operations and performance for all tasks associated with the RFA;
- (iii). Overseeing development and issuance of status reports and ad hoc reports, if any, to the Commonwealth; and
- (iv). Overseeing the development and issuance of reports to individuals/representatives/surrogates, as required.

ii. Enrollment Services Manager. At a minimum, the Selected Offeror(s)'s Enrollment Services Manager, or similar position, must have a Bachelors degree and a minimum of two (2) years experience

- (i). Leading and managing the enrollment and disenrollment of individuals and their representative with the VF/EA FMS organization;
- (ii). Developing Enrollment Packets for the Common Law Employer, Employee, and Vendor; and
- (iii). Implement the provision of common law employer orientation and skills training.

The designated Enrollment Service Manager must be identified in the Technical Proposal and demonstrate experience in leading and effectively managing enrollment services activities. A current job description and resume must be provided.

iii. Payroll and Invoice Payment Manager. At a minimum, the Selected Offeror(s)'s Payroll and Invoice Payment Manager, or similar position, must have a Bachelors degree and a minimum of two (2) years experience in processing and issuing qualified employees payroll and the processing and payment of invoices from vendors and small unlicensed providers for services rendered to individuals enrolled in PDS and related activities including the preparation and issuance of reports to individuals/surrogates and government agencies as required. The designated Payroll and Invoice Payment Manager must be identified in the Technical Proposal and demonstrate experience in leading and effectively managing payroll and invoice payment activities. A current job description and resume must be provided.

- iv. **Medicaid Billing Manager.** At a minimum, the Selected Offeror(s)'s Medicaid Billing Manger, or similar position, must have a Bachelors degree and a minimum of two (2) years experience processing Medicaid claims and invoices for payment. The designated Medicaid Billing Manager must be identified in the Technical Proposal and demonstrate experience in leading and effectively managing Medicaid billing activities. A current job description and resume must be provided.
 - v. Other key personnel, as applicable, must be identified and the Selected Offeror(s) must demonstrate they can effectively perform the required activities. A current job description and resume must be provided for all other key personnel.
- d. The OLTL/PDA/ODP may require the Selected Offeror(s) to remove personnel from any further work on the VF/EA FMS organization's Agreement if: the individual does not perform at the applicable skill level specified in the Agreement; or if the individual does not deliver work that conforms to the performance standards stated in the Agreement.
- e. All personnel of the Selected Offeror(s) and subcontractors must comply with applicable federal and state statutes, regulations, and rules regarding the confidentiality of individuals receiving Medicaid waiver or state funded services. The Selected Offeror(s) will take measures to prudently safeguard and protect unauthorized disclosure of the OLTL/PDA/ODP information in its possession and will establish internal policies to ensure compliance with Federal and State statutes and regulations regarding security and confidentiality.

II-6. Training. If appropriate, indicate recommended training of agency personnel. Include the agency personnel to be trained, the number to be trained, duration of the program, place of training, curricula, training materials to be used, number and frequency of sessions, and number and level of instructors.

II-7. Financial Capability. Offerors must submit information about the financial conditions of the company in this section. For ease in assembling the proposal, the Offeror should append its financial documentation rather than including it in the main body of the proposal. The Offeror must provide the following information:

- a. The identity of each entity that owns at least five percent (5%) of the Offeror.
- b. For the Offeror and for each entity that owns at least five percent (5%) of the Offeror:
 - i) Provide audited financial statements for the three (3) most recent fiscal years for which statements are available. If your company is a publicly

traded company, please provide a link to your financial records on your company website. Financial statements must include the company's Balance Sheet and Income Statement or Profit/Loss Statements. Also include a Dun & Bradstreet comprehensive report if available. If audited financial statements are not available, explain why and submit unaudited financial statements.

- ii) Unaudited financial statements for the period between the last month covered by the audited statements and the month before the proposal is submitted.
- iii) Documentation about available lines of credit, including maximum credit amount and amount available thirty (30) business days prior to the submission of the proposal.

If any information requested is not applicable or not available, provide an explanation. Offerors may submit appropriate documentation to support information provided.

- c. The full name and address of any proposed subcontractor in which the Offeror has five percent (5%) or more ownership interest. The Offeror must provide a copy of the proposed subcontractor's Financial and Accounting Policies and Procedures.
- d. The full name and address of any organizations with which the Offeror proposes to subcontract for any tasks to be performed for this RFA and for administrative or related services.
- e. A list of any financial interests the subcontractor may have in the Offeror's organization or any financial interest the Offeror's organization has in proposed subcontractors.
- f. Information about any significant pending litigation.

II-8. Objections and Additions to Standard Grant Terms and Conditions. The Offeror will identify which, if any, of the terms and conditions (contained in **Appendices A and B**) it would like to negotiate and what additional terms and conditions the Offeror would like to add to the standard Grant terms and conditions. The Offeror's failure to make a submission under this paragraph will result in its waiving its right to do so later, but the Commonwealth may consider late objections and requests for additions if to do so, in the Commonwealth's sole discretion, would be in the best interest of the Commonwealth. The Commonwealth may, in its sole discretion, accept or reject any requested changes to the standard contract terms and conditions. The Offeror shall not request changes to the other provisions of the RFA, nor shall the Offeror request to completely substitute its own terms and conditions for **Appendices A and B**. All terms and conditions must appear in one integrated Agreement. The Commonwealth will not accept references to the Offeror's, or any other, online guides or online terms and conditions contained in any proposal.

Regardless of any objections set out in its proposal, the Offeror must submit its proposal, including the cost proposal, on the basis of the terms and conditions set out in **Appendices A and B**. The Commonwealth will reject any proposal that is conditioned on the negotiation of the terms and conditions set out in **Appendices A and B or to other provisions of the RFA as specifically identified above**.

II-9. Cost Submittal. The information requested in this **Part II, Section II-9 and Appendix I** shall constitute the Cost Submittal. **The Cost Submittal shall be placed in a separate sealed envelope within the sealed proposal, separated from the technical submittal.** Offerors should **not** include any assumptions in their cost submittals. If the Offeror includes assumptions in its cost submittal, the Commonwealth may reject the proposal. Offerors should direct in writing to the Project Officer pursuant to **Part I, Section I-10**, of this RFA any questions about whether a cost or other component is included or applies. All Offerors will then have the benefit of the Commonwealth's written answer so that all proposals are submitted on the same basis. Additionally, the offeror, in conjunction with the cost submittal, shall prepare a Cost Verification template which is attached with the Cost Submittal Template, Appendix I. The Cost Verification template is for internal DPW use only, and will not be part of the final Agreement as awarded to the winning offeror.

Administrative fee. Offerors must propose a per consumer administrative fee to be charged monthly for each consumer that the selected offeror serves according to the terms of this project. The selected offeror(s) may charge the administrative fee for new consumers as well as transitioned consumers beginning on 1/1/2013. Additionally, throughout the contract period, all selected Offerors will be paid a one-time \$277 start-up fee for all new consumers that enroll for VF/EA FMS services.

The Commonwealth is highly interested in realizing cost savings and efficiencies through the implementation of Statewide VF/EA FMS services as a result of this RFA. The proposed monthly service fee will remain the same for all months of the contract. Please note that the number of consumers is based on the current numbers and may vary.

During the transition period, (9/1/2012 – 12/31/2012) the Commonwealth will pay each selected Offeror a one-time \$45 transition fee for each consumer currently receiving VF/EA FMS services from one of the vendors utilized by the Commonwealth. If the selected Offeror is already providing VF/EA FMS services to eligible consumers, the offeror will **not** receive the one-time transition fee for consumers they are currently serving. Instead, the selected Offeror will receive the monthly FMS administrative fee for those consumers during the transition period.

For evaluation purposes, only the monthly FMS administrative fee will be evaluated. Please note the monthly FMS administrative fee cannot be billed during a month when PDS services are not rendered.

The offeror shall provide a breakout of the total proposed costs broken down into the following components:

- a. **Direct Labor Costs.** Itemize to show the following for each category of personnel with a different hourly rate:
 1. Category (e.g., partner, project manager, analyst, senior auditor, research associate).
 2. Estimated hours.
 3. Rate per hour.
 4. Total cost for each category and for all direct labor costs.
- b. **Labor Overhead.** Specify what is included and rate used.
- c. **Travel and Subsistence.** Itemize transportation, lodging and meals per diem costs separately. Travel and subsistence costs must conform with the requirements of the most current version of Commonwealth Management Directive 230.10, *Travel and Subsistence Allowances*. The Commonwealth may accept higher rates normally paid by an Offeror, if those rates were approved by the Offeror's officials and published prior to submitting this proposal to the Commonwealth.
- d. **Consultant Costs.** Itemize as in (a) above.
- e. **Subcontract Costs.** Itemize as in (a) above.
- f. **Cost of Supplies and Materials.** Itemize.
- g. **Other Direct Costs.** Itemize.
- h. **General Overhead Costs.** Overhead includes **two** major categories of cost, operations overhead and general and administrative overhead. Operations overhead includes costs that are not **100%** attributable to the service being completed, but are generally associated with the recurring management or support of the service. General and administrative overhead includes salaries, equipment and other costs related to headquarters management external to the service, but in support of the activity being completed. Specify what specific items are included and the rates used.
- i. **Fee or Profit.**
- j. **Total Cost.**

The Commonwealth will reimburse the selected Offeror for work satisfactorily performed after execution of a written Agreement and the start of the Agreement term, in accordance with Agreement requirements, and only after the Commonwealth has issued a notice to proceed.

II-10. Domestic Workforce Utilization Certification. Complete and sign the Domestic Workforce Utilization Certification contained in **Appendix C** of this RFA. Offerors who seek consideration for this criterion must submit in hardcopy the signed Domestic Workforce Utilization Certification Form in the same sealed envelope with the Technical Submittal.

PART III

CRITERIA FOR SELECTION

III-1. Mandatory Responsiveness Requirements. To be eligible for selection, a proposal must be:

- A. Timely received from an Offeror;
- B. Properly signed by the Offeror.

III-2. Technical Nonconforming Proposals. The two (2) Mandatory Responsiveness Requirements set forth in **Section III-1** above are the only RFA requirements that the Commonwealth will consider to be *non-waivable*. The Commonwealth reserves the right, in its sole discretion, to (1) waive any other technical or immaterial nonconformity in an Offeror's proposal, (2) allow the Offeror to cure the nonconformity, or (3) consider the nonconformity in the scoring of the Offeror's proposal.

III-3. Evaluation. The Commonwealth has selected a committee of qualified personnel to review and evaluate timely submitted proposals. Independent of the committee, BMWBO will evaluate the Disadvantaged Business Submittal and provide the Commonwealth with a rating for this component of each proposal. The Commonwealth will notify in writing of its selection for negotiation the responsible Offeror whose proposal is determined to be the most advantageous to the Commonwealth as determined by the Issuing Office after taking into consideration all of the evaluation factors. The Commonwealth will award an Agreement only to an Offeror determined to be responsible in accordance with the most current version of Commonwealth Management Directive 215.9, *Contractor Responsibility Program*.

III-4. Evaluation Criteria. The following criteria will be used in evaluating each proposal:

- **Technical – 60%**
- **Cost – 40%**

- **Domestic Workforce Utilization – Up to 3% in Bonus Points**

a. **Technical:** The Issuing Office has established the weight for the Technical criterion for this RFA as **60%** of the total points. Evaluation will be based upon the following in order of importance:

- Understanding the Problem
This refers to the Offeror's understanding of the needs that generated the RFA, of DPW's objectives in asking for the services or undertaking the study, and of the nature and scope of the work involved.
- Soundness of Approach. This refers the Offeror's approach to manage specified tasks, sequence and relationship of major steps, techniques for collecting and analyzing data, understanding state of the art and industry practice in the areas covered by the RFA
- Offeror Qualifications. This refers to the ability of the Offeror to meet the terms of the RFA, especially the time constraint and the quality, relevancy, and recent studies and projects completed by Offeror.
- Personnel Qualifications
This refers to the competence of professional personnel who are assigned to the project. Qualifications of professional personnel will be measured by experience and education, with particular reference to experience on studies/services similar to that describe in the RFA. Particular emphasis is place on the qualifications of the Program Manager and lead clinical staff.
- Available Facilities. This refers to the Offeror's availability of adequate physical facilities for staff to accomplish the task, as well as the administrative and logistical support requirements.

b. **Cost:** The Commonwealth has established the weight for the Cost criterion for this RFA as **40%** of the total points. The Commonwealth is seeking to achieve cost savings and efficiencies through the regionalization of the VF/EA FMS Services while enhancing services to its consumers.

III-5. Offeror Responsibility. To be responsible, an Offeror must submit a responsive proposal and possess the capability to fully perform the Agreement requirements in all respects and the integrity and reliability to assure good faith performance of the Agreement.

In order for an Offeror to be considered responsible for this RFA and therefore eligible for selection for best and final offers or selection for Agreement negotiations:

- (1) The total score for the technical submittal of the Offeror's proposal must be greater than or equal to **70%** of the **available technical points**; and

(2) The Offeror's financial information must demonstrate that the Offeror possesses the financial capability to assure good faith performance of the Agreement. The Issuing Office will review the Offeror's previous three financial statements, any additional information received from the Offeror, and any other publicly-available financial information concerning the Offeror, and assess each Offeror's financial capacity based on calculating and analyzing various financial ratios, and comparison with industry standards and trends.

An Offeror which fails to demonstrate sufficient financial capability to assure good faith performance of the Agreement as specified herein may be considered by the Issuing Office, in its sole discretion, for Best and Final Offers or Agreement negotiation contingent upon such Offeror providing Agreement performance security for the first Agreement year cost proposed by the Offeror in a form acceptable to the Issuing Office. Based on the financial condition of the Offeror, the Issuing Office may require a certified or bank (cashier's) check, letter of credit, or a performance bond conditioned upon the faithful performance of the Agreement by the Offeror. The required performance security must be issued or executed by a bank or surety company authorized to do business in the Commonwealth. The cost of the required performance security will be the sole responsibility of the Offeror and cannot increase the Offeror's cost proposal or the Agreement cost to the Commonwealth.

Further, the Issuing Office will award an Agreement only to an Offeror determined to be responsible in accordance with the most current version of Commonwealth Management Directive 215.9, Contractor Responsibility Program.

PART IV

WORK STATEMENT

IV-1. Objectives.

The objective of this RFA is to secure up to three entities that will provide FMS throughout the Commonwealth or on a regional basis for eligible consumers who receive participant directed services (PDS) in certain waiver and state funded programs. The waiver and state funded programs covered by this RFA are administered by the Office of Long-Term Living (OLTL), the Office of Developmental Programs (ODP), and the Pennsylvania Department of Aging (PDA). A detailed description of the waiver and state funded programs included in this RFA, and the program requirements for the services covered by this RFA are provided below.

The Commonwealth intends to make awards by the regions listed below.

LOT 1 WESTERN REGION – OLTL and PDA programs (approximately 7,126 consumers)

LOT 2 CENTRAL REGION OLTL, PDA AND STATEWIDE ODP programs (approximately 3,802 consumers for OLTL and PDA programs, and approximately 850 consumers for ODP programs)

LOT 3 EASTERN REGION- OLTL and PDA programs (approximately 10,106 consumers)

A. General. Federal Medicaid law prohibits an individual or representative from receiving Medicaid funds directly. Only Medicaid providers may receive Medicaid funds directly. Due to this requirement, the Selected Offeror(s) must perform payment-related employer responsibilities on behalf of individuals or representatives who exercise employer or budget authority. One such type of entity that performs this service is a Vendor Fiscal/Employer Agent (VF/EA) Financial Management Services (FMS) organization. VF/EA FMS are available to participants who receive participant directed services in the Commonwealth's Medicaid §1915(c) HCBS Consolidated, Person/Family Directed Support, Aging, Attendant Care, Community Care (COMMCARE), Independence, and Omnibus Budget Reconciliation Act (OBRA) waivers (waivers to mean all waivers) or the state funded program Attendant Care Act 150.

A VF/EA FMS organization acts as the employer agent to the common law employer (individuals receiving waiver services or state-funded programs and their representatives) in accordance with Section 3504 of the IRS code, IRS Revenue Procedure 70-6, IRS Proposed Notice 2003-70 and REG-137036-08, as applicable. In Pennsylvania, the fiscal support services provided by a VF/EA FMS organization include, but are not limited to:

1. Acting as a neutral “bank” for individuals’ public service funds;
2. Ensuring qualified direct care workers (DCWs), vendors and small unlicensed providers are paid in accordance with federal, state and local tax, labor and unemployment insurance laws, as applicable;
3. Preparing and distributing qualified DCWs payroll including the management of federal and state income tax withholding and employment taxes and locality taxes;
4. Verifying prospective DCWs, vendors and small unlicensed provider’s citizenship and alien status and ensuring that DCWs, vendors and small unlicensed providers meet the qualifications for the services they are providing as per state requirements;

5. Processing and paying invoices for participant-directed goods and services in accordance with the individual's individual service plan and spending plan;
6. Processing and submitting claims and receiving Medicaid Assistance (MA) reimbursements and paying out for services provided by qualified DCWs, and vendors and small unlicensed providers in accordance with the individual's individual service plan (ISP);
7. Processing and submitting monthly claims through PROMISE™ and receives MA reimbursements for the fiscal support services the VF/EA FMS organization provides to individuals and their representatives based on a per member per month rate of payment determined by the Commonwealth;
8. Brokering worker's compensation insurance policies and renewals and paying premiums for individuals and representatives who are common law employers;
9. Preparing and distributing financial reports to: common law employers, Administrative Entity (AE), Care Manager/Service Coordinator (CM/SC), OLTL, ODP and PDA as required; and
10. Providing orientation and skills training to individuals and representative acting as common law employers.

The Commonwealth seeks to ensure that VF/EA FMS are provided consistently across waivers and state-funded programs to eligible individuals who wish to use PDS in the Commonwealth and in accordance with federal, state and local tax, labor and worker's compensation insurance and program requirements. The VF/EA FMS model has been implemented to support the delivery of PDS by performing the following primary functions:

1. Reduce the individual's and representative's employer-related burden associated with PDS and enhances the individual's and representative's choice and control through the provision of appropriate fiscal, payroll and supportive services.
2. Ensure the Commonwealth that the provision of PDS is in compliance with federal, state and local tax and labor and state worker's compensation insurance rules and requirements related to the employment of qualified DCWs and the engagement of vendors, small unlicensed providers and independent contractors.
3. The Commonwealth is seeking to achieve cost savings and efficiencies through the regionalization of the VF/EA FMS Services while enhancing services to its consumers

The Commonwealth will secure **up to three** Offerors with the capacity to provide VF/EA FMS to the waiver and state-funded programs included in this project and described below.

For the purpose of this RFA, when the term "individual" is used, it includes both the individual consumer and his/her representative.

B. Specific Objectives. The Selected Offeror(s) will achieve the following objectives:

1. Provide VF/EA FMS to eligible individuals enrolled in the waivers or state-funded programs and their representative who wish to use PDS.
2. Assure the Commonwealth that VF/EA FMS are being provided in compliance with federal, state, and local tax and labor and state worker's compensation insurance and OLTL, PDA, and ODP program requirements, as appropriate related to the employment of qualified Direct Care Worker (DCW) (e.g., acting as a certified Medicaid provider for the purpose of receiving and disbursing Medicaid funds).
3. Assure the Commonwealth that payment to vendors, small unlicensed providers, and independent contractors are being provided in compliance with all federal and state requirements.
4. Implement VF/EA FMS for all individuals enrolled in the waivers and state-funded programs using PDS effective January 1, 2013.
5. Assure the Commonwealth that all existing individuals enrolled in the waivers and state-funded programs using PDS are effectively transitioned to the Selected Offeror(s) by January 1, 2013.
6. Assure the Commonwealth that the Selected Offeror(s) has engaged staff that are knowledgeable of PDS and the provision of VF/EA FMS provided in compliance with §3504 of the IRSW code, Revenue Procedure 70-6, and REG-137036-08, as applicable, and State and local rules and regulations and policies.
7. Receive federal and State authority to act as a VF/EA FMS organization for common law employer.
8. Coordinate and communicate effectively with CM/SC Organizations, AEs, and Commonwealth, as necessary.
9. Manage public funds in an accurate and timely manner and in compliance with all federal and state requirements.
10. Develop and maintain a current computer database that has the capacities to track all PDS-related data.
11. Enroll individuals with the VF/EA FMS organization as common law employers.
12. Develop and implement initial orientation and initial and ongoing skills training for common law employers regarding enrolling with and using the VF/EA FMS organization and being an effective common law employer.

13. Enroll qualified DCWs, vendors, small unlicensed providers, and independent contractors.
14. Disenroll individuals from the VF/EA FMS organization as the common law employer, when necessary.
15. Broker workers' compensation insurance policy for each common law employer.
16. Bill for PDS rendered in compliance with Commonwealth requirements.
17. Process and distribute payroll and related federal, State and local taxes and insurances for qualified employees in an accurate and timely manner, in compliance with federal and State labor and tax laws.
18. Process invoices and, pay and track payments for participant-directed goods and services and vendor services.
19. Provide customer service that is accurate, timely and individual- and family-friendly.
20. Develop and implement a staffed call center with call history logs.
21. Establish and maintain at least one office in the Commonwealth in addition to the Selected Offeror(s)'s corporate headquarters.
22. Have physical space capacity and equipment necessary to operate effectively as a VF/EA FMS organization.
23. Establish and maintain current and archived files and documentation for common law employers, qualified DCWs, qualified vendors, small unlicensed providers, independent contractors, and the Selected Offeror(s).
24. Maintain all documentation and records related to the provision of PDS provided under the waivers and state-funded programs at the Selected Offeror(s)'s office(s) located in the Commonwealth.
25. Develop, maintain and test a disaster recovery plan.
26. Prepare and submit reports as specified and required by the Commonwealth.
27. Develop and implement training for VF/EA FMS staff on current federal, State and local rules and regulations pertaining to PDS programs and VF/EA FMS organization.
28. Develop and implement a procedure for staying up-to-date with current federal, State and local rules and regulations pertaining to PDS programs and VF/EA FMS.

IV-2. Nature and Scope of the Project. The purpose of this RFA is to secure up to three entities that will provide VF/EA FMS throughout the Commonwealth or on a regional basis for individuals who are enrolled in certain waiver and state funded programs and wish to receive PDS. Currently, there are approximately 21,034 individuals using PDS and VF/EA FMS under the waivers and state funded programs for OLTL and PDA. Currently, there are approximately 850 individuals using PDS and VF/EA FMS under the waivers for ODP.

LOT 1 WESTERN REGION – OLTL and PDA programs (approximately 7,126 consumers)

LOT 2 CENTRAL REGION OLTL, PDA AND STATEWIDE ODP programs (approximately 3,802 consumers for OLTL and PDA programs, and approximately 850 consumers for ODP programs)

LOT 3 EASTERN REGION- OLTL and PDA programs (approximately 10,106 consumers)

The following is an overview of each of the waiver and state-funded programs for which VF/EA FMS is sought pursuant to this RFA:

OLTL/PDA operates five waiver programs and one state funded program:

Aging Waiver

Aging and Home and Community-Based Waiver Services may be available to Pennsylvanians over the age of 60 to enable them to continue to live in their homes and communities with support and services.

Additional information about the Aging Waiver are available at the Commonwealth's website:

<http://www.portal.state.pa.us/portal/server.pt?open=514&objID=733693&mode=2>

Attendant Care Act 150 Program

The Attendant Care Act 150 (62 P.S. § 3051 et seq) (“Act 150”) Program provides for basic and ancillary services that enable an eligible person to remain in his or her home and community rather than an institution and to carry out functions of daily living, self-care and mobility. An eligible person as defined under Act 150 is any individual with physical disabilities who is mentally alert and at least 18 years of age but less than 60 who, in addition to requiring attendant care services, experiences any medically determinable physical impairment which can be expected to last for a continuous period of 12 months or may result in death. That person must also be capable of selecting, supervising and, if needed, firing an attendant and be capable of managing their own financial and legal affairs.

Additional information about the Act 150 program and the Attendant Care Services Act (62 P.S. § 3051 et seq.) are available on the Commonwealth's website at:

<http://www.dpw.state.pa.us/learnaboutdpw/waiverinformation/attendantcareact150/index.htm>

Attendant Care Waiver

The primary purpose of the Attendant Care Waiver, as part of the Attendant Care Program, is to offer individuals ages 18-59 who are mentally alert with physical disabilities and who are Medicaid eligible the choice of home and community-based services to avoid institutionalization.

The services provided through the Attendant Care Waiver assist individuals in performing activities of daily living (ADL) as well as instrumental activities of daily living (IADL) to enable them in leading a more independent lifestyle.

The term “mentally alert” in attendant care programs in Pennsylvania has traditionally been used to distinguish between those persons with physical disabilities and persons with mental retardation or persons with a mental health diagnosis. In addition, mentally alert has been operationally defined as meeting the eligibility criteria for Act 150 (see above).

Additional information about the Attendant Care Waiver and the Attendant Care Waiver application are available on the Commonwealth’s website at:

<http://www.dpw.state.pa.us/learnaboutdpw/waiverinformation/attendantcareact150/index.htm>

CommCare Waiver

The CommCare Waiver provides services to individuals with traumatic brain injury who are Medicaid eligible and who are 21 years of age and older. The waiver’s primary purpose is to prevent inappropriate and unnecessary institutionalization by providing cost-effective services as an alternative to institutionalization. The waiver allows the Commonwealth of Pennsylvania to serve persons in need of services and supports in the community.

Traumatic brain injury (TBI) is defined as a sudden insult to the brain or its coverings, not of a degenerative, congenital or post-operative nature, which is expected to last indefinitely.

Additional information about the CommCare Waiver and the CommCare Waiver application are available on the Commonwealth’s website at:

<http://www.dpw.state.pa.us/learnaboutdpw/waiverinformation/commcarewaiver/index.htm>

Independence Waiver

The Independence Waiver provides services to individuals with physical disabilities who are Medicaid eligible and who are 18 to 60 years of age. The primary purpose of the waiver is to prevent inappropriate and unnecessary institutionalization by providing home and community-based services as a cost-effective alternative to institutional care. Independence waiver services enable participants to live in the most integrated community setting appropriate to their individual service requirements and needs; exercise meaningful choices; and obtain the quality services necessary to live independently.

Additional information about the Independence Waiver and the Independence Waiver application are available on the Commonwealth’s website at:

<http://www.dpw.state.pa.us/learnaboutdpw/waiverinformation/commcarewaiver/index.htm>

OBRA Waiver

The OBRA Waiver provides services to individuals with an Other Related Condition who are Medicaid eligible and who are 18 to 60 years of age. The primary purpose of the waiver is to prevent inappropriate and unnecessary institutionalization by providing home and community-based services as a cost-effective alternative to institutional care. OBRA Waiver services enable participants to live in the most integrated community setting appropriate to their individual

service requirements and needs; exercise meaningful choices; and obtain the quality services necessary to live independently.

Other related conditions (ORCs) include physical, sensory, or neurological disabilities which manifested before age 22, are likely to continue indefinitely, and result in substantial functional limitations in three or more of the following areas of major life activity: capacity for independent living, mobility, self-direction, learning, understanding and use of language, and self-care.

Additional information about the OBRA Waiver and the OBRA Waiver application are available on the Commonwealth's website at:

<http://www.dpw.state.pa.us/learnaboutdpw/waiverinformation/commcarewaiver/index.htm>

ODP operates two waiver programs:

1. Consolidated Waiver for Individuals with Intellectual Disabilities

2. Person/Family Directed Support (P/FDS) Waiver

Both the Consolidated and P/FDS waivers are Medicaid Home and Community-Based Services (HCBS) waiver programs authorized in §1915(c) of the Social Security Act. The program permits a State to furnish an array of home and community-based services that assist Medicaid beneficiaries to live in the community and avoid institutionalization. The State has broad discretion to design its waiver program to address the needs of the waiver's target population. Waiver services complement and/or supplement the services that are available to participants through the Medicaid State plan and other federal, state and local public programs as well as the supports that families and communities provide.

Both Waivers have been developed to emphasize deinstitutionalization and to prevent or minimize institutionalization.

The Waivers are designed to help persons with intellectual disabilities live more independently in their homes and communities and to provide a variety of services that promote community living, including participant-directed service models and traditional, agency-based service models. The Department of Public Welfare, as the State Medicaid agency, retains authority over the administration and implementation of the Waivers. ODP, as part of the State Medicaid Agency, is responsible for the development and distribution of policies, rules, and regulations related to waiver operations.

Additional information about the **Consolidated Waiver** is available at the Pennsylvania of Public Welfare's website:

<http://www.dpw.state.pa.us/learnaboutdpw/waiverinformation/consolidatedwaiverforindividualswithintellectualdisabilities/index.htm>

Additional information about the **P/FDS Waiver** is available at the Pennsylvania Department of Public Welfare's website:

IV-3. Requirements.

1. **General Requirements.** The Selected Offeror(s) must meet the general requirements prior to serving individuals enrolled in the waiver *who wish to use* PDS.
 - a. **Prime Contractor Responsibilities.** The Agreement will require the Selected Offeror(s) to assume responsibility for all services offered in its proposal whether it produces them itself or by subcontract. The Issuing Office will consider the Selected Offeror(s) to be the sole point of contact with regard to contractual and operational matters.
 - b. **Subcontracting.** Any use of subcontractors by the Selected Offeror(s) must be identified in the proposal and approved by the Issuing Office. During the Project period, use of any subcontractors by the Selected Offeror(s) not previously identified in the proposal must be approved in writing by the Commonwealth's Contract Administrator prior to the start of the work effort. Subcontractors are required to meet the same work skill qualification as the prospective Selected Offeror(s) as identified in this RFA.
 - c. **Subcontracting with a Reporting Agent.** The Selected Offeror(s) may not subcontract with and delegate VF/EA FMS tasks to a reporting agent.
 - d. **Performance and Payment Bonds.** The Agreement will require the Selected Offeror(s) to deliver to the Commonwealth executed performance and payment bonds, each in the sum of six months of estimated annual Agreement amount, with the Commonwealth as the obligee. The surety will be a surety company or companies listed in the Federal Registry of Surety Companies and approved by the State Corporation Commission to transact business in the Commonwealth of Pennsylvania. No payment will be due and payable to the Selected Offeror(s), even if the Agreement has been performed in whole or in part, until the bonds have been delivered and approved by the DPW. The payment bond will be used to cover delinquent payments to qualified DCWs, vendors and small unlicensed providers, and federal state and local tax and worker's compensation insurance premium payments up to the maximum of the value of the full value of the bond in the event that the Selected Offeror(s) is unable to properly, promptly and efficiently perform the Agreement and/or the Agreement is terminated by default or bankruptcy.
 - e. As a VF/EA FMS organization, the Selected Offeror(s) must operate in accordance with §3504 of the Internal Revenue Service (IRS) Code, Revenue Procedure 70-6, 1970-1 C.B. 420, as modified by IRS Proposed Notice 2003-70 and IRS REG-137036-08 and any other future revenue procedures, notices or publication promulgated by the IRS. The Selected Offeror(s) also must operate in compliance

with state and local tax laws, federal and state labor laws and state workers' compensation insurance laws.

- f.** The Selected Offeror(s) must file for and obtain a separate Federal Employer Identification Number (FEIN) in addition to its corporate FEIN for the sole purpose of filing certain federal forms and income tax withholding and employment taxes and depositing these taxes on behalf of the individuals and representatives the Selected Offeror(s) represents as employer agent. Since the Selected Offeror(s) is required to have three (3) years of experience providing VF/EA FMS to publicly-funded PDS programs, it should have a separate FEIN and must show evidence of this.
 - g.** The Selected Offeror(s) must have a working knowledge of the Medicaid target population (individuals with developmental disabilities, over the age of 60, and physical disabilities), PDS and how participant direction relates to the provision of VF/EA FMS and providing VF/EA FMS in accordance with federal, state and local tax, labor, worker's compensation insurance and program rules and regulations, as applicable.
 - h.** The Selected Offeror(s) must comply with existing or new applicable regulations, requirements, standards, directives, statutes, etc. issued by the Commonwealth and/or Federal and local governments that take effect during the Agreement period.
- 2. Conflict Free Requirements.** The Selected Offeror(s) must be free of any conflict of interest with any existing or future waiver/program providers. To ensure an objective, unbiased process, the Selected Offeror(s) and any subcontractors must be free of real or perceived conflicts of interest:
- a.** Requirements:

 - i.** The Selected Offeror(s) and its subcontractors may not be a part of or affiliated and must remain independent from any provider of home and community based waiver services. Neither the governing body of the Selected Offeror(s) nor individual members of the governing body may be affiliated with any provider of home and community based waiver services. Nor may the Selected Offeror(s) or its subcontractors be affiliated with or a subsidiary of any existing provider of home and community based waiver services.
 - ii.** No personnel assigned to the project may work for any provider of home and community based waiver services. However, personnel assigned to the project may receive direct services or supports from such provider as long as the services are purchased at fair rates (either private pay, through an HCBS program, or through another third party program).
 - iii.** The Selected Offeror(s) cannot be a developmental disabilities service provider within the Commonwealth. However, if the Selected Offeror(s) merely is related to or otherwise affiliated with a developmental disabilities service provider, the Selected Offeror(s) must disclose this relationship in its Technical Proposal and provide a detailed written description of the nature of

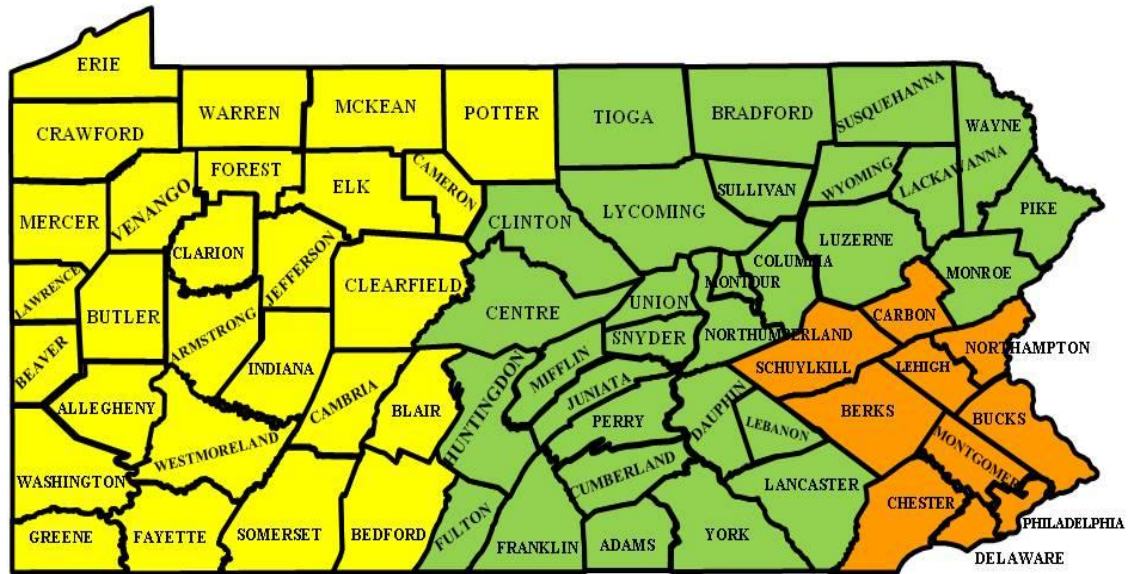
its relationship with the related provider, including, but not limited to, detailed information on the ownership of the company that contains the names and percent of ownership, ownership structure, as well as any other current contracting or subcontracting relationships that may result in a conflict of interest with the requirements of this solicitation. The Selected Offeror(s) also must abide by the conflict of interest standards identified in the Standard Terms and Conditions for Services and the DPW Addendum to the Standard Terms and Conditions.

In addition, the Commonwealth reserves the right to not accept a proposal from an Offeror that has been determined to have a conflict of interest based on the language above. As part of the Transmittal Letter, see **Part II, Section II-3**, the Offeror must submit complete organizational information that includes an organization chart listing all subsidiaries; a listing of all Agreements that the Offeror has within Pennsylvania; a listing of any Agreements of its subsidiaries associated with any home and community-Based services provider doing business in Pennsylvania.

- 3. In-state Office Requirement.** The Selected Offeror(s) must establish at least one brick and mortar office in Pennsylvania regardless of the number of lots awarded. All sites within Pennsylvania must be accessible and meet the Americans with Disabilities Act (ADA) standards. The physical site of the Selected Offeror(s)'s administrative functions, all satellite offices, and any worksites cannot be co-located with any existing provider.
- 4. Resource Requirements.** The Selected Offeror(s) must have a physical plant and the equipment that is appropriate and supports the provision of VF/EA FMS as outlined in the current ODP Bulletin 00-08-14 relating to VF/EA FMS. The Selected Offeror(s) must supply meeting rooms and normal office space for personnel, including equipment, Microsoft® Office Software, network connectivity, supplies, clerical assistance, and administrative support needed to perform this engagement at its headquarters and any satellite offices.
- 5. Regional Presence.** The Selected Offeror(s) must establish a presence in each region (see regional map below) and must have the capability to conduct in-person meetings with individuals, families, and representatives in each region. In addition, the Selected Offeror(s) must establish regional teams which can provide expertise on local tax issues and other related topics. Regional teams need not be regionally located.

Regional Map

VF/EA FMS Regional Map



The Western Region includes the following counties: Allegheny, Armstrong, Beaver, Bedford, Blair, Butler, Cambria, Cameron, Clarion, Clearfield, Crawford, Elk, Erie, Fayette, Forest, Greene, Indiana, Jefferson, Lawrence, McKean, Mercer, Potter, Somerset, Venango, Warren, Washington, and Westmoreland.

The Central Region includes the following counties: Adams, Bradford, Centre, Clinton, Columbia, Cumberland, Dauphin, Franklin, Fulton, Huntingdon, Juniata, Lackawanna, Lancaster, Lebanon, Luzerne, Lycoming, Mifflin, Monroe, Montour, Northumberland, Perry, Pike, Snyder, Sullivan, Susquehanna, Tioga, Union, Wayne, Wyoming, and York.

The Eastern Region includes the following counties: Berks, Bucks, Carbon, Chester, Delaware, Lehigh, Montgomery, Northampton, Philadelphia, and Schuylkill.

ODP uses 4 regional areas whereas OLTL/PDA uses 3 regional areas. Please reference Appendix M to determine the counties that are within the respective ODP Region. The Selected Offeror(s) will need to communicate with a point person in each ODP region.

- 6. Service Capacity.** The Selected Offeror(s) must have the capacity to serve individuals and representatives located in each of the Commonwealth's regions in the state (see regional map included Section IV-2 above) and to conduct in-person meetings with individuals located in each Commonwealth region.
- 7. Department of State.** The Selected Offeror(s) must be qualified and registered with the Pennsylvania Department of State to do business in the state.

8. **Financial Viability.** Secure a surety bond equal to or greater than the total cost of VF/EA FMS and related services for the VF/EA for one month.
9. **Medicaid Enrolled Provider.** The Selected Offeror(s) must be an enrolled provider in the Pennsylvania Medical Assistance Program.
10. **OLTL VF/EA FMS Special Provider Agreement.** The Selected Offeror(s) must enter into and maintain the OLTL VF/EA-FMS Special Provider Agreement, Appendix L.
11. The Selected Offeror(s) must maintain documentation to support its compliance with these requirements.
12. The Selected Offeror(s) must arrange for, at its own expense, criminal background clearances from the Pennsylvania State Police and child abuse clearances per the Child Protective Services Law (CPL) [23 Pa. C.S. Chapter 63] and obtain written results from the Pennsylvania State Police and Office of Children, Youth and Families' DPW-Childline and Abuse Registry for all staff that perform work related to this RFA prior to providing waiver services. Criminal background checks are conducted via the Criminal History Request Online found at the Pennsylvania State Police Website, under PSP Services, <http://www.psp.state.pa.us>. Child abuse clearances are obtained from:

Office of Children, Youth and Families
DPW-Childline and Abuse Registry
P.O. Box 8170
Harrisburg, Pennsylvania 17105-8170
(717) 783-6211

If staff that perform work related to this RFA has not been a Pennsylvania resident for the previous two (2) years, the Selected Offeror(s) must obtain a Federal Criminal History Record from the Federal Bureau of Investigation (FBI), in addition to the Criminal History Record from the State Police.

13. The Selected Offeror(s) must, at its expense, arrange for a criminal background clearances from the Pennsylvania State Police and obtain written results for each of its employees, as well as the employees of any of its subcontractors, who will have access to the Commonwealth's IT service programs, either through on-site access or through on-site access or through remote access. Criminal background checks are conducted via the Criminal History Request Online found at the Pennsylvania State Police Website, under PSP Services <http://www.psp.state.pa.us>. The criminal background checks must be conducted prior to initial access and on an annual basis thereafter.

Before the Commonwealth will permit access to the Selected Offeror(s), the Selected Offeror(s) must provide written confirmation that the background checks have been conducted. If, at any time, it is discovered that an Selected Offeror(s) employee has a criminal record that includes a felony or misdemeanor involving terroristic behavior, violence, use of a lethal weapon, or breach of trust/fiduciary responsibility or which

raises concerned about building, system or personal security or is otherwise job-related, the Selected Offeror(s) shall not assign that employee to any Commonwealth service program, shall remove any access privileges already given to the employee and shall not permit that employee remote access unless the agency consents to the access, in writing, prior to access. The Commonwealth may withhold its consent in its complete discretion. Failure of the Selected Offeror(s) to comply with the terms of this paragraph may result in default of the Selected Offeror(s) under its Agreement.

14. The Selected Offeror(s) must arrange for, at its own expense, criminal background clearances from the Pennsylvania State Police and child abuse clearances per the Child Protective Services Law (CPL) [23 Pa. C.S. Chapter 63] and obtain written results from the Pennsylvania State Police and Office of Children, Youth and Families' DPW-Childline and Abuse Registry for all DCWs employed by the common law employer as a condition of becoming qualified and prior to providing waiver services. Criminal background checks are conducted via the Criminal History Request Online found at the Pennsylvania State Police Website, under PSP Services, <http://www.psp.state.pa.us>. Child abuse clearances are obtained from:

Office of Children, Youth and Families
DPW-Childline and Abuse Registry
P.O. Box 8170
Harrisburg, Pennsylvania 17105-8170
(717) 783-6211

If a DCW employed by the common law employer as a condition of becoming qualified and prior to providing waiver services has not been a Pennsylvania resident for the previous two (2) years, the Selected Offeror(s) must obtain a Federal Criminal History Record from the Federal Bureau of Investigation (FBI), in addition to the Criminal History Record from the State Police.

15. The Selected Offeror(s) must comply with [Medical Assistance Bulletin 99-11-05](#) titled "Provider Screening of Employees and Contractors for Exclusion from Participation and Federal Health Care Programs and the Effect of Exclusion on Participation" and any revisions or updates.
16. The Selected Offeror(s) must have a sound financial and reporting structure to efficiently serve participants as outlined in **Part II-7, *Financial Capacity***.
17. **Information Handling.** The Selected Offeror(s) must abide by the Commonwealth's specific regulations and requirements concerning confidentiality of information and Health Insurance Portability and Accountability Act (HIPAA) (see Appendix G) Business Associate Language provided by OLTL/PDA/ODP, and the DPW Addendum to the Standard Terms and Conditions (see **Appendices A and B**). The Selected Offeror(s) must protect the confidentiality of all Commonwealth and ODP information. The Selected Offeror(s) agrees that any breach of this provision may, at the discretion of the Commonwealth and/or the OLTL/PDA/ODP; result in termination of the Agreement.

The nature of VF/EA FMS requires the handling of sensitive information. All personnel and/or sub-Selected Offeror(s) assigned to the provision of VF/EA FMS by the Selected Offeror(s) must comply with applicable federal and state laws, regulations, and rules regarding the security and confidentiality of information individuals receiving Medicaid waiver services.

Compliance will include:

- a. All personnel and/or sub-Selected Offeror(s)(s) of the Selected Offeror(s) and its reporting agent, as applicable must comply with the Health Insurance Portability and Accountability Act (HIPAA);
- b. All personnel and/or sub-Selected Offeror(s)(s) of the Selected Offeror(s) and its reporting agent, as applicable, must receive training in confidentiality regulations, including HIPAA Privacy and Security training and Medicaid confidentiality requirements;
- c. All personnel and/or sub-Selected Offeror(s)(s) of the Selected Offeror(s) must sign confidentiality agreement. Personnel policies must address disciplinary procedures relevant to violation of the signed confidentiality agreement; and
- d. Both confidential and sensitive information are not to be used by the Selected Offeror(s) or sub-Selected Offeror(s)(s) or given to another agency other than for the purpose of carrying out obligations of the Agreement.

The Selected Offeror(s) is responsible for ensuring that adequate measures are in place to prohibit unauthorized access, copying, and distribution of information during work on this project. The Selected Offeror(s) is responsible for proper disposal of both hard and electronic working copies of information during work on this Project, as well as any remaining information upon the completion of the project.

Sensitive information may need to be transferred from other agencies or shared with the Commonwealth during the course of the Agreement period, and/or transitioned to another vendor at the conclusion of this Agreement. The Selected Offeror(s) will follow Commonwealth procedures for information handling and sharing. The Selected Offeror(s) will ensure that all records are properly retained for six (6) years after becoming fully inactive or until the disposition of court hearings, audits and appeals are complete. The Selected Offeror(s) is responsible for following record retention procedures for all applicable federal, state and local government agencies.

18. Current, Comprehensive, Pennsylvania-specific VF/EA FMS Organization Procedures Manual. The Selected Offeror(s) must prepare and maintain a Pennsylvania-specific VF/EA FMS Organization Procedures Manual (“Manual”). This manual must include procedures and internal controls for all VF/EA FMS organization tasks and requirements outlined in this RFA. The Manual must be submitted to the Commonwealth during the VF/EA FMS Organization Readiness Review (See Appendix K) for review and approval. The Manual should be updated at least annually or more frequently, as necessary and all updates must be reviewed and approved by

Commonwealth. The Manual should be available and submitted to Commonwealth in electronic format.

19. Archived Files. The Selected Offeror(s) must establish and maintain all archived files in an accurate, secure and confidential manner and for the required period of time as mandated by applicable federal, state and local rules and regulations.

20. Implementation Plan. The Selected Offeror(s) must provide the Commonwealth with a full implementation plan along with their bid. This plan will include:

- a. A current, comprehensive and Pennsylvania-specific VF/EA FMS Organization Procedures Manual;
- b. A copy of the Contractor's organizational chart;
- c. A copy of the Contractor's IRS Form SS-4, *Application for Employer Identification Number* (application for separate FEIN);
- d. A copy of the Contractor's IRS document providing the separate FEIN;
- e. A copy of the IRS document providing the corporate Selected Offeror(s)'s FEIN;
- f. A copy of the IRS Form 940, *Employer's Annual Federal Unemployment (FUTA) Report*; Schedule R, *Allocation Schedule for Form 940 Filers*; and Schedule A, *Multi-State Employer and Credit Reduction Information*, as appropriate. These documents should reflect the most recent tax year;
- g. A copy of deposit documentation showing the electronic (EFT) filing made for FUTA;
- h. A copy of the IRS Form 941, *Employer's Quarterly Federal Tax Report*, along with IRS Forms 941 Schedule R, *Allocation for Aggregate Form 941 Filers* and Schedule B, *Report of Tax Liability for Semi-Annual Schedule Depositors*, as appropriate. These documents should reflect the most recent tax year;
- i. A copy of deposit documentation showing the electronic (EFT) filing made for FIT/FICA;

21. VF/EA FMS Organization Readiness Review. In advance of the transition of common law employers the Selected Offeror(s) shall participate in the VF/EA FMS Organization Readiness Review ("Readiness Review") process which will be conducted by the OLTL/PDA/ODP. The purpose of the Readiness Review is to assess and document the status of the Selected Offeror(s) readiness with respect to meet the requirements outlined in the RFA and Agreement. The Selected Offeror(s) will not be permitted to begin serving OLTL/PDA/ODP waiver participants if it does not show acceptable evidence of readiness relative to each requirement during the OLTL/PDA/ODP-conducted Readiness Review. Readiness Reviews include Selected Offeror(s)-provided detailed descriptions of how the Selected Offeror(s) will comply with the current VF/EA FMS Bulletin 00-08-14 and Agreement requirements during an onsite visit with OLTL/PDA/ODP staff. The Readiness Review must include:

- a. Timeframe for preparing enrollment and employment packets and distributing them to new and current individuals and representatives who will become common law employers;
- b. Current database modification to meet all requirements of this RFA and the Agreement;
- c. Staff recruitment and training process and timeline;
- d. Modifications to a current call center;
- e. Modification to a current website;
- f. Recommended modifications to the current processes used by the Commonwealth for VF/EA FMS organizations;
- g. Timeframe for computer networks to be installed and tested;
- h. Timeframe for Medicaid billing systems to be implemented and tested
- i. Timeframe for Reporting system and reports to be tested and validated by VF/EA FMS organization and OLTL/PDA/ODP prior to implementation;
- j. Timeframe for enrolling existing common law employers with the Selected Offeror(s); and
- k. Develop a quality management system to monitor the requirements of this RFA and the Agreement.

The OLTL/PDA/ODP reserves the right to continue development of elements and forms to be used for the Readiness Review process. The date will be determined by DPW/OLTL/PDA/ODP.

The Selected Offeror(s) will be expected to provide sufficient staff to facilitate the Readiness Review process. More specifically, the Selected Offeror(s) must have sufficient corporate staff devoted to the Readiness Review process. Selected Offeror(s) staff will be expected to play an active role in the Readiness Review and demonstrate progress in an ongoing manner. Once the Readiness Review is completed and the findings presented to the Selected Offeror(s) by OLTL/PDA/ODP, the Selected Offeror(s) will prepare a corrective action plan (“CAP”) and address all outstanding issues identified during the Readiness Review prior to providing VF/EA FMS effective July 1, 2012. During the implementation of the CAP, the Selected Offeror(s) will have regular status meetings with the OLTL/PDA/ODP Readiness Review Team. These meetings could occur either face-to-face or via conference call. The VF/EA FMS Organization Readiness Review is not a paid task.

22. VF/EA FMS Organization Performance Review. In accordance with a schedule implemented by OLTL/PDA/ODP, the Selected Offeror(s) shall participate in a VF/EA FMS Organization Performance Review (“Performance Review”) conducted by OLTL/PDA/ODP. The purpose of the Performance Review is to assess and document the Selected Offeror(s)’s ability to perform as a VF/EA FMS organization in accordance with federal, state and local rules and regulations. Based on the results of the Performance Review, the following actions may be taken by OLTL/PDA/ODP.

The Selected Offeror(s) will be expected to provide sufficient staff to facilitate the Performance Review process. Selected Offeror(s) staff will be expected to play an active

role in the Performance Review and demonstrate progress in an ongoing manner. Once the Performance Review is completed and the findings presented to the Selected Offeror(s) by OLTL/PDA/ODP, the Selected Offeror(s) will prepare a corrective action plan (“CAP”) and address all outstanding issues identified during the Performance Review. During the implementation of the CAP, the Selected Offeror(s) will have regular status meetings with the OLTL/PDA/ODP Performance Review Team.

23. The Selected Offeror(s) must be capable of accessing the following DPW systems:

- a. The Provider Reimbursement and Operations Management Information System (PROMISE™), the Commonwealth’s claims processing and management information system. Information is available online at <http://www.dpw.state.pa.us/provider/promise/index.htm>
- b. The Home and Community-Based Services Information System (HCSIS), the information system used to maintain waiver participants’ records specific to the Attendant Care, CommCare, Independence, OBRA, Consolidated and P/FDS waivers and the Attendant Care Act 150 state funded program. Information is available online at <https://www.hcsis.state.pa.us/hcsis-ssd/>
- c. The Social Assistance Management System (SAMS), the information system used to maintain waiver and state funded participants’ records specific to the Aging waiver. Information is available online at <http://www.lttrainingpa.org/resources/index.cfm>.
- d. Electronic Eligibility Verification System (EVS) is the DPW’s system for verifying Medicaid recipient eligibility. Information is available at http://www.dpw.state.pa.us/ucmprd/groups/webcontent/documents/communication/s_002924.pdf.
- e. Additional software packages as applicable.

Workspace must meet all Commonwealth requirements including, but not limited to, hardware, Website, telecommunications, and network connectivity via the Commonwealth Business Partner Network (in compliance with ITB-NET-008). Desktop computers must comply with Commonwealth Desktop standards to include Virus Protection and Security Software.

http://www.portal.state.pa.us/portal/server.pt/gateway/PTARGS_0_2_785_416_0_43/http%3B/pubcontent.state.pa.us/publishedcontent/publish/global/files/itbs/network_itbs/net008/itb_net008.doc

The Selected Offeror(s) must have (or show a work plan for implementation of) a functional Website that meets the RFA requirements and meets Section 508 requirements. Section 508 refers to a statutory section in the Rehabilitation Act of 1973 (found at 29 U.S.C. § 794d). Its primary purpose is to provide access to and use of federal executive agencies’ electronic and information technology (EIT) by individuals with disabilities. Additional information can be found at www.section508.gov.

24. Emergency Preparedness. To support continuity of operations during an emergency, including a pandemic, the Commonwealth needs a strategy for maintaining operations for

an extended period of time. One part of this strategy is to ensure that essential Agreements that provide critical business services to the Commonwealth have planned for such an emergency and put contingencies in place to provide needed goods and services.

- a. Describe how the Selected Offeror(s) anticipates such a crisis will impact its operations;
- b. Describe the Selected Offeror(s)'s emergency response continuity of operations plan. Please attach a copy of the Selected Offeror(s)'s plan, or at a minimum, summarize how the Selected Offeror(s)'s plan addresses the following aspects of pandemic preparedness:
 - i) Employee training (describe the Selected Offeror(s)'s training plan, and how frequently its plan will be shared with employees);
 - ii) Identified essential business functions and key employees (within the Selected Offeror(s)'s organization) necessary to carry them out;
- c. Describe the Selected Offeror(s)'s contingency plans for:
 - i) How the Selected Offeror(s)'s organization will handle staffing issues when a portion of key employees are incapacitated due to illness;
 - ii) How employees in the Selected Offeror(s)'s organization will carry out the essential functions if contagion control measures prevent them from coming to the primary workplace.
- d. How the Selected Offeror(s)'s organization will communicate with staff and suppliers when primary communications systems are overloaded or otherwise fail, including key contacts, chain of communications (including suppliers), etc.; and
- e. How and when the Selected Offeror(s)'s emergency plan will be tested, and if the plan will be tested by a third-party.

25. Disaster Recovery Plan. The Selected Offeror(s) must develop and document a disaster recovery plan for electronic records and files. The disaster recovery plan must address:

- a. The rapid return to limited operation;
- b. The accuracy of software and data at return to operation; and
- c. The ability to return to full capacity as soon as possible.

The Selected Offeror(s)'s disaster recovery plan must include, at a minimum:

- a. A complete backup of all non-software data sets at the end of each production day;
- b. The resultant tapes/disks will be removed to an external secure site. These back-up tapes/disks must be cycled on a weekly basis.
- c. Upon the installation of any software (new or upgraded) a complete backup (copy) of the software must be made with the resultant tapes/disks removed to an external secure site. The backups must be retained in the grandfather, father, son scheme;
- d. The server must be designed to employ a method of redundancy for operational integrity and production;

- e. All workstations attached to the network must have sufficient processing capability to be used interchangeably and must be able to backup one another until repair or replacement can be affected;
- f. The server must be connected to an Uninterrupted Power Supply (UPS) system, which will condition incoming power to the server and provide sufficient processing time for the server to be correctly shutdown in the event of a power failure;
- g. In the event of damage of a sufficient magnitude to the primary operational site, a second company location must be able to be modified to accommodate the system;
- h. There must be a description of the change of communication and command, by level, in the case of a systems or power failure; and
- i. There must be a Business Continuity Plan (BCP) to maintain business operations via a semi-automated and/or manual mode to mitigate complete disruption of services until systems have been restored to normal operating capacities.

The Selected Offeror(s) must describe how, by whom, and when its disaster recovery plan will be tested.

26. The Selected Offeror(s) will be responsible for other tasks or deliverables request by the OLTL/PDA/ODP Project Manager that are not outside the scope of this RFA. All such requests will be made in a formal, written manner by the Manager. The Selected Offeror(s) should not commence with additional work without receiving the written request.

- a. It is mandatory for the Selected Offeror(s) to supply monthly status reports to OLTL/PDA/ODP that are broken down by deliverable;
- b. The Selected Offeror(s) and all subcontractors are required to complete HIPAA Privacy and Security training and sign a Confidentiality Agreement prior to performing any work;
- c. The majority of services provided by the Selected Offeror(s) will be provided during business hours of 8:30 am and 5:00 pm EST/EDT and follow the Department of Public Welfare's 37.5 hour workweek;
- d. The Selected Offeror(s) must supply support staff dedicated to this Project;
- e. Prior to the implementation of the Agreement, the Selected Offeror(s) will be required to successfully complete a VF/EA FMS Readiness Review ("Readiness Review") conducted by OLTL/PDA/ODP. Successful completion of the Readiness Review includes preparing and implementing a Plan of Correction based on the findings of the Review and having a current Pennsylvania-specific VF/EA FMS Procedures Manual ("Manual") in place and available for inspection by OLTL/PDA/ODP staff. This Manual must include procedures and internal controls for all VF/EA FMS organization tasks and requirements included in this RFA. The Manual must be updated by the Selected Offeror(s) annually and more frequently, as necessary;

- f. Staff of the Selected Offeror(s) assigned to this Project must be able to work cooperatively with DPW, PDA, and OLTL/ODP staff and their designees, including another VF/EA FMS organization during all phases of the Project;
- g. Staff of the Selected Offeror(s) assigned to this Project must be able to coordinate and receive direction from designated DPW, PDA, and OLTL/ODP staff during all phases of this Project; and
- h. Staff of the Selected Offeror(s) assigned to this Project must be able to deliver work that is not in conflict with the priorities and hardware/software choices and limitations as established by the Commonwealth, DPW and OLTL/PDA/ODP.

IV-4. VF/EA FMS Tasks

A. Billing for Services Rendered

The Selected Offeror(s) must:

- 1. Have written policies and procedures related to the completion of the tasks listed below;
- 2. Have written internal controls, including segregation of duties, related to the completion of the tasks listed below;
- 3. Determine and incorporate all OLTL/PDA/ODP program rules and requirements for payroll and invoice payment and develop a rules-based system for billing;
- 4. Receive and maintain participant's initial and updated Individual Service Plans from HCSIS or SAMS and Spending Plans from the CM/SC for OLTL and PDA only;
- 5. Process Medicaid claims through the Commonwealth's Provider Reimbursement and Operations Management Information System (PROMISE™) system for Medicaid waiver services (including payments made for qualified DCWs, vendors, small unlicensed providers, and independent contractors) within 180 days of the date of service and in accordance with waiver participants ISPs and OLTL/PDA/ODP and OMAP billing and Agreement requirements;
- 6. Process Medicaid claims through PROMISE™ for the VF/EA FMS per member per month administrative fee established by OLTL/PDA/ODP in accordance with OLTL/PDA/ODP and OMAP billing requirements;
- 7. For ODP only, if the Selected Offeror(s) chooses to provide VF/EA FMS for ODP consumers funded with Base program funds:
 - a. The administrative fee must not exceed the DPW negotiated PM/PM administrative fee; and
 - b. The VF/EA will receive payment from the County MH/MR for services rendered as reported on the County payment file generated by PROMISE™;

8. For ODP consumers enrolled in the PFDS waiver only, the Selected Offeror(s) will provide VF/EA FMS for services rendered that are authorized with Base program funds because the services exceed the PFDS cap:
 - a. The administrative fee and the process for billing the administrative fee is outlined in Part II-9 *Cost Submittal* Section J *Total Cost* and Part IV-4 *VF/EA Tasks* Section A *Billing for Services Rendered*; and
 - b. The VF/EA will receive payment from the County MH/MR for services rendered as reported on the County payment file generated by PROMISE™.
9. Resubmit any suspended or denied claims for Medicaid waiver services, as appropriate within 365 days from date of service in accordance with OLTL/PDA/ODP and OMAP billing requirements;
10. Process Medicaid claims for services rendered not to exceed the negotiated and/or established waiver service rate(s);
11. For ODP, process Medicaid claims for services rendered not to exceed the established wage ranges or service rate ranges;
12. Ensure that billing records support the amounts reported on claims that are submitted electronically through PROMISE™;
13. Have billing records that contain sufficient and current waiver participant and service information;
14. For OLTL only, have a process for determining when a participant is admitted to a nursing facility or hospital and the length of stay;
15. Have a process for reconciling hours of services billed and paid;
16. Have a process for billing the common law employer directly for services provided not in accordance with the individual's approved ISP or when any established service limit is exceeded;
17. Have a process for monitoring and billing the FUTA/SUTA paid for each DCW and when applicable thresholds are met reduce the rate billed to PROMISE™;
18. For ODP only, pay overtime in accordance with ODP and PA Department of Labor and Industry policy; and
19. Have a process for reimbursing the Commonwealth for any funds remaining in the separate bank account for managing participant directed funds at the end of the state fiscal year.

B. Managing Public Funds

The Selected Offeror(s) must:

1. Have written policies and procedures related to the completion of the tasks listed below;
2. Have written internal controls, including segregation of duties, related to the completion of the tasks listed below;
3. Establish and maintain an accounting and information system for receiving and disbursing Medicaid funds and for tracking all transactions and balances;

4. Establish a bank account for the purposes of receiving payment of the per member monthly administrative fee;
5. Establish a separate bank account for the purposes of managing participant directed funds into which all payments received from Medicaid and the State must be immediately deposited and must submit to the OLTL/PDA/ODP written evidence that the bank has established said account as set forth below. The VF/EA FMS organization must complete all forms as specified by the OLTL/PDA/ODP and the bank to establish electronic fund transfers from Medicaid and the State to the bank account.
 - a. Prohibit the withdrawal of funds except for payment for services provided to the consumer including all taxes, insurances, and fees; and
 - b. Maintain, to the extent legally permissible, in a manner that prevents creditors of the VF/EA FMS organization from in any way encumbering or acquiring funds in the bank account.
6. Any bank charges (i.e., stop payment fees) must be absorbed by the VF/EA and not reduce the balance of the bank account;
7. Ensure that funds deposited into the bank account are not used by the VF/EA FMS organization or by any other agent or third party to satisfy, temporarily or otherwise, any VF/EA FMS organization liability or for any other purpose, except as provided under this RFA;
8. Maintain a report on bank account activity in accordance with the reporting requirements established by the Commonwealth. These requirements should include monthly reporting of bank account activity, including a summary of the month's bank activity, reconciliation of the bank balance to the General Ledger, and reconciliation of any amounts advanced from DPW; and
9. Do not co-mingle other funds with funds in the separate bank account.

C. Receiving Federal and State Authority to Act as a VF/EA FMS Organization

The Selected Offeror(s) must:

1. Have written policies and procedures related to the completion of the tasks listed below;
2. Have written internal controls, including segregation of duties, related to the completion of the tasks listed below;
3. Apply for (through the completion and submission of the IRS Form SS-4 *Application for Employer Identification Number*) and obtain a separate Federal Employer Identification Number (EIN) for the sole purpose of purpose of filing and paying federal employment taxes and insurances and other required IRS forms on behalf of common law employers it represents as agent. (Note: the VF/EA FMS organization may already have a separate Federal EIN and should be able to demonstrate that it is separate and distinct from the organization's corporate Federal EIN);
4. Maintain a copy of the completed IRS Form SS-4, separate FEIN and related correspondence with IRS in the VF/EA FMS organization's file;

5. Apply for (through the completion and submission of the IRS Form SS-4, *Application for Employer Identification Number*), and obtain a Federal Employer Identification Number (EIN) for each newly enrolled common law employer it represents as employer agent;
6. Maintain a copy of the completed IRS Form SS-4 and Notice of FEIN in each common law employer's file;
7. Apply for IRS agent authorization by completing and submitting an IRS Form 2678, *Employer/Payer Appointment of Agent* to the IRS per IRS Form instructions for each common law employer it represents as agent;
8. Maintain a copy of the completed IRS Form 2678 in each common law employer's file;
9. Receive written agent authorization from the IRS through the receipt of an IRS LTR 1997C, *Notice of Appointment*, for each common law employer it represents as agent;
10. Maintain the IRS LTR 1997C, *Notice of Appointment* in each common law employer's file;
11. Execute and submit an IRS Form 8821, *Tax Information Authorization* with each common law employer it represents as agent;
12. Maintain a copy of the executed Form 8821 in each common law employer's file;
13. Renew the executed IRS Forms 8821 with common law employers on a periodic basis per Form instructions;
14. Maintain a copy of any IRS Form 8821 renewals in each common law employer's file;
15. Obtain a signed PA Department of Labor and Industry Form PA UC-884, *Unemployment Power of Attorney* from each common law employer it represents as agent and file with the PA-100, *PA Enterprise Registration Form* when registering a waiver participant or representative as the common law employer for state unemployment insurance filing and depositing purposes per PA Department of Labor and Industry, Office of UC Tax instructions;
16. Maintain a copy of the executed PA UC-884 in each common law employer's file;
17. When a common law employer ceases using the VF/EA FMS organization for any reason, the Selected Offeror(s) must revoke the PA UC-884 by executing a PA Form UC-2B, PA UC- *Employer's Report of Employment and Business Change*; and
18. When a common law employer ceases using the VF/EA FMS organization for any reason, the Selected Offeror(s) must maintain a copy of the PA Form UC-2B and all communications in each common law employer's file.

D. Providing Customer Service

The Selected Offeror(s) must:

1. Have written policies and procedures related to the completion of the tasks listed below;
2. Must have written internal controls, including segregation of duties, related to the completion of the tasks listed below;
3. Implement customer service policies and procedures that reflect the principals of self determination;
4. Implement customer service policies and procedures that are culturally sensitive in business practices in order to communicate effectively with a diverse population of participants of all ages and with a variety of chronic conditions;
5. Implement and maintain mandatory staffing of the toll-free telephone system for an eight hour period between the hours of 8:30 am – 5:00 pm EST/EDT, Monday through Friday, except on state and federal holidays with a voicemail box activated for after hours;
6. Respond to all participant calls (inquires, issues and complaints) within one business day of receipt of the call;
7. Have a fax;
8. Have an operational TTY/TDD line;
9. Have internet e-mail capacity;
10. Have a web site and provide access to waiver participants and representatives to view up-to-date information and have internal controls documented to monitor the accuracy of the materials included on the website and the effectiveness of the system;
11. Have written internal controls to monitor the accuracy of the materials included on the website and the effectiveness of the system;
12. Have the ability to provide translation and interpreter services (i.e., American Sign, and services for persons with Limited English Proficiency);
13. Have the ability to provide materials in alternate print (i.e., large print and Braille) and languages other than English;
14. Implement and maintain a system for receiving, responding and tracking all communications from any source (including complaints) and maintain a log that addresses:
 - a. Who made the call;
 - b. Who received the call;
 - c. The reason for the call;
 - d. Any action taken;
 - e. If any mandatory reporting that occurred; and
 - f. Final resolution.
15. Implement and maintain a system for reporting incidents as defined by the program office:
 - a. As defined by the OLTL in Incident Management Bulletin Number 05-10-01, 51-10-01, 52-10-01, 55-10-01, 59-10-01;

- b. As defined by the ODP in Incident Management Bulletin Number 6000-04-01;
- 16. Respond to all waiver participant and representative communications of any source within one (1) business day from receipt of call;
- 17. Have and maintain a complaint and grievance procedure that includes:
 - a. An Advisory/Grievance Committee that includes common law employers, and waiver or state funded program participants and representatives, and meets either in person or via telephone or video conference at least quarterly to discuss the provision of VF/EA FMS and to evaluate any grievances filed or feedback provided by common law employers, waiver participants or representatives;
 - b. Responding to complaints from common law employers, waiver participants or representatives within two (2) business days;
 - c. Tracking activities related to the receipt of complaints;
 - d. Resolving VF/EA FMS related complaints and grievances within five (5) business days of receipt; and
 - e. Providing monthly reports to OLTL/PDA/ODP outlining complaints received and resolutions achieved;
- 18. Conduct a Common Law Employer Satisfaction Survey using the tool provided by OLTL/PDA/ODP. The survey must be implemented 60 days after enrollment and annually. Survey data must be collected and analyzed and a report to OLTL/PDA/ODP must be prepared and submitted based on specifications determined by OLTL/PDA/ODP; and
- 19. Develop and implement a corrective action plan based on the results of the annual Common Law Employer Satisfaction Survey.

E. Coordinating and Communicating with CM/SC, Administrative Entities and OLTL/PDA/ODP

The Selected Offeror(s) must:

- 1. Have written policies and procedures related to the completion of the tasks listed below;
- 2. Have written internal controls, including segregation of duties, related to the completion of the tasks listed below;
- 3. Coordinate its activities and communicate effectively with CM/SC, Administrative Entities, and OLTL/PDA/ODP;
- 4. Provide orientation and training at a minimum on a semi-annual basis, to CM/SC and Administrative Entities regarding the role and responsibility of the VF/EA FMS organization;
- 5. Reports overuse of DCW hours to the entity responsible for authorizing the services in the ISP in accordance with the policy developed by OLTL/PDA/ODP;
- 6. Informs the entity responsible for authorizing the services in the ISP and the Supports Coordinator of any common law employer who does not submit

- timesheets or invoices to the Contractor for two or more consecutive payroll periods (one month or more); and
7. Complaints or grievances submitted to the VF/EA by CM/SC are responded to by VF/EA staff within two (2) business days.

F. Providing Common Law Employer Orientation and Skills Training

The Selected Offeror(s) must:

1. Have written policies and procedures related to the completion of the tasks listed below;
2. Have written internal controls, including segregation of duties, related to the completion of the tasks listed below;
3. Have a common law employer orientation process that uses a standard curriculum and materials that are pre-approved by the OLTL/PDA/ODP;
4. Common law employers receive orientation based on the standard curriculum developed by OLTL/PDA/ODP, prior to employing qualified employees. Common law orientation should include a review of the documents included a review of the information and forms contained in the Common Law Employer and Qualified DCW Employment and Vendor, Small Unlicensed Provider, and Independent Contractor Enrollment Packets and how they should be completed;
5. Provide documentation and review with common law employer:
 - a. Role and responsibilities of the common law employer using a VF/EA FMS organization;
 - b. Role and responsibilities of the VF/EA FMS organization including level of interaction with qualified employees, vendors and small unlicensed providers and support coordinators and the incident reporting system;
 - c. Services provided by the VF/EA FMS organization;
 - d. Hours of operation;
 - e. Key contacts at the VF/EA FMS organization;
 - f. Toll free telephone, TTY and fax numbers;
 - g. Participant Bill of Rights;
 - h. VF/EA FMS Employer Handbook;
 - i. Time frame and process for returning voice mail calls from common law employers, participants and representatives;
 - j. Process for receipt and processing of timesheets and processing of qualified employee payroll checks including schedule for submitting timesheets and paydays;
 - k. Process for purchasing approved goods and services from vendors, small unlicensed providers, and independent contractors and submitting invoices for payment including schedule for submitting invoices and payment schedule;
 - l. Process for resolving issues and complaints;

- m. Effective practices for hiring, establishing work schedules, training, supervising, creating job descriptions, completing and submitting time sheets and discharging qualified employees;
 - n. Process for reviewing workplace safety issues and strategies for effective management of workplace injuries;
 - o. Informing qualified DCWs of their right to file unemployment and workers' compensation insurance claims, when appropriate;
 - p. Facilitate the process for completing and submitting the Worker Termination Form to the VF/EA FMS organization within 24 hours of when a qualified DCW ceases working for the common law employer so the VF/EA FMS organization must complete the "Reason for Separation¹" notice from the Department of Labor and Industry within 10 days of receipt; and
 - q. Process and timeline for completing the common law employer satisfaction surveys.
6. Develop a process for providing ongoing employer skills training to common law employers using a standard curriculum and materials that are pre-approved by the Commonwealth Grant Administrator;
 7. Identify common law employers who may need and/or desire additional employer skills training in consultation with the CM/SC.

G. Enrolling Individuals and Representatives with the VF/EA FMS Organization as the Common Law Employer

The Selected Offeror(s) must:

1. Have written policies and procedures related to the completion of the tasks listed below;
2. Have written internal controls, including segregation of duties, related to the completion of the tasks listed below;
3. Prepare a *Common Law Employer Enrollment Packet*, and receive approval from the Commonwealth Grant Administrator. The Packet should contain all required information and forms and be well organized and user friendly for the common law employer to understand and complete. The packet and any revisions must be submitted for approval to OLTL/PDA/ODP 30 days prior to making any changes. Information should include, at a minimum:
 - a. Cover letter or brochure that includes the VF/EA FMS organization's staff contact information, days and hours of operations, toll-free number and TTY/TDD number, availability of VF/EA FMS materials in alternate print, roles and responsibilities of the VF/EA FMS organization, common law employer, waiver/program participant and

¹ The Department of Labor & Industry "Reason for Separation Notice" applies when a worker files for unemployment compensation. The UC Service Center will send a form to the separating employer(s) asking the employer to supply information regarding the separation. The form number is UC-45/45A/785, Employer's Notice of Application- Request for Separation and Wage Information. The only time this form would be filed in the Direct Care Worker's file is after the UC Service Center sent it to the participant and the participant subsequently completed it. Please use the following link for more information: http://www.portal.state.pa.us/portal/server.pt/community/uc_benefit_information/14648#fbc

- representative, qualified employee and vendor/small unlicensed provider, as applicable;
- b.** Good to Go Process – this is the process for letting the employer know that their staff are enrolled and qualified to provide support (Appendix O);
 - c.** Employment change in status/termination of the qualified employee, vendor and small unlicensed provider (Appendix O);
 - d.** OLTL/PDA/ODP Authorized Representative Designation Form and Instructions (Appendix O);
 - e.** OLTL/PDA/ODP Back-up Qualified employee and/or Natural Supports Staff Designation Form and Instructions (Appendix O);
 - f.** OLTL/PDA/ODP Common Law Employer Agreement Form and Instructions (Appendix O);
 - g.** OLTL/PDA/ODP Employee Qualification Form and Instructions (Appendix O);
 - h.** OLTL/PDA/ODP Common Law Employer Monthly Progress Notes Form and Instructions (Appendix O);
 - i.** Semi-completed Form SS-4, *Application for Employer Identification Number* and instructions;
 - j.** Semi-completed Form 2678, *Employer/Payer Appointment of Agent* and instructions;
 - k.** Semi-completed Form 8821, *Tax Information Authorization* and instructions;
 - l.** Semi-completed Form PA Form UC-884 *PA Unemployment Compensation Power of Attorney* and instructions;
 - m.** Semi-completed Form PA-100, *PA Enterprise Registration* and instructions for registering participant as an employer for state income tax withholding and unemployment tax filing and payment purposes;
 - n.** PA New Hire Form (form PA BUR 1575) and instructions or generic form to collect the required information for electronic filing by the VF/EA FMS organization;
 - o.** Process for qualified employee employment status change;
 - p.** *Qualified employee Termination Form* (Appendix O);
 - q.** Appropriate paperwork for obtaining workers' compensation insurance policy;
 - r.** *FMS Individual Termination Form* (Appendix O);
 - s.** Workplace safety information including but not limited to:
 - i.** Participant site and home safety check list;
 - ii.** Procedures for identifying and reporting on qualified employees injuries for workers' compensation insurance purposes;
 - iii.** Procedures for addressing emergencies;
 - iv.** List of emergency contacts and telephone numbers; and
 - v.** Universal precautions procedures, safe lifting techniques and body mechanics.
 - t.** Qualified DCW Timesheet and instructions;

- u. Due date and payment schedule for Qualified DCW Timesheets and authorized goods and services (Appendix O);
 - v. Common Law Employer Enrollment Forms Check List; and
 - w. Self-addressed stamped envelope.
4. Distribute *Common Law Employer Enrollment Packets* to designated participant/representative within three (3) business days of receipt of a call from a CM/SC or Support Coordinator informing the VF/EA FMS organization that a participant wishes to use PDS and either he/she or his/her representative wishes to enroll with the VF/EA FMS organization;
 5. Collect and process completed documents and forms included in the Common Law Employer Enrollment Packet and review for completeness;
 6. Apply for (through the completion and submission of the IRS Form SS-4, *Application for Employer Identification Number*), and obtain a Federal Employer Identification Number (Federal EIN) for each common law employer it represents as agent;
 7. Maintain a copy of the completed IRS Form SS-4 and *Notice of Federal EIN* in each common law employer's file;
 8. Register each common law employer as an employer for state income tax withholding taxes with the PA Department of Revenue using the Form PA-100, *PA Enterprise Registration*;
 9. Obtain a PA Employer Withholding Account Identification Number for each participant it represents as employer agent for state income tax (SIT) withholding purposes;
 10. Maintain a copy of the Form PA-100 and the PA Employer Withholding Account Identification Number for SIT purposes in each common law employer's file;
 11. Register each common law employer as an employer for state unemployment insurance (SUI) taxes with the PA Department of Labor and Industry using the Form PA-100, *PA Enterprise Registration*;
 12. Obtain a PA Employer UC Account Identification Number for SUI purposes for each common law employer; and
 13. Maintain a copy of the Form PA-100 and a PA Employer UC Account Identification Number in each common law employer's file.

H. Enrolling Qualified DCWs, Vendors, Small Unlicensed Providers, and Independent Contractors

The Selected Offeror(s) must:

1. Have written policies and procedures related to the completion of the tasks listed below;
2. Have written internal controls, including segregation of duties, related to the completion of the tasks listed below;
3. Prepare a *Qualified DCW Employment Enrollment Packet*, and receive approval from the Commonwealth Grant Administrator. The Packet should contain all required information and forms and be well organized and user

friendly for the common law employer and DCW to understand and complete. The packet and any revisions must be submitted for approval to OLTL/PDA/ODP 30 days prior to making any changes. Information should include, at a minimum:

- a. Introductory Letter;
 - b. Employee application and instructions (including information reporting on the relationship between the common law employer and the qualified DCW);
 - c. Qualified DCW Agreement (Appendix P);
 - d. Notice form for pre-employment criminal background checks and state criminal background check (Form SP-164), *FBI Criminal History Check* and *DPW Child Abuse History Check* (Form CY-113) forms and instructions background and child abuse checks;
 - e. IRS Form W-4, *Employee Withholding Allowance Certificate* with instructions,
 - f. US CIS Form I-9 *Employment Eligibility Verification* with instructions;
 - g. PA New Hire Reporting Form and instructions or generic form to collect the required new hire reporting information for electronic filing by the VF/EA FMS organization;
 - h. DCW Rate Sheet (Appendix P);
 - i. Time sheets and instructions;
 - j. Timesheet due date and payday schedule;
 - k. The Pay Selection Option form for DCW;
 - l. Notice of Availability of Direct Deposit information and form;
 - m. *Qualified DCW Employment Enrollment Checklist*; and
 - n. Self-addressed stamped envelope.
4. Prepare a *Vendor, Small Unlicensed Provider, and Independent Contractor Payment Packet*, and receive approval from the Commonwealth Grant Administrator. The Packet should contain all required information and forms and be well organized and user friendly for the common law employer and vendor, small unlicensed provider, and independent contractor to understand and complete. The packet and any revisions must be submitted for approval to OLTL/PDA/ODP 30 days prior to making any changes. Information should include, at a minimum:
- o. Vendor, Small Unlicensed Provider, Independent Contractor Payment Information Form (Appendix Q);
 - p. IRS Form W-9, *Request for Taxpayer Identification Number and Certification* and instructions for vendors and small unlicensed providers who provide approved goods and services and qualify as an independent contractor;
 - q. IRS Form SS-8, *Determination of Worker Status for Purposes of Federal Employment Taxes and Income Tax Withholding* and instructions for when to use the Form;
 - r. *Vendor, Small Unlicensed Provider, and Independent Contractor Payment Packet Checklist*; and

- s. Self-addressed stamped envelope.
5. Distribute the *Qualified DCW Employment Enrollment Packet* and the *Vendor, Small Unlicensed, and Independent Contractor Payment Packet* to the common law employer within three (3) business days of receipt of call from the CM/SC or Support Coordinator informing the VF/EA FMS organization that the participant/representative wishes to use PDS and the VF/EA FMS organization;
6. Have a system in place for notifying the common law employer regarding information they have not submitted;
7. Collect and process completed documents and forms and file with the appropriate federal, state and local government agencies. Copies of all documentation must be retained in the applicable Qualified DCW, Vendor or Small Unlicensed Provider's file;
8. Process direct care worker's IRS Forms W-4;
9. Maintain copies of IRS Forms W-4 in each qualified DCW's file;
10. Maintain copies of the US CIS Form I-9, *Employment Eligibility Verification* in each qualified DCW's file;
11. Submit the required documentation for *State Police Criminal Background Check* (Form SP-164), *FBI Criminal Background Check*, and *DPW Child Abuse Clearance* (Form CY-113) for the common law employer's DCW candidate;
12. Receive and maintain criminal background results on common law employer's DCW candidate on file and provide results to the common law employer upon request;
13. Confirm each qualified DCW's social security number and vendor and small business provider's social security number or FEIN, as appropriate through the SSA's *Business Services Online* system;
14. Collect information on whether a qualified employee meets one of the criteria to be FICA/FUTA or SUTA exempt per Section 3 of IRS Publication 15 and Pennsylvania (PA) Unemployment Compensation (UC) Law Section 4(1)(4)(5), respectively;
15. Report participants' new hires through the PA New Hires Program within 20 days of hire; and
16. Maintain copies of New Hire Reporting documentation in qualified DCWs' files.

I. Processing a Common Law Employer's Disenrollment from a VF/EA FMS Organization

The Selected Offeror(s) must:

1. Have written policies and procedures related to the completion of the tasks listed below;
2. Have written internal controls, including segregation of duties, related to the completion of the tasks listed below;

3. Revoke the IRS Form 2678 with the common law employer, when appropriate;
4. Maintain a copy of the revoked Form 2678 and the IRS revocation confirmation letter (LTR 4228C) in the common law employer's archived file;
5. Revoke the IRS Form 8821 with the common law employer, when appropriate;
6. Maintain a copy of the revoked Form 8821 in the common law employer's archived file;
7. Retire the common law employer's FEIN, when appropriate;
8. Maintain a copy of the documentation of the FEIN retirement in the common law employer's archived file;
9. Revoke the PA UC-884, *Power of Attorney* with the common law employer, when appropriate;
10. Maintain a copy of the revoked PA UC-884, *Power of Attorney* in the common law employer's archived file;
11. Retire the common law employer's PA Department of Revenue state income tax withholding employer tax account number, when appropriate, by filing the PA DoR Form REV-1706, *Business Cancellation Form*;
12. Maintain a copy of the PA DoR Form REV-1706 in the common law employer's archived file;
13. Retire the common law employer's State Department of Labor and Industry state unemployment insurance tax employer tax account number when appropriate, by using the PA Form UC-2B, *Employer's Report of Employment and Business Changes*;
14. Maintain a copy of the PA Form UC-2B in the common law employer's archived file;
15. Compute, withhold and file final state income tax taxes (even when the final filing is zero wages);
16. Deposit final state income tax (even when the final filing is zero wages);
17. Maintain a copy of the final state income tax filing and deposit and related correspondence in the common law employer's archived file;
18. Compute, withhold and file final state unemployment taxes (even when the final filing is zero wages);
19. Deposit final state unemployment taxes (even when the final filing is zero wages);
20. Maintain copies of the documentation of the filing and payment of the common law employer's final state income tax and unemployment taxes in the common law employer's archived file;
21. Terminate the common law employer's workers' compensation insurance policy, when appropriate and submit any premium refund to DPW (i.e., via offset of future payment); and
22. Maintain documentation related to terminating the common law employer's workers' compensation insurance policy in the common law employer's archived file.

J. Processing and Distributing Qualified DCWs Payroll and Related Taxes and Insurances

The Selected Offeror(s) must:

1. Have written policies and procedures related to the completion of the tasks listed below;
2. Have written internal controls, including segregation of duties, related to the completion of the tasks listed below;
3. Determine if the qualified DCW is a family member who is exempt from paying into FICA and/or FUTA and SUTA and process payroll and related federal taxes accordingly;
4. Maintain documentation on relationship of common law employer to the qualified DCW in the worker's file;
5. Determine if a qualified DCW is a non-resident of Pennsylvania and the appropriate method to be used for state income tax withholding;
6. Maintain documentation on the qualified DCW's non Pennsylvania resident status in the worker's file;
7. Verify qualified DCW hourly wage is in compliance with federal, state, and PA Department of Labor and Industry wage and hour rules for domestic service workers in accordance with OLTL and ODP policies;
8. Develop and produce timesheets and instructions for qualified DCWs;
9. Collect, verify and process qualified DCW time sheets per PA DL&I and OLTL/PDA/ODP requirements;
10. Maintain copies of time sheets in qualified DCWs file;
 - a. If the VF/EA FMS organization receives a qualified DCW's timesheet with more hours than approved in the common law employer's service plan, the VF/EA FMS organization must address the issue immediately by:
 - i. Contacting and informing the common law employer or representative of the overage;
 - i. The common law employer must adjust his or her qualified DCW's time accordingly on the next time sheet
 - ii. Contacting and informing the CM/SC of the overage;
 - i. The CM/SC should develop a strategy with the common law employer to stay within the service plan/budget;
 - ii. The CM/SC should determine if a change in the common law employer's medical or social situation has occurred. If so, the service plan/budget should be revised to reflect those changes; and
 - iii. If the common law employer authorized a qualified DCW to work hours above and beyond those approved in the service plan and the additional hours cannot be covered by a modified service plan/ budget, the VF/EA FMS organization will collect

from the common law employer the total cost of those hours in excess of those approved in the service plan/budget. Total cost that must be collected from the common law employer includes the sum of gross wages plus the sum of employer taxes due on such wages, including Social Security, Medicare, State Unemployment and Federal Unemployment taxes.

- iv. The VF/EA FMS organization must notify the AE of any such overages within five (5) business days of receipt of the involved time sheet.
- 11.** Compute, withhold, file, and track federal income tax withholding quarterly in the aggregate using the VF/EA FMS organization's separate FEIN and using the IRS Form 941, *Employer's Quarterly Federal Tax Report* and IRS Form 941 Schedule R, *Allocation for Aggregate Form 941 Filers* and Schedule B, *Report of Tax Liability for Semi-Annual Schedule Depositors*, as appropriate;
- 12.** Compute, withhold, file and track Medicare and Social Security taxes (FICA) quarterly in the aggregate using the VF/EA FMS organization's separate FEIN, using the IRS Form 941, *Employer's Quarterly Federal Tax Report*, along with IRS Forms 941 Schedule R, *Allocation for Aggregate Form 941 Filers* and Schedule B, *Report of Tax Liability for Semi-Annual Schedule Depositors*, as appropriate;
- 13.** Maintain copies of the filed IRS Forms 941, Schedule R and Schedule B and related correspondence in VF/EA FMS organization's file;
- 14.** Deposit federal income tax withholding electronically (EFTS filing) in the aggregate using the VF/EA FMS organization's separate FEIN per IRS depositing rules;
- 15.** Maintain copies of federal income tax withholding deposit documentation in the VF/EA FMS organization's file;
- 16.** Deposit FICA in the aggregate electronically (EFTS filing) using the VF/EA FMS organization's separate FEIN per IRS depositing rules;
- 17.** Maintain copies of FICA deposit documentation in the VF/EA FMS organization's file;
- 18.** Compute, withhold and file FUTA annually in the aggregate using the VF/EA FMS organization's separate FEIN and the IRS Form 940, *Employer's Annual Federal Unemployment (FUTA) Report*, Schedule R, *Allocation Schedule for Form 940 Filers* and Schedule A, *Multi-State Employer and Credit Reduction Information*, as appropriate;
- 19.** Maintain copies of filed Form 940, Schedules A and R, as appropriate, and related documentation in the VF/EA FMS organization's files;
- 20.** Deposit FUTA in the aggregate electronically (EFTS filing) using the VF/EA FMS organization's separate FEIN per IRS depositing rules;
- 21.** Maintain copies of FUTA deposit documentation in the VF/EA FMS organization's file;
- 22.** Create a UserID/Password and register PA Employer Withholding Account Identification Number to electronically file returns and payments when using e-TIDES Internet Filing Systems at <http://www.etides.state.pa.us>;

23. Maintain copies of all documentation related to e-TIDES authorization for state income tax withholding in the VF/EA FMS organization's file;
24. Compute and withhold, at the current PA SIT tax rate, state income tax withholding for each common law employer's qualified DCW (resident or nonresident);
25. Deposit state income tax withholding for each common law employer's qualified DCW (resident or nonresident) electronically using the *e-TIDES Internet Filing System* based on the payment filing frequency determined by PA DoR (semi-monthly, monthly or quarterly);
26. Maintain copies of state income tax withholding deposits and related correspondence in each common law employer's file;
27. File quarterly reconciliation of state income tax withholding withheld, including zero wages for each common law employer (resident or nonresident) electronically using the *e-TIDES Internet Filing System*;
28. Maintain copies of quarterly reconciliation of state income tax withholding withheld and other related documentation and correspondence in each common law employer's file;
29. File an annual reconciliation (along with the accompanying individual wage statements) for each common law employer (resident or nonresident) electronically using the e-TIDES Internet Filing System;
30. Maintain copies of the annual reconciliation (Form REV-1667 and/or other appropriate documentation) and related correspondence in each common law employer's file;
31. File for and receive authorization from the PA Department of Labor and Industry to file state unemployment taxes electronically through the Pennsylvania Unemployment Compensation Management System (UCMS);
32. Maintain copies documentation related to UCMS for state unemployment insurance taxes in the VF/EA FMS organization's file;
33. Determine if any common law employer's qualified DCWs are family employees that are exempt from filing and paying state unemployment insurance taxes and process accordingly;
34. Compute, withhold and file state unemployment insurance tax quarterly for each common law employer (even when zero wages are reported) using the UCMS;
35. Maintain a report of wages paid and correspondence in calendar year for each common law employer's qualified DCW who are currently non-liable, in each common law employer's file;
36. Deposit state unemployment insurance tax quarterly for each common law employer (including last filing even when zero wages are reported) using the UCMS;
37. Maintain copies of state unemployment insurance deposits and correspondence in each common law employer's file;
38. File state income tax withholding for non PA resident employees, (Form REV 420, *Employee's Statement of Non residence in PA and Authorization to Withhold State Income Tax*, and Form REV-419, *Employee Non Withholding Application*, and others as required), as appropriate;

39. Maintain copies of non PA resident employee state income tax withholding filings and correspondence in each qualified DCWs file;
40. Deposit state income tax withholding for non PA resident DCWs, as appropriate and maintain copies of filings, payments and correspondence in each qualified DCWs file;
41. Maintain copies of non PA resident DCW state income tax withholding payments and correspondence in each qualified DCWs file;
42. File local earned income taxes (EIT) and local services taxes (LST), per the requirements of the jurisdiction;
43. Maintain copies of the EIT and LST forms and any additional correspondence in each common law employer's and qualified DCWs file;
44. Deposit local earned income taxes (EIT) and local services taxes (LST), per the requirements of the jurisdiction;
45. Maintain copies of proof payments and any additional correspondence in each common law employer's and qualified DCWs file;
46. Reconcile the filing and payment local earned income tax withholding and applicable local services taxes for each common law employer, as required, using each locality's reconciliation forms, as applicable;
47. Maintain copies of local earned income tax withholding and applicable local service tax reconciliation forms and correspondence in each common law employer's file;
48. Process all judgments, garnishments, tax levies or other related holds on qualified DCWs pay as may be required by federal or state governments;
49. Maintain copies of judgments, garnishments, tax levies, and other related hold documentation in qualified DCWs files;
50. Generate and disburse payroll checks to all common law employers' qualified DCWs within the time period required by PA Department of Labor and Industry for each pay period (two consecutive work weeks);
51. Process direct deposit of qualified DCWs payroll checks as requested;
52. Maintain copies of direct deposit documentation in qualified DCWs files;
53. Develop a system for managing improperly cashed or issued payroll checks, stop payment on checks, and for the re-issuance of lost, stolen or improperly issued checks including:
 - a. Maintenance of a log of voided and reissued checks, including all pertinent information;
 - b. Proper authorization of all stop payments and re-issuances; and
 - c. Timeframe for re-issuance of checks (i.e., within five (5) business days of notification of lost/stolen check) and issuance of stop payment request.
54. Research and resolve any tax notices received from the IRS, PA Department of Revenue and PA Department of Labor and Industry regarding DCW tax liabilities/liens, including all pertinent information and step to resolution;
55. Maintain a spreadsheet of all tax notices received from the IRS, PA Department of Revenue and PA Department of Labor and Industry regarding DCW liabilities/liens including all pertinent information and step to resolution;

56. Process Department of Labor and Industry Reason for Separation Notice for direct care workers who no longer work for a participant within 10 days of receipt of notice;

K. End of Year Tax and Other Activities

1. Update common law employer and qualified DCW address or phone number changes prior to mailing out tax information in January of each year;
2. Process refunds of over collected FICA for eligible common law employer (to DPW) and qualified DCW in accordance with IRS and OLTL/PDA/ODP directive;
3. Maintain documentation related to FICA refunding in each applicable common law employer and qualified DCW file;
4. Process, file and distribute IRS Forms W-2, *Wage and Tax Statement* for all qualified DCWs and in accordance with IRS instructions for agents. As part of this process, the total gross payroll per the Form W-2 should be reconciled to the calendar year's total gross payroll;
5. Verify that each qualified DCW's social security number matches the name and date of birth information obtained from SSA's *Business Services Online* prior to submitting IRS Forms W-2 to SSA each calendar year;
6. Maintain copies of the federal copy of Forms W-2 and related documentation in each qualified DCW's file;
7. Process and file IRS Form W-3, *Transmittal of Wage and Tax Statement*, as appropriate (Note: If IRS Forms W-2 are filed electronically the IRS Form W-3 is not necessary);
8. Maintain copies of IRS Form W-3, as appropriate, in the VF/EA FMS organization's file;
9. Process any returned qualified DCW payroll checks or vendor or small unlicensed provider payments in accordance with PA Unclaimed Property Laws; and
10. Maintain copies of PA Unclaimed Property-related documentation in the qualified DCW's, vendor's or small unlicensed provider's file.

L. Processing and Tracking Payments for Approved Participant-Directed Goods and Services

The Selected Offeror(s) must:

1. Have written policies and procedures related to the completion of the tasks listed below;
2. Have written internal controls, including segregation of duties, related to the completion of the tasks listed below;
3. Receive, verify, process and pay all invoices:
 - a. For ODP administered waivers: from vendors and small unlicensed providers, providing participant-directed goods and services in

- accordance with the participant's authorized ISP; and monitor utilization against the participant's ISP;
- b. For OLTL and PDA waivers and programs: from vendors providing participant-directed goods and services in accordance with the participant's authorized ISP and Spending plan; and monitor expenditures against the participant's Spending Plan.
4. Maintain the appropriate payment related documentation in the vendor's or small unlicensed provider's file;
 5. Process any returned vendor or small unlicensed provider payments in accordance with PA Unclaimed Property Laws;
 6. Process the results of any IRS ruling related to a common law employer's filing of an IRS Forms SS-8, *Determination of Worker Status for Purpose of Federal Employment Taxes and Income Tax Withholding* when there is a question of whether his or her qualified DCW is an independent contractor (i.e., does not have a FEIN), when applicable;
 7. Distribute, collect and process IRS Form W-9, *Request for Taxpayer Identification and Certification* for common law employers' qualified DCWs who are determined to be independent contractors;
 8. Process and file IRS Forms 1099-Misc, Miscellaneous Income, as applicable, for independent contractors who earn more than \$600 in a calendar year and maintain copies of documentation in the independent contractor's' files; and
 9. File an applicable IRS Form 1096, when not filing the IRS Form 1099-Misc electronically, with the IRS and the PA Department of Revenue and maintain copies of documentation in independent contractor's files.

M. Establishing and Maintaining Files and Documentation

The Selected Offeror(s) must:

1. Have written policies and procedures related to the completion of the tasks listed below;
2. Have written internal controls, including segregation of duties, related to the completion of the tasks listed below;
3. Establish and maintain current common law employer files in an accurate, complete, secure and confidential manner and for the required period of time as mandated by applicable federal, state and local rules and regulations. The files should include, but not be limited to the following documents:

Common Law Employer File

- a. Common Law Employer's name;
- b. Common Law Employer's address;
- c. Common Law Employer's phone number;
- d. Name, address and phone number of individual if he/she is not the common law employer;
- e. Participant's Medicaid Identification (MCI) Number;

- f. Participant's emergency contact person;
- g. Name, address and phone number for representative if he/she is not the common law employer;
- h. Completed Common Law Employer Enrollment Packet forms as outlined in section G;
- i. Completed Qualified DCW Employment and Vendor and Small Unlicensed Provider Enrollment Packet forms as outlined in section H;
- j. ISP and updates;
- k. Copy revoked IRS Form 2678, IRS confirmation of IRS Form 2678 revocation and any related correspondence from the IRS, as applicable;
- l. Copy of letter retiring common law employer's FEIN, when applicable;
- m. Copy of IRS Form 8821 renewal (as applicable) and any related correspondence from the IRS, as applicable;
- n. Copy of IRS Form 8821 revocation (as applicable) and any related correspondence with the IRS, as applicable;
- o. Copy of PA Form UC-2B, *Employer's Report of Employment Business Change*, revoking individual's SUTA account number and Power of Attorney, when appropriate;
- p. Copy of the PA DOR Form REV-1706, *Business Account Cancellation*, when appropriate;
- q. Copies of all PA DOR Form PA-W3, *Employer Quarterly Return of Income Tax Withheld* (for remittance monthly, semi-monthly) including final return filed (even if its zero reporting) or copies of proof of filing if return filed electronically;
- r. Copies of the Form PA-501 *Employer Quarterly Deposit Statement of Withholding Tax* or copies of proof of filing if return filed electronically;
- s. Copies of all Forms PA REV-1667, (*Annual Reconciliation*) or copies of proof of filing if return filed electronically;
- t. SIT and SUI account numbers;
- u. Copies of documentation of all payments of SIT withholding or payment of receipt if payments are made electronically;
- v. Copies of filing and payments of income tax withholding for PA non residence employees, as applicable;
- w. Copy of Form UC-851, *Notice of Pennsylvania Unemployment Compensation Responsibilities* (provides the UC account number assigned as well as other UC tax information);
- x. Copies of Form UC-657, *Contribution Rate Notice*;
- y. Copies of quarterly Form UC-2, *Employer's Report for Unemployment Compensation*, and Form UC-2A, *Employer's Quarterly Report of Wages Paid to Each Employee* or copy of proof of filing if return filed electronically;
- z. Copies of proof of payment of UC taxes for individual or payment receipt if payment is made electronically;

- aa.** Copies of all individual-specific state unemployment insurance benefits payments;
 - bb.** Copies of the PA UC-2B, *Employer's Report of Employment Business Change*, when appropriate.
 - cc.** Copy of registration of common law employer with local taxation authorities as an employer for purpose of locality tax filing and payment;
 - dd.** Copies of all common law employer local earned income tax and locality tax filings, or copy of proof of filing if return filed electronically;
 - ee.** Copies of all common law employer local EIT and LST payments or payment receipts if payments are made electronically;
 - ff.** Copies of documentation related to any FICA refunding (employee portion) process and returned to eligible, qualified DCW;
 - gg.** Copies of documentation related to any FICA refunding (employer portion) processed and returned to the State Treasury;
 - hh.** Copies of workers' compensation insurance policies, premium invoices and documentation of payments, refunds and all notices and correspondence;
 - ii.** Copies of completed workers' compensation (SWIF or other insurer's) audit reports, as applicable;
 - jj.** Copies of Qualified DCW Termination Form;
 - kk.** Documentation of any independent contractors used to provide goods and services for OLTL/PDA and vendor services and small unlicensed providers for ODP;
 - ll.** Documentation for transitioning the individual from their current VF/EA FMS organization to a new VF/EA FMS organization, when appropriate.
- 4.** Establish and maintain current DCWs files in an accurate, complete, secure and confidential manner and for the required period of time as mandated by applicable federal, state and local rules and regulations. They should include, but not be limited to the following documents:

Qualified DCW File

- a.** Common Law Employer's name;
- b.** Common Law Employer's address;
- c.** Common Law Employer's phone number;
- d.** Name, address and phone number of individual if he/she is not the common law employer;
- e.** Participant's Medicaid Identification (MCI) Number;
- f.** Participant's emergency contact person;
- g.** Name, address and phone number for representative if he/she is not the common law employer;
- h.** Copy of the Qualified DCW Employment Enrollment Packet forms as described in section H;

- i. Copies of documentation verifying the employee's social security number matches the name and date of birth information provided obtained through the Social Security Administration's *Business Service Online*;
 - j. Dates of employment for each qualified DCW;
 - k. Copies of qualified DCW State Police Criminal Background, FBI Criminal History Clearance, and DPW Child Abuse History Clearance (as applicable) consent, forms (State Police Criminal Background Check Form SP-164 and PA DPW/OCYF Child Abuse History Clearance Form CY-113 and FBI Criminal History Clearance form) and results;
 - l. Determination of qualified DCWs state of residence;
 - m. If worker is a non-PA resident, copy of Form REV-419, *Employee's Non withholding Application* and Form REV-420, *Employee's Statement of Non residence in Pennsylvania and Authorization to Withhold Other State's Income Tax*, as applicable and required;
 - n. Copies of filings and payments of out-of-state income tax withholding, when applicable;
 - o. Determination that the qualified DCW is a paid family member who is exempt from paying into FICA and/or FUTA per IRS Publication 15 and SUTA and documentation that applicable taxes have not been withheld and deposited;
 - p. Copies of worker's time sheets;
 - q. Copy of completed State New Hire Reporting documentation;
 - r. Copies of documentation regarding any judgments, garnishments and tax levies or any related holds on the DCW pay as may be required by federal or state government;
 - s. Copies of completed IRS Forms W-2 and W-2(c), as applicable;
 - t. Copies of documentation regarding any FICA refunds processed (employee portion) and copies of cancelled refund checks;
 - u. Copies of documentation of requests for verification of DCW wages requested by federal and state agencies, as applicable;
 - v. Copies of documentation of any workers' compensation insurance claims filed by DCW or documentation that the VF/EA FMS made every attempt to obtain the documentation;
 - w. Copies of documentation of submission of DCW returned/not cancelled payroll checks, FICA refund checks or any other payments due to the PA Department of Treasury, Bureau of Unclaimed Property;
 - x. Copy of Qualified DCW Termination Form; and
 - y. Copy of completed PA DL&I Reason for Separation Notice.
5. Establish and maintain current vendor and small unlicensed provider, including independent contractor files in an accurate, complete, secure and confidential manner and for the required period of time as mandated by applicable federal, state and local rules and regulations. They should include, but not be limited to the following documents:

Vendors and Small Unlicensed Providers, Including Independent Contractors File

- a. Copy of the *Vendor, Small Unlicensed Providers, and Independent Contractors Payment Packet* forms as described in section H;
 - b. Copies of invoices and receipts from vendors, small unlicensed providers, and independent contractors for authorized services rendered;
 - c. Copies of payments made to vendors, small unlicensed providers, and independent contractors for authorized services rendered;
 - d. Copy of potential independent contractor's completed Form SS-8, *Determination of Worker Status for Purposes of Federal Employment Taxes and Income Tax Withholding* and IRS worker employment status ruling letter, as applicable;
 - e. Copy of independent contractor's IRS Forms W-9, *Request for Taxpayer Identification Number and Certification*; and
 - f. Copies of the IRS Form 1099-M, *Miscellaneous Income*, when an independent contractor is paid \$600 or more in a calendar year.
6. Establish and maintain current VF/EA FMS organization files in an accurate, complete, secure and confidential manner and for the required period of time as mandated by applicable federal, state and local rules and regulations. They should include, but not be limited to the following documents:

VF/EA FMS Organization File:

- a. Copy of executed administrative Agreement with DPW;
- b. Copy of all Provider Agreements as described in section IV-3 Requirements;
- c. Documentation regarding registration with the Pennsylvania Department of State to do business in the state;
- d. Documentation verifying financial viability as described in section IV-3 Requirements;
- e. Documentation regarding the IRS Form SS-4 to receive the VF/EA FMS organization's separate FEIN, FEIN Notification from the IRS and the retirement of the VF/EA FMS organization's separate FEIN, when/if applicable;
- f. Aggregate filings of IRS Forms 941 (federal income tax withholding and FICA [Social Security and Medicare]) with individual-level income tax withholding, Schedules R and Schedule B, IRS Form 941-X, as appropriate, and FICA filing back-up for each common law employer and qualified DCW;
- g. Aggregate payments of FICA and federal income tax withholding and the individual-level tax payment back-up for each individual/representative/qualified DCW;

- h. Documentation of the receipt of aggregate FICA refunds and documentation on the individual-level related to FICA refunds (employers and DCW);
 - i. Aggregate filings of IRS Forms 940 (FUTA) and Schedule R and the individual FUTA filing back-up for each common law employer;
 - j. Aggregate payment of FUTA and the individual-level payment back-up for each common law employer;
 - k. All communications with federal, state and local tax, labor and workers' compensation insurance, and DPW, OLTL/PDA/ODP, CM/SCs, and AEs as applicable;
 - l. Other documentation, as applicable; and
 - m. Documentation related to transitioning a common law employer from one VF/EA FMS organization to another, as appropriate.
7. Make all documentation and records pertaining to common law employer and qualified DCW and vendor, small unlicensed provider, and independent contractor including independent contractor available to participants upon request.

N. Processing a Common Law Employer's Change in VF/EA FMS Organization

The Selected Offeror(s) must facilitate any necessary changes in a common law employer's VF/EA FMS organization per the OLTL/PDA/ODP requirements.

O. Preparing and Submitting Required Reports

The Selected Offeror(s) must:

- 1. Have written policies and procedures related to the completion of the reports and project controls listed in IV-7;
- 2. Have written internal controls, including segregation of duties, related to the completion of the reports and project controls listed in IV-7;
- 3. Prepare and distribute monthly, quarterly and annual reports to OLTL/PDA/ODP as specified by OLTL/PDA/ODP;
- 4. Deliver OLTL/PDA/ODP reports via File Transfer Process (FTP) using DPW's e-gov application or other secure electronic file transfer process;
- 5. Report overuse of DCW hours to CM/SC in accordance with process developed by the VF/EA and the CM/SC. This is evidenced by OLTL/PDA/ODP review of process and sample documentation provided to CM/SC and results of OLTL/PDA/ODP survey of the CM/SC entity;
- 6. Inform the CM/SC of any participant who does not submit timesheets or invoices to the VF/EA for two or more consecutive payroll periods (one month or more) as evidenced by the VF/EA's documentation and results of OLTL/PDA/ODP survey of CM/SC;

7. For those individuals exercising budget authority, generate monthly financial reports for and distribute to participants that report current monthly, quarterly and year-to-date the amount of participants' Spending Plan; wages, taxes and insurances paid; non-labor related payments processed and paid; and the total amount of the Spending Plan remaining.

P. Brokering Worker's Compensation Insurance for Common Law Employers

The Selected Offeror(s) must:

1. Have written policies and procedures related to the completion of the tasks listed below;
2. Have written internal controls, including segregation of duties, related to the completion of the tasks listed below;
3. Manage the initial application and receipt of individual workers' compensation insurance policies for each common law employer;
4. Manage the renewal of individual worker's compensation insurance policies for each common law employer;
5. Manage the payment of each common law employer's individual worker's compensation insurance premium;
6. Provide wage information to workers' compensation insurer(s) to determine qualified DCWs benefits, when requested;
7. Facilitate the SWIF (or any other worker's compensation insurer's) annual audit process, including hosting SWIF/insurer staff on site, providing necessary documentation; and
8. Maintain the following information related to worker's compensation insurance in the common law employer's file:
 - a. Worker's compensation insurance application and renewal documentation for each common law employer;
 - b. Worker's compensation insurance policies for each common law employer;
 - c. Worker's compensation premium documentation for each common law employer;
 - d. Qualified DCWs wage documentation for determining worker's compensation insurance benefits; and
 - e. Relevant worker's compensation insurance audit related documentation for each common law employer.

Q. Physical Plant, Equipment, Technology and Development, Implementation and Maintenance of Communications and Information Systems

The Selected Offeror(s) must:

1. Have written policies and procedures related to the completion of the tasks listed below;

2. Have written internal controls, including segregation of duties, related to the completion of the tasks listed below;
3. Have the physical plant location, size and equipment (i.e., including computer hardware and software) that is adequate to effectively operate as a VF/EA FMS organization;
4. Have the necessary technologies and accommodations in place adequate to effectively operate as a VF/EA FMS organization;
5. Have a website that meets current website accessibility standards and contains current and accurate information related to the VF/EA FMS function;
6. Maintain a current operations computer database that ensures timeliness and accuracy of data entry and storage, and meets the needs of PDS and VF/EA FMS.

IV-5. Knowledge Receipt and Transition Plan. The Selected Offeror(s) must submit a current, detailed transition plan to the Commonwealth within five (5) business days of the start of the VF/EA FMS Organization Readiness Review period or as required by Commonwealth. At a minimum, the transition plan must include a detailed plan for moving all waiver and state funded program participants currently using VF/EA FMS from the current VF/EA FMS organization to the Selected Offeror(s) effective September 1, 2012.

IV-6. Agreement Transition and Turnover. Upon expiration or termination of the Agreement by the selected Offeror or by the Commonwealth, the selected Offeror shall provide for a smooth and timely transition of its services to the Commonwealth and its contractors, as applicable. In addition, the selected Offeror must:

- a. Provide a final detailed description of the transition plan for approval by the Commonwealth and initiated four (4) months prior to the last day of the Agreement.
- b. Cooperate with the Commonwealth and supply the Commonwealth and/or its contractor with all information required by the Commonwealth and/or its contractor during the transition process.
- c. Pay all costs related to the transfer of materials and responsibilities as a normal part of doing business with the Commonwealth.

Transitioning VF/EA FMS Organization. At the expiration or termination of the Agreement by the selected Offeror(s) or by the Commonwealth, or if at any time the Commonwealth desires a transition of all or any part of the duties and obligations of the Selected Offeror(s) to the Commonwealth or to another VF/EA FMS organization after termination or expiration of the Agreement, the Commonwealth shall notify the Selected Offeror(s) of the need for transition. Such notice shall be provided at least **ninety calendar days** prior to the date of the Agreement will expire or will be deemed given as of the date the Commonwealth provides notice of termination to the Selected Offeror(s). The transition process will commence immediately upon such notification and shall, at no additional cost the Commonwealth, continue past the date of the termination or expiration, if, due to the actions or inactions of the Selected Offeror(s), the transition

process is not completed before that date. In the event that a subsequent VF/EA FMS organization is unable to assume operations on the planned date for transfer, the Selected Offeror(s) will continue to perform VF/EA FMS on a month-to-month basis for **up to six months** beyond the planned transition date. The Commonwealth will withhold final payment to the Selected Offeror(s) until the transition to the new VF/EA FMS organization is complete. If delays in the transition process are due solely to the actions or inactions of the Commonwealth and or the Commonwealth's newly designated VF/EA FMS organization, the Commonwealth and the Selected Offeror(s) will negotiate in good faith an Agreement for the conduct of and compensation for transition of activities after the termination or expiration of the Agreement. The Selected Offeror(s) shall be liable for all payroll claims and VF/EA FMS responsibilities incurred up to the date of termination.

The Selected Offeror(s) will perform the tasks associated with the transitioning to a new VF/EA FMS organization as outlined in the Commonwealth approved transition plan.

The Commonwealth will review the transition plan, and the Selected Offeror(s) will revise it accordingly and resubmit updated versions to the Commonwealth within five (5) business days from the request.

IV-7. Reports and Project Control. Report formats and data sources must be approved by the Commonwealth Grant Administrator during the VF/EA FMS Readiness Review period. OLTL/PDA/ODP reserves the right to access pertinent data sources and generate ad hoc data reports. OLTL/PDA/ODP must have read only access to the accounting and information systems for validation of OLTL/PDA/ODP all data contained on OLTL/PDA/ODP reports and to perform ad hoc data queries. The VF/EA FMS organization must supply the Selected Offeror(s) Relationship Diagram to the Commonwealth Grant Administrator for facilitation of ad hoc reporting. If more than one Selected Offeror(s) is selected, the Commonwealth Grant Administrator will specify the data elements that the Selected Offeror(s) must have in their system for consistency in data and reporting.

- a. **Quarterly and Annual Status Reports.** The VF/EA FMS organization must submit quarterly status reports covering activities and issues encountered during the reporting period. The fourth quarterly report must be an annual progress report covering activities and issues of the past full Agreement year as well as recommendations for the next Agreement year. All figures should be presented by month, regional office, county, waiver or state funded program, and in the aggregate; additional categories apply for some statistics and are listed individually. Quarterly status reports must include:
 - i. The number of Education and Outreach activities performed;
 - ii. The number of referrals received, also presented by referral source;
 - iii. The number of individuals receiving VF/EA FMS during the reporting period. These figures must match the figures reported on service plan reports pulled from HCSIS/SAMS;

- iv. The number of individuals in Services My Way (SMW) receiving VF/EA FMS during the reporting period. These figures must match the figures reported on service plan reports pulled from HCSIS/SAMS;
- v. The number of new individuals who received VF/EA FMS, also presented by service coordination provider and AE. This number must match figures reported on service plan reports pulled from HCSIS/SAMS;
- vi. For OLTL only, the number of new individuals in SMW who received VF/EA FMS, also presented by service coordination provider. This number must match figures reported on service plan reports pulled from HCSIS/SAMS;
- vii. The number of individuals who stopped receiving VF/EA FMS from the VF/EA FMS organization. This number must also be presented by reason for termination;
- viii. For OLTL only, the number of individuals in SMW who stopped receiving VF/EA FMS from the VF/EA FMS organization. This number must also be presented by reason for termination;
- ix. The number of individuals who previously stopped receiving VF/EA FMS from the VF/EA FMS organization, but then resumed services during the reporting period;
- x. For OLTL only, the number of individuals in SMW who previously stopped receiving VF/EA FMS from the VF/EA FMS organization, but then resumed services during the reporting period;
- xi. The average number of staff resource hours per individual, also presented by county, service coordination agency and waiver or program;
- xii. Explanation of any outliers or changes that are reflected in the numbers;
- xiii. A description of issues identified by the VF/EA FMS organization which pose or may pose unnecessary barriers to or delays in the provision of VF/EA FMS. These issues may be systemic or specific to the business processes within one region or county;
- xiv. Updates on all work plans that are active during the reporting period;
- xv. **The fourth quarter (annual) report also must contain:**
 - a. Identification of any trends in the provision of FMS and an explanation of how both best practices and lessons learned will be acted upon;
 - b. A summary of training opportunities offered to employees during the reporting period by the VF/EA FMS organization or third party training opportunities and the level of employee participation; and

- b. **Monthly Reports.** The VF/EA must provide accurate and timely reports monthly to common law employers, CM/SC, AE, and OLTL/PDA/ODP. All figures should be presented by month, regional office, county, waiver or state

funded program, and in the aggregate; additional categories apply for some elements and are listed individually.

- i.** Prepare and distribute monthly utilization reports to common law employers, the AE, and the CM/SC as specified by OLTL/PDA/ODP;
- ii.** Report overuse of DCW hours to CM/SC in accordance with the process developed by the VF/EA and the CM/SC. This is evidenced by OLTL/PDA/ODP review of process and sample documentation provided to CM/SC and results of OLTL/PDA/ODP survey of the CM/SC entity;
- iii.** Inform the CM/SC of any common law employer who does not submit timesheets or invoices to the VF/EA for two or more consecutive payroll periods (one month or more) as evidenced by the VF/EA's documentation and results of OLTL/PDA/ODP survey of CM/SC;
- iv.** Common law employers, CM/SC, and OLTL/PDA are provided written notification of overutilization when utilization exceeds the monthly budget by 10% or more for two or more consecutive months. One letter is sent each month. This is evidenced by VF/EA documentation and OLTL/PDA/ODP review of sample of common law employer files;
- v.** Common law employers, CM/SC, and OLTL/PDA are provided written notification of underutilization when utilization is 80% or less for two or more consecutive months. One letter is sent each month. This is evidenced by VF/EA documentation and OLTL/PDA/ODP review of sample of participant files;
- vi.** Monthly budget reports are distributed to Common Law employers and CM/SC within 5 business days after the second semi-monthly payroll period and must include;
 - a. Name of the consumer;
 - b. Name and address of the common law employer;
 - c. The activity period;
 - d. The program;
 - e. The procedure code for each service;
 - f. Total authorized units and dollars of service by fiscal year;
 - g. Utilization to date of authorized units and dollars of service;
 - h. Remaining balance of authorized units and dollars of service;
 - i. The SUTA rate;
 - j. Name, status, date of hire, and date qualified of each DCW;
 - k. Pay type of each DCW;
 - l. Payroll summary year-to-date for each DCW;
 - m. The rate of pay of each DCW for each service rendered; and
 - n. A legend that explains the procedure code, service name, and unit description.
- vii.** The VF/EA provides Common Law employer, DCW, vendor, or VF/EA related information, records, and statistics to OLTL/PDA/ODP within 10 business days of request;
- viii.** The DCWs that are qualified to render services and the date of the last qualification determination;
- ix.** The consumers that have active authorizations for services;

- x. Each DCW's hourly rate;
 - xi. Common Law employer relationship to DCW report;
 - xii. DCW's that have worker for 16 hour or more in a single shift;
 - xiii. Each common law employers SUTA rate;
 - xiv. Each DCW that is tax exempt;
 - xv. DCW's that are employed by more than one common law employer and have overlapping time submitted;
 - xvi. Outstanding payments or reimbursements from PROMISE™ to any DCW or vendor and the reason for the outstanding payment and the reason for not being reimbursed;
 - xvii. Requests for program exceptions based on established limits; and
 - xviii. For ODP only, the common law employers that have paid overtime, the associated consumer, the amount of overtime paid, and the DCW that received the overtime payment.
- c. Problem Identification Report.** An “as required” report, identifying problem areas. The report should describe the problem and its impact on the overall project and on each affected task. It should list possible courses of action with advantages and disadvantages of each, and include Offeror recommendations with supporting rationale.
- d. Final Report.** The Vendor VF/EA FMS must submit draft copies of the final report prior to submission of the actual report. The final report will be due either at the end of the three year Agreement period, or at the end of any renewal year if a renewal option is exercised. The final report must include:
- i. An abstract or summary of the VF/EA FMS activity during the Agreement period in terminology that will be meaningful to management and others generally familiar with the subject areas.
 - ii. A description of data collection and analysis and other techniques used during the Agreement period.
 - iii. A summary of findings, conclusions and recommendations for improving the VF/EA FMS activities.
 - iv. All supporting documentation; e.g., flow-charts, forms, questionnaires, etc.
 - v. A time-phased work plan for implementing the recommendations.

STANDARD GRANT TERMS AND CONDITIONS FOR SERVICES

1. TERM OF GRANT

The term of the Grant shall commence on the Effective Date (as defined below) and shall end on the Expiration Date identified in the Grant, subject to the other provisions of the Grant. The Effective Date shall be fixed by the Granting Officer after the Grant has been fully executed by the Grantee and by the Commonwealth and all approvals required by Commonwealth Granting procedures have been obtained. The Grant shall not be a legally binding Grant until after the Effective Date is affixed and the fully-executed Grant has been sent to the Grantee. The Granting Officer shall issue a written Notice to Proceed to the Grantee directing the Grantee to start performance on a date which is on or after the Effective Date. The Grantee shall not start the performance of any work prior to the date set forth in the Notice to Proceed and the Commonwealth shall not be liable to pay the Grantee for any service or work performed or expenses incurred before the date set forth in the Notice to Proceed. No agency employee has the authority to verbally direct the commencement of any work under this Grant. The Commonwealth reserves the right, upon notice to the Grantee, to extend the term of the Grant for up to three (3) months upon the same terms and conditions. This will be utilized to prevent a lapse in Grant coverage and only for the time necessary, up to three (3) months, to enter into a new Grant.

2. INDEPENDENT GRANTEE

In performing the services required by the Grant, the Grantee will act as an independent Grantee and not as an employee or agent of the Commonwealth.

3. COMPLIANCE WITH LAW

The Grantee shall comply with all applicable federal and state laws and regulations and local ordinances in the performance of the Grant.

4. ENVIRONMENTAL PROVISIONS

In the performance of the Grant, the Grantee shall minimize pollution and shall strictly comply with all applicable environmental laws and regulations.

5. POST-CONSUMER RECYCLED CONTENT

Except as specifically waived by the Department of General Services in writing, any products which are provided to the Commonwealth as a part of the performance of the Grant must meet the minimum percentage levels for total recycled content as specified in Exhibits A-1 through A-8 to these Standard Grant Terms and Conditions.

6. COMPENSATION/EXPENSES

The Grantee shall be required to perform the specified services at the price(s) quoted in the Grant. All services shall be performed within the time period(s) specified in the Grant. The Grantee shall be compensated only for work performed to the satisfaction of the Commonwealth. The Grantee shall not be allowed or paid travel or per diem expenses except as specifically set forth in the Grant.

7. INVOICES

Unless the Grantee has been authorized by the Commonwealth for Evaluated Receipt Settlement or Vendor Self-Invoicing, the Grantee shall send an ***invoice itemized by line item*** to the address referenced on the purchase order promptly after services are satisfactorily completed. The invoice should include only amounts due under the Grant/purchase order. The purchase order number must be included on all invoices. In addition, the Commonwealth shall have the right to require the Grantee to prepare and submit a "Work In Progress" sheet that contains, at a minimum, the tasks performed, number of hours, hourly rate, and the purchase order or task order to which it refers.

8. PAYMENT

- a. The Commonwealth shall put forth reasonable efforts to make payment by the required payment date. The required payment date is: (a) the date on which payment is due under the terms of the Grant; (b) thirty (30) days after a proper invoice actually is received at the "Provide Service and Bill To" address if a date on which payment is due is not specified in the Grant (a "proper" invoice is not received until the Commonwealth

accepts the service as satisfactorily performed); or (c) the payment date specified on the invoice if later than the dates established by (a) and (b) above. Payment may be delayed if the payment amount on an invoice is not based upon the price(s) as stated in the Grant. If any payment is not made within fifteen (15) days after the required payment date, the Commonwealth may pay interest as determined by the Secretary of Budget in accordance with Act No. 266 of 1982 and regulations promulgated pursuant thereto. Payment should not be construed by the Grantee as acceptance of the service performed by the Grantee. The Commonwealth reserves the right to conduct further testing and inspection after payment, but within a reasonable time after performance, and to reject the service if such post payment testing or inspection discloses a defect or a failure to meet specifications. The Grantee agrees that the Commonwealth may set off the amount of any state tax liability or other obligation of the Grantee or its subsidiaries to the Commonwealth against any payments due the Grantee under any Grant with the Commonwealth.

- b. The Commonwealth shall have the option of using the Commonwealth purchasing card to make purchases under the Grant or purchase order. The Commonwealth's purchasing card is similar to a credit card in that there will be a small fee which the Grantee will be required to pay and the Grantee will receive payment directly from the card issuer rather than the Commonwealth. Any and all fees related to this type of payment are the responsibility of the Grantee. In no case will the Commonwealth allow increases in prices to offset credit card fees paid by the Grantee or any other charges incurred by the Grantee, unless specifically stated in the terms of the Grant or purchase order.

9. TAXES

The Commonwealth is exempt from all excise taxes imposed by the Internal Revenue Service and has accordingly registered with the Internal Revenue Service to make tax free purchases under Registration No. 23740001-K. With the exception of purchases of the following items, no exemption certificates are required and none will be issued: undyed diesel fuel, tires, trucks, gas guzzler emergency vehicles, and sports fishing equipment. The Commonwealth is also exempt from Pennsylvania state sales tax, local sales tax, public transportation assistance taxes and fees and vehicle rental tax. The Department of Revenue regulations provide that exemption certificates are not required for sales made to governmental entities and none will be issued. Nothing in this paragraph is meant to exempt a construction Grantee from the payment of any of these taxes or fees which are required to be paid with respect to the purchase, use, rental, or lease of tangible personal property or taxable services used or transferred in connection with the performance of a construction Grant.

10. WARRANTY

The Grantee warrants that all services performed by the Grantee, its agents and subGrantees shall be free and clear of any defects in workmanship or materials. Unless otherwise stated in the Grant, all services and parts are warranted for a period of one year following completion of performance by the Grantee and acceptance by the Commonwealth. The Grantee shall correct any problem with the service and/or replace any defective part with a part of equivalent or superior quality without any additional cost to the Commonwealth.

11. PATENT, COPYRIGHT, AND TRADEMARK INDEMNITY

The Grantee warrants that it is the sole owner or author of, or has entered into a suitable legal agreement concerning either: a) the design of any product or process provided or used in the performance of the Grant which is covered by a patent, copyright, or trademark registration or other right duly authorized by state or federal law or b) any copyrighted matter in any report document or other material provided to the commonwealth under the Grant. The Grantee shall defend any suit or proceeding brought against the Commonwealth on account of any alleged patent, copyright or trademark infringement in the United States of any of the products provided or used in the performance of the Grant. This is upon condition that the Commonwealth shall provide prompt notification in writing of such suit or proceeding; full right, authorization and opportunity to conduct the defense thereof; and full information and all reasonable cooperation for the defense of same. As principles of governmental or public law are involved, the Commonwealth may participate in or choose to conduct, in its sole discretion, the defense of any such action. If information and assistance are furnished by the Commonwealth at the Grantee's written request, it shall be at the Grantee's expense, but the responsibility for such expense shall be only that within the Grantee's written authorization. The Grantee shall indemnify and hold the Commonwealth harmless from all damages, costs, and expenses, including attorney's fees that the Grantee or the Commonwealth may pay or incur by reason of any infringement or violation of the rights occurring to any holder of copyright, trademark, or patent interests and rights in any products provided or used in the performance of the Grant. If any of the products provided by the Grantee in such suit or proceeding are held to constitute infringement and the use is enjoined, the Grantee shall, at its own expense and at its option, either procure the right to continue use of such infringement products, replace them with non-infringement equal

performance products or modify them so that they are no longer infringing. If the Grantee is unable to do any of the preceding, the Grantee agrees to remove all the equipment or software which are obtained contemporaneously with the infringing product, or, at the option of the Commonwealth, only those items of equipment or software which are held to be infringing, and to pay the Commonwealth: 1) any amounts paid by the Commonwealth towards the purchase of the product, less straight line depreciation; 2) any license fee paid by the Commonwealth for the use of any software, less an amount for the period of usage; and 3) the pro rata portion of any maintenance fee representing the time remaining in any period of maintenance paid for. The obligations of the Grantee under this paragraph continue without time limit. No costs or expenses shall be incurred for the account of the Grantee without its written consent.

12. OWNERSHIP RIGHTS

The Commonwealth shall have unrestricted authority to reproduce, distribute, and use any submitted report, data, or material, and any software or modifications and any associated documentation that is designed or developed and delivered to the Commonwealth as part of the performance of the Grant.

13. ASSIGNMENT OF ANTITRUST CLAIMS

The Grantee and the Commonwealth recognize that in actual economic practice, overcharges by the Grantee's suppliers resulting from violations of state or federal antitrust laws are in fact borne by the Commonwealth. As part of the consideration for the award of the Grant, and intending to be legally bound, the Grantee assigns to the Commonwealth all right, title and interest in and to any claims the Grantee now has, or may acquire, under state or federal antitrust laws relating to the products and services which are the subject of this Grant.

14. HOLD HARMLESS PROVISION

The Grantee shall hold the Commonwealth harmless from and indemnify the Commonwealth against any and all claims, demands and actions based upon or arising out of any activities performed by the Grantee and its employees and agents under this Grant and shall, at the request of the Commonwealth, defend any and all actions brought against the Commonwealth based upon any such claims or demands.

15. AUDIT PROVISIONS

The Commonwealth shall have the right, at reasonable times and at a site designated by the Commonwealth, to audit the books, documents and records of the Grantee to the extent that the books, documents and records relate to costs or pricing data for the Grant. The Grantee agrees to maintain records which will support the prices charged and costs incurred for the Grant. The Grantee shall preserve books, documents, and records that relate to costs or pricing data for the Grant for a period of three (3) years from date of final payment. The Grantee shall give full and free access to all records to the Commonwealth and/or their authorized representatives.

16. DEFAULT

- a. The Commonwealth may, subject to the provisions of Paragraph 17, Force Majeure, and in addition to its other rights under the Grant, declare the Grantee in default by written notice thereof to the Grantee, and terminate (as provided in Paragraph 18, Termination Provisions) the whole or any part of this Grant for any of the following reasons:
 - 1) Failure to begin work within the time specified in the Grant or as otherwise specified;
 - 2) Failure to perform the work with sufficient labor, equipment, or material to insure the completion of the specified work in accordance with the Grant terms;
 - 3) Unsatisfactory performance of the work;
 - 4) Failure or refusal to remove material, or remove and replace any work rejected as defective or unsatisfactory;
 - 5) Discontinuance of work without approval;
 - 6) Failure to resume work, which has been discontinued, within a reasonable time after notice to do so;
 - 7) Insolvency or bankruptcy;
 - 8) Assignment made for the benefit of creditors;
 - 9) Failure or refusal within 10 days after written notice by the Granting Officer, to make payment or show cause why payment should not be made, of any amounts due for materials furnished, labor supplied or performed, for equipment rentals, or for utility services rendered;
 - 10) Failure to protect, to repair, or to make good any damage or injury to property; or
 - 11) Breach of any provision of this Grant.
- b. In the event that the Commonwealth terminates this Grant in whole or in part as provided in Subparagraph a. above, the Commonwealth may procure, upon such terms and in such manner as it determines, services similar or identical to those so terminated,

and the Grantee shall be liable to the Commonwealth for any reasonable excess costs for such similar or identical services included within the terminated part of the Grant.

- c. If the Grant is terminated as provided in Subparagraph a. above, the Commonwealth, in addition to any other rights provided in this paragraph, may require the Grantee to transfer title and deliver immediately to the Commonwealth in the manner and to the extent directed by the Issuing Office, such partially completed work, including, where applicable, reports, working papers and other documentation, as the Grantee has specifically produced or specifically acquired for the performance of such part of the Grant as has been terminated. Except as provided below, payment for completed work accepted by the Commonwealth shall be at the Grant price. Except as provided below, payment for partially completed work including, where applicable, reports and working papers, delivered to and accepted by the Commonwealth shall be in an amount agreed upon by the Grantee and Granting Officer. The Commonwealth may withhold from amounts otherwise due the Grantee for such completed or partially completed works, such sum as the Granting Officer determines to be necessary to protect the Commonwealth against loss.
- d. The rights and remedies of the Commonwealth provided in this paragraph shall not be exclusive and are in addition to any other rights and remedies provided by law or under this Grant.
- e. The Commonwealth's failure to exercise any rights or remedies provided in this paragraph shall not be construed to be a waiver by the Commonwealth of its rights and remedies in regard to the event of default or any succeeding event of default.
- f. Following exhaustion of the Grantee's administrative remedies as set forth in Paragraph 19, the Grantee's exclusive remedy shall be to seek damages in the Board of Claims.

17. FORCE MAJEURE

Neither party will incur any liability to the other if its performance of any obligation under this Grant is prevented or delayed by causes beyond its control and without the fault or negligence of either party. Causes beyond a party's control may include, but aren't limited to, acts of God or war, changes in controlling law, regulations, orders or the requirements of any governmental entity, severe weather conditions, civil disorders, natural disasters, fire, epidemics and quarantines, general strikes throughout the trade, and freight embargoes.

The Grantee shall notify the Commonwealth orally within five (5) days and in writing within ten (10) days of the date on which the Grantee becomes aware, or should have reasonably become aware, that such cause would prevent or delay its performance. Such notification shall (i) describe fully such cause(s) and its effect on performance, (ii) state whether performance under the Grant is prevented or delayed and (iii) if performance is delayed, state a reasonable estimate of the duration of the delay. The Grantee shall have the burden of proving that such cause(s) delayed or prevented its performance despite its diligent efforts to perform and shall produce such supporting documentation as the Commonwealth may reasonably request. After receipt of such notification, the Commonwealth may elect either to cancel the Grant or to extend the time for performance as reasonably necessary to compensate for the Grantee's delay.

In the event of a declared emergency by competent governmental authorities, the Commonwealth by notice to the Grantee, may suspend all or a portion of the Grant.

18. TERMINATION PROVISIONS

The Commonwealth has the right to terminate this Grant for any of the following reasons. Termination shall be effective upon written notice to the Grantee.

- a. **TERMINATION FOR CONVENIENCE:** The Commonwealth shall have the right to terminate the Grant for its convenience if the Commonwealth determines termination to be in its best interest. The Grantee shall be paid for work satisfactorily completed prior to the effective date of the termination, but in no event shall the Grantee be entitled to recover loss of profits.
- b. **NON-APPROPRIATION:** The Commonwealth's obligation to make payments during any Commonwealth fiscal year succeeding the current fiscal year shall be subject to

availability and appropriation of funds. When funds (state and/or federal) are not appropriated or otherwise made available to support continuation of performance in a subsequent fiscal year period, the Commonwealth shall have the right to terminate the Grant. The Grantee shall be reimbursed for the reasonable value of any nonrecurring costs incurred but not amortized in the price of the supplies or services delivered under this Grant. Such reimbursement shall not include loss of profit, loss of use of money, or administrative or overhead costs. The reimbursement amount may be paid for any appropriations available for that purpose

- c. **TERMINATION FOR CAUSE:** The Commonwealth shall have the right to terminate the Grant for Grantee default under Paragraph 16, Default, upon written notice to the Grantee. The Commonwealth shall also have the right, upon written notice to the Grantee, to terminate the Grant for other cause as specified in this Grant or by law. If it is later determined that the Commonwealth erred in terminating the Grant for cause, then, at the Commonwealth's discretion, the Grant shall be deemed to have been terminated for convenience under the Subparagraph 18.a.

19. GRANT CONTROVERSIES

- a. In the event of a controversy or claim arising from the Grant, the Grantee must, within six months after the cause of action accrues, file a written claim with the Granting officer for a determination. The claim shall state all grounds upon which the Grantee asserts a controversy exists. If the Grantee fails to file a claim or files an untimely claim, the Grantee is deemed to have waived its right to assert a claim in any forum.
- b. The Granting officer shall review timely-filed claims and issue a final determination, in writing, regarding the claim. The final determination shall be issued within 120 days of the receipt of the claim, unless extended by consent of the Granting officer and the Grantee. The Granting officer shall send his/her written determination to the Grantee. If the Granting officer fails to issue a final determination within the 120 days (unless extended by consent of the parties), the claim shall be deemed denied. The Granting officer's determination shall be the final order of the purchasing agency.
- c. Within fifteen (15) days of the mailing date of the determination denying a claim or within 135 days of filing a claim if, no extension is agreed to by the parties, whichever occurs first, the Grantee may file a statement of claim with the Commonwealth Board of Claims. Pending a final judicial resolution of a controversy or claim, the Grantee shall proceed diligently with the performance of the Grant in a manner consistent with the determination of the Granting officer and the Commonwealth shall compensate the Grantee pursuant to the terms of the Grant.

20. ASSIGNABILITY AND SUBGRANTING

- a. Subject to the terms and conditions of this Paragraph 20, this Grant shall be binding upon the parties and their respective successors and assigns.
- b. The Grantee shall not subGrant with any person or entity to perform all or any part of the work to be performed under this Grant without the prior written consent of the Granting Officer, which consent may be withheld at the sole and absolute discretion of the Granting Officer.
- c. The Grantee may not assign, in whole or in part, this Grant or its rights, duties, obligations, or responsibilities hereunder without the prior written consent of the Granting Officer, which consent may be withheld at the sole and absolute discretion of the Granting Officer.
- d. Notwithstanding the foregoing, the Grantee may, without the consent of the Granting Officer, assign its rights to payment to be received under the Grant, provided that the Grantee provides written notice of such assignment to the Granting Officer together with a written acknowledgement from the assignee that any such payments are subject to all of the terms and conditions of this Grant.
- e. For the purposes of this Grant, the term "assign" shall include, but shall not be limited to, the sale, gift, assignment, pledge, or other transfer of any ownership interest in the

Grantee provided, however, that the term shall not apply to the sale or other transfer of stock of a publicly traded company.

- f. Any assignment consented to by the Granting Officer shall be evidenced by a written assignment agreement executed by the Grantee and its assignee in which the assignee

agrees to be legally bound by all of the terms and conditions of the Grant and to assume the duties, obligations, and responsibilities being assigned.

- g. A change of name by the Grantee, following which the Grantee's federal identification number remains unchanged, shall not be considered to be an assignment hereunder. The Grantee shall give the Granting Officer written notice of any such change of name.

21. NONDISCRIMINATION/SEXUAL HARASSMENT CLAUSE

During the term of the Grant, the Grantee agrees as follows:

- a. In the hiring of any employee(s) for the manufacture of supplies, performance of work, or any other activity required under the grant agreement or any subgrant agreement, contract, or subcontract, the Grantee, a subgrantee, a contractor, a subcontractor, or any person acting on behalf of the Grantee shall not, by reason of gender, race, creed, or color, discriminate against any citizen of this commonwealth who is qualified and available to perform the work to which the employment relates.
- b. The Grantee, any subgrantee, contractor or any subcontractor or any person on their behalf shall not in any manner discriminate against or intimidate any of its employees on account of gender, race, creed, or color.
- c. The Grantee, any subgrantee, contractor or any subcontractor shall establish and maintain a written sexual harassment policy and shall inform their employees of the policy. The policy must contain a notice that sexual harassment will not be tolerated and employees who practice it will be disciplined.
- d. The Grantee, any subgrantee, contractor or any subcontractor shall not discriminate by reason of gender, race, creed, or color against any subgrantee, contractor, subcontractor or supplier who is qualified to perform the work to which the grant relates.
- e. The Grantee, any subgrantee, any contractor or any subcontractor shall, within the time periods requested by the commonwealth, furnish all necessary employment documents and records and permit access to their books, records, and accounts by the granting agency and the Bureau of Minority and Women Business Opportunities (BMWBO), for purpose of ascertaining compliance with provisions of this Nondiscrimination/Sexual Harassment Clause. Within thirty (30) days after award of any grant, the Grantee shall be required to complete, sign and submit Form STD-21, the "Initial Contract Compliance Data" form. Grantees who have fewer than five employees or whose employees are all from the same family or who have completed the STD-21 form within the past 12 months may, within the 30 days, request an exemption from the STD-21 form from the granting agency.
- f. The Grantee, any subgrantee, contractor or any subcontractor shall include the provisions of this Nondiscrimination/Sexual Harassment Clause in every subgrant agreement, contract or subcontract so that those provisions applicable to subgrantees, contractors or subcontractors will be binding upon each subgrantee, contractor or subcontractor.
- g. The commonwealth may cancel or terminate the grant agreement and all money due or to become due under the grant agreement may be forfeited for a violation of the terms and conditions of this Nondiscrimination/Sexual Harassment Clause. In addition, the granting agency may proceed with debarment or suspension and may place the Grantee, subgrantee, contractor, or subcontractor in the Contractor Responsibility File.

22. CONTRACTOR INTEGRITY PROVISIONS

It is essential that those who seek to Grant with the Commonwealth observe high standards of honesty and integrity. They must conduct themselves in a manner that fosters public confidence in the integrity of the Commonwealth procurement process. In furtherance of this policy, Grantee agrees to the following:

- a. Grantee shall maintain the highest standards of honesty and integrity during the performance of this Grant and shall take no action in violation of state or federal laws or regulations or any other

applicable laws or regulations, or other requirements applicable to Grantee or that govern Granting with the Commonwealth.

- b. Grantee shall establish and implement a written business integrity policy, which includes, at a minimum, the requirements of these provisions as they relate to Grantee employee activity with the Commonwealth and Commonwealth employees, and which is distributed and made known to all Grantee employees.
- c. Grantee, its affiliates, agents and employees shall not influence, or attempt to influence, any Commonwealth employee to breach the standards of ethical conduct for Commonwealth employees set forth in the *Public Official and Employees Ethics Act, 65 Pa.C.S. §§1101 et seq.*; the *State Adverse Interest Act, 71 P.S. §776.1 et seq.*; and the *Governor's Code of Conduct, Executive Order 1980-18, 4 Pa. Code §7.151 et seq.*, or to breach any other state or federal law or regulation.
- d. Grantee, its affiliates, agents and employees shall not offer, give, or agree or promise to give any gratuity to a Commonwealth official or employee or to any other person at the direction or request of any Commonwealth official or employee.
- e. Grantee, its affiliates, agents and employees shall not offer, give, or agree or promise to give any gratuity to a Commonwealth official or employee or to any other person, the acceptance of which would violate the *Governor's Code of Conduct, Executive Order 1980-18, 4 Pa. Code §7.151 et seq.* or any statute, regulation, statement of policy, management directive or any other published standard of the Commonwealth.
- f. Grantee, its affiliates, agents and employees shall not, directly or indirectly, offer, confer, or agree to confer any pecuniary benefit on anyone as consideration for the decision, opinion, recommendation, vote, other exercise of discretion, or violation of a known legal duty by any Commonwealth official or employee.
- g. Grantee, its affiliates, agents, employees, or anyone in privity with him or her shall not accept or agree to accept from any person, any gratuity in connection with the performance of work under the Grant, except as provided in the Grant.
- h. Grantee shall not have a financial interest in any other Grantee, subGrantee, or supplier providing services, labor, or material on this project, unless the financial interest is disclosed to the Commonwealth in writing and the Commonwealth consents to Grantee's financial interest prior to Commonwealth execution of the Grant. Grantee shall disclose the financial interest to the Commonwealth at the time of bid or proposal submission, or if no bids or proposals are solicited, no later than Grantee's submission of the Grant signed by Grantee.
- i. Grantee, its affiliates, agents and employees shall not disclose to others any information, documents, reports, data, or records provided to, or prepared by, Grantee under this Grant without the prior written approval of the Commonwealth, except as required by the *Pennsylvania Right-to-Know Law, 65 P.S. §§ 67.101-3104*, or other applicable law or as otherwise provided in this Grant. Any information, documents, reports, data, or records secured by Grantee from the Commonwealth or a third party in connection with the performance of this Grant shall be kept confidential unless disclosure of such information is:
 - 1) Approved in writing by the Commonwealth prior to its disclosure; or
 - 2) Directed by a court or other tribunal of competent jurisdiction unless the Grant requires prior Commonwealth approval; or
 - 3) Required for compliance with federal or state securities laws or the requirements of national securities exchanges; or
 - 4) Necessary for purposes of Grantee's internal assessment and review; or
 - 5) Deemed necessary by Grantee in any action to enforce the provisions of this Grant or to defend or prosecute claims by or against parties other than the Commonwealth; or
 - 6) Permitted by the valid authorization of a third party to whom the information, documents, reports, data, or records pertain: or
 - 7) Otherwise required by law.

j. Grantee certifies that neither it nor any of its officers, directors, associates, partners, limited partners or individual owners has been officially notified of, charged with, or convicted of any of the following and agrees to immediately notify the Commonwealth agency Granting officer in writing if and when it or any officer, director, associate, partner, limited partner or individual owner has been officially notified of, charged with, convicted of, or officially notified of a governmental determination of any of the following:

- 1) Commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements or receiving stolen property.
- 2) Commission of fraud or a criminal offense or other improper conduct or knowledge of, approval of or acquiescence in such activities by Grantee or any affiliate, officer, director, associate, partner, limited partner, individual owner, or employee or other individual or entity associated with:
 - a) obtaining;
 - b) attempting to obtain; or
 - c) performing a public Grant or subGrant.

Grantee's acceptance of the benefits derived from the conduct shall be deemed evidence of such knowledge, approval or acquiescence.

- 3) Violation of federal or state antitrust statutes.
- 4) Violation of any federal or state law regulating campaign contributions.
- 5) Violation of any federal or state environmental law
- 6) Violation of any federal or state law regulating hours of labor, minimum wage standards or prevailing wage standards; discrimination in wages; or child labor violations.
- 7) Violation of the *Act of June 2, 1915 (P.L. 736, No. 338)*, known as the *Workers' Compensation Act*, 77 P.S. 1 *et seq.*
- 8) Violation of any federal or state law prohibiting discrimination in employment.
- 9) Debarment by any agency or department of the federal government or by any other state.
- 10) Any other crime involving moral turpitude or business honesty or integrity.

Grantee acknowledges that the Commonwealth may, in its sole discretion, terminate the Grant for cause upon such notification or when the Commonwealth otherwise learns that Grantee has been officially notified, charged, or convicted.

k. If this Grant was awarded to Grantee on a non-bid basis, Grantee must, (as required by *Section 1641* of the *Pennsylvania Election Code*) file a report of political contributions with the Secretary of the Commonwealth on or before February 15 of the next calendar year. The report must include an itemized list of all political contributions known to Grantee by virtue of the knowledge possessed by every officer, director, associate, partner, limited partner, or individual owner that has been made by:

- 1) Any officer, director, associate, partner, limited partner, individual owner or members of the immediate family when the contributions exceed an aggregate of one thousand dollars (\$1,000) by any individual during the preceding year; or
- 2) Any employee or members of his immediate family whose political contribution exceeded one thousand dollars (\$1,000) during the preceding year.

To obtain a copy of the reporting form, Grantee shall contact the Bureau of Commissions, Elections and Legislation, Division of Campaign Finance and Lobbying Disclosure, Room 210, North Office

Building, Harrisburg, PA 17120.

- l. Grantee shall comply with requirements of the *Lobbying Disclosure Act, 65 Pa.C.S. § 13A01 et seq.*, and the regulations promulgated pursuant to that law. Grantee employee activities prior to or outside of formal Commonwealth procurement communication protocol are considered lobbying and subjects the Grantee employees to the registration and reporting requirements of the law. Actions by outside lobbyists on Grantee's behalf, no matter the procurement stage, are not exempt and must be reported.
- m. When Grantee has reason to believe that any breach of ethical standards as set forth in law, the Governor's Code of Conduct, or in these provisions has occurred or may occur, including but not limited to contact by a Commonwealth officer or employee which, if acted upon, would violate such ethical standards, Grantee shall immediately notify the Commonwealth Granting officer or Commonwealth Inspector General in writing.
- n. Grantee, by submission of its bid or proposal and/or execution of this Grant and by the submission of any bills, invoices or requests for payment pursuant to the Grant, certifies and represents that it has not violated any of these Grantee integrity provisions in connection with the submission of the bid or proposal, during any Grant negotiations or during the term of the Grant.
- o. Grantee shall cooperate with the Office of Inspector General in its investigation of any alleged Commonwealth employee breach of ethical standards and any alleged Grantee non-compliance with these provisions. Grantee agrees to make identified Grantee employees available for interviews at reasonable times and places. Grantee, upon the inquiry or request of the Office of Inspector General, shall provide, or if appropriate, make promptly available for inspection or copying, any information of any type or form deemed relevant by the Inspector General to Grantee's integrity and compliance with these provisions. Such information may include, but shall not be limited to, Grantee's business or financial records, documents or files of any type or form that refers to or concern this Grant.
- p. For violation of any of these Grantee Integrity Provisions, the Commonwealth may terminate this and any other Grant with Grantee, claim liquidated damages in an amount equal to the value of anything received in breach of these provisions, claim damages for all additional costs and expenses incurred in obtaining another Grantee to complete performance under this Grant, and debar and suspend Grantee from doing business with the Commonwealth. These rights and remedies are cumulative, and the use or non-use of any one shall not preclude the use of all or any other. These rights and remedies are in addition to those the Commonwealth may have under law, statute, regulation, or otherwise.
- q. For purposes of these Grantee Integrity Provisions, the following terms shall have the meanings found in this Paragraph.
 - 1) "Confidential information" means information that a) is not already in the public domain; b) is not available to the public upon request; c) is not or does not become generally known to Grantee from a third party without an obligation to maintain its confidentiality; d) has not become generally known to the public through a act or omission of Grantee; or e) has not been independently developed by Grantee without the use of confidential information of the Commonwealth.
 - 2) "Consent" means written permission signed by a duly authorized officer or employee of the Commonwealth, provided that where the material facts have been disclosed, in writing, by pre-qualification, bid, proposal, or Grantual terms, the Commonwealth shall be deemed to have consented by virtue of execution of this Grant.
 - 3) "Grantee" means the individual or entity that has entered into this Grant with the Commonwealth, including those directors, officers, partners, managers, and owners having more than a five percent interest in Grantee.
 - 4) "Financial interest" means:
 - (a) Ownership of more than a five percent interest in any business; or
 - (b) Holding a position as an officer, director, trustee, partner, employee, or holding any position of management.
 - 5) "Gratuity" means tendering, giving or providing anything of more than nominal monetary value including, but not limited to, cash, travel, entertainment, gifts, meals, lodging, loans, subscriptions, advances, deposits of money, services, employment, or Grants of any kind. The exceptions set forth in the *Governor's Code of Conduct, Executive Order 1980-18, the 4 Pa. Code §7.153(b)*, shall apply.
 - 6) "Immediate family" means a spouse and any unemancipated child.

- 7) "Non-bid basis" means a Grant awarded or executed by the Commonwealth with Grantee without seeking bids or proposals from any other potential bidder or offeror.
- 8) "Political contribution" means any payment, gift, subscription, assessment, Grant, payment for services, dues, loan, forbearance, advance or deposit of money or any valuable thing, to a candidate for public office or to a political committee, including but not limited to a political action committee, made for the purpose of influencing any election in the Commonwealth of Pennsylvania or for paying debts incurred by or for a candidate or committee before or after any election.

23. GRANTEE RESPONSIBILITY PROVISIONS

- a. The Grantee certifies, for itself and all its subGrantees, that as of the date of its execution of this Bid/Grant, that neither the Grantee, nor any subGrantees, nor any suppliers are under suspension or debarment by the Commonwealth or any governmental entity, instrumentality, or authority and, if the Grantee cannot so certify, then it agrees to submit, along with its Bid, a written explanation of why such certification cannot be made.
- b. The Grantee also certifies, that as of the date of its execution of this Bid/Grant, it has no tax liabilities or other Commonwealth obligations.
- c. The Grantee's obligations pursuant to these provisions are ongoing from and after the effective date of the Grant through the termination date thereof. Accordingly, the Grantee shall have an obligation to inform the Commonwealth if, at any time during the term of the Grant, it becomes delinquent in the payment of taxes, or other Commonwealth obligations, or if it or any of its subGrantees are suspended or debarred by the Commonwealth, the federal government, or any other state or governmental entity. Such notification shall be made within 15 days of the date of suspension or debarment.
- d. The failure of the Grantee to notify the Commonwealth of its suspension or debarment by the Commonwealth, any other state, or the federal government shall constitute an event of default of the Grant with the Commonwealth.
- e. The Grantee agrees to reimburse the Commonwealth for the reasonable costs of investigation incurred by the Office of State Inspector General for Investigations of the Grantee's compliance with the terms of this or any other agreement between the Grantee and the Commonwealth, which results in the suspension or debarment of the Grantee. Such costs shall include, but shall not be limited to, salaries of investigators, including overtime; travel and lodging expenses; and expert witness and documentary fees. The Grantee shall not be responsible for investigative costs for investigations that do not result in the Grantee's suspension or debarment.
- f. The Grantee may obtain a current list of suspended and debarred Commonwealth Grantees by either searching the internet at <http://www.dgs.state.pa.us> or contacting the:

Department of General Services
Office of Chief Counsel
603 North Office Building
Harrisburg, PA 17125
Telephone No. (717) 783-6472
FAX No. (717) 787-9138

24. AMERICANS WITH DISABILITIES ACT

- a. Pursuant to federal regulations promulgated under the authority of The Americans With Disabilities Act, 28 C.F.R. § 35.101 et seq., the Grantee understands and agrees that it shall not cause any individual with a disability to be excluded from participation in this Grant or from activities provided for under this Grant on the basis of the disability. As a condition of accepting this Grant, the Grantee agrees to comply with the "General Prohibitions Against Discrimination," 28 C.F.R. § 35.130, and all other regulations promulgated under Title II of The Americans With Disabilities Act which are applicable to all benefits, services, programs, and activities provided by the Commonwealth of Pennsylvania through Grants with outside Grantees.

- b. The Grantee shall be responsible for and agrees to indemnify and hold harmless the Commonwealth of Pennsylvania from all losses, damages, expenses, claims, demands, suits, and actions brought by any party against the Commonwealth of Pennsylvania as a result of the Grantee's failure to comply with the provisions of subparagraph a above.

25. HAZARDOUS SUBSTANCES

The Grantee shall provide information to the Commonwealth about the identity and hazards of hazardous substances supplied or used by the Grantee in the performance of the Grant. The Grantee must comply with Act 159 of October 5, 1984, known as the "Worker and Community Right to Know Act" (the "Act") and the regulations promulgated pursuant thereto at 4 Pa. Code Section 301.1 et seq.

- a. Labeling. The Grantee shall insure that each individual product (as well as the carton, container or package in which the product is shipped) of any of the following substances (as defined by the Act and the regulations) supplied by the Grantee is clearly labeled, tagged or marked with the information listed in Paragraph (1) through (4):

1) Hazardous substances:

- a) The chemical name or common name,
- b) A hazard warning, and
- c) The name, address, and telephone number of the manufacturer.

2) Hazardous mixtures:

- a) The common name, but if none exists, then the trade name,
- b) The chemical or common name of special hazardous substances comprising .01% or more of the mixture,
- c) The chemical or common name of hazardous substances consisting 1.0% or more of the mixture,
- d) A hazard warning, and
- e) The name, address, and telephone number of the manufacturer.

3) Single chemicals:

- a) The chemical name or the common name, A hazard warning, if appropriate, and
- b) The name, address, and telephone number of the manufacturer.

4) Chemical Mixtures:

- a) The common name, but if none exists, then the trade name,
- b) A hazard warning, if appropriate,
- c) The name, address, and telephone number of the manufacturer, and
- d) The chemical name or common name of either the top five substances by volume or those substances consisting of 5.0% or more of the mixture.

A common name or trade name may be used only if the use of the name more easily or readily identifies the true nature of the hazardous substance, hazardous mixture, single chemical, or mixture involved.

Container labels shall provide a warning as to the specific nature of the hazard arising from the substance in the container.

The hazard warning shall be given in conformity with one of the nationally recognized and accepted systems of providing warnings, and hazard warnings shall be consistent with one or more of the recognized systems throughout the workplace. Examples are:

- NFPA 704, Identification of the Fire Hazards of Materials.
- National Paint and Coatings Association: Hazardous Materials Identification System.
- American Society for Testing and Materials, Safety Alert Pictorial Chart.
- American National Standard Institute, Inc., for the Precautionary Labeling of Hazardous Industrial Chemicals.

Labels must be legible and prominently affixed to and displayed on the product and the carton, container, or package so that employees can easily identify the substance or mixture present therein.

- b. Material Safety Data Sheet. The Grantee shall provide Material Safety Data Sheets (MSDS) with the information required by the Act and the regulations for each hazardous substance or hazardous mixture. The Commonwealth must be provided an appropriate MSDS with the initial shipment and with the first shipment after an MSDS is updated or product changed. For any other chemical, the Grantee shall provide an appropriate MSDS, if the manufacturer, importer, or supplier produces or possesses the MSDS. The Grantee shall also notify the Commonwealth when a substance or mixture is subject to the provisions of the Act. Material Safety Data Sheets may be attached to the carton, container, or package mailed to the Commonwealth at the time of shipment.

26. COVENANT AGAINST CONTINGENT FEES

The Grantee warrants that no person or selling agency has been employed or retained to solicit or secure the Grant upon an agreement or understanding for a commission, percentage, brokerage, or contingent fee, except bona fide employees or bona fide established commercial or selling agencies maintained by the Grantee for the purpose of securing business. For breach or violation of this warranty, the Commonwealth shall have the right to terminate the Grant without liability or in its discretion to

deduct from the Grant price or consideration, or otherwise recover the full amount of such commission, percentage, brokerage, or contingent fee.

27. APPLICABLE LAW

This Grant shall be governed by and interpreted and enforced in accordance with the laws of the Commonwealth of Pennsylvania (without regard to any conflict of laws provisions) and the decisions of the Pennsylvania courts. The Grantee consents to the jurisdiction of any court of the Commonwealth of Pennsylvania and any federal courts in Pennsylvania, waiving any claim or defense that such forum is not convenient or proper. The Grantee agrees that any such court shall have in personam jurisdiction over it, and consents to service of process in any manner authorized by Pennsylvania law.

28. INTEGRATION

The Grant, including all referenced documents, constitutes the entire agreement between the parties. No agent, representative, employee or officer of either the Commonwealth or the Grantee has authority to make, or has made, any statement, agreement or representation, oral or written, in connection with the Grant, which in any way can be deemed to modify, add to or detract from, or otherwise change or alter its terms and conditions. No negotiations between the parties, nor any custom or usage, shall be permitted to modify or contradict any of the terms and conditions of the Grant. No modifications, alterations, changes, or waiver to the Grant or any of its terms shall be valid or binding unless accomplished by a written amendment signed by both parties. All such amendments will be made using the appropriate Commonwealth form.

29. CHANGE ORDERS

The Commonwealth reserves the right to issue change orders at any time during the term of the Grant or any renewals or extensions thereof: 1) to increase or decrease the quantities resulting from variations between any

estimated quantities in the Grant and actual quantities; 2) to make changes to the services within the scope of the Grant; 3) to notify the Grantee that the Commonwealth is exercising any Grant renewal or extension option; or 4) to modify the time of performance that does not alter the scope of the Grant to extend the completion date beyond the Expiration Date of the Grant or any renewals or extensions thereof. Any such change order shall be in writing signed by the Granting Officer. The change order shall be effective as of the date appearing on the change order, unless the change order specifies a later effective date. Such increases, decreases, changes, or modifications will not invalidate the Grant, nor, if performance security is being furnished in conjunction with the Grant, release the security obligation. The Grantee agrees to provide the service in accordance with the change order. Any dispute by the Grantee in regard to the performance required under any change order shall be handled through Paragraph 19, "Grant Controversies".

For purposes of this Grant, "change order" is defined as a written order signed by the Granting Officer directing the Grantee to make changes authorized under this clause.

30. RIGHT TO KNOW LAW 8-K-1580

- a. Grantee or Subgrantee understands that this Grant Agreement and records related to or arising out of the Grant Agreement are subject to requests made pursuant to the Pennsylvania Right-to-Know Law, 65 P.S. §§ 67.101-3104, ("RTKL"). For the purpose of these provisions, the term "the Commonwealth" shall refer to the granting Commonwealth agency.
- b. If the Commonwealth needs the Grantee's or Subgrantee's assistance in any matter arising out of the RTKL related to this Grant Agreement, it shall notify the Grantee or Subgrantee using the legal contact information provided in the Grant Agreement. The Grantee or Subgrantee, at any time, may designate a different contact for such purpose upon reasonable prior written notice to the Commonwealth.
- c. Upon written notification from the Commonwealth that it requires Grantee's or Subgrantee's assistance in responding to a request under the RTKL for information related to this Grant Agreement that may be in Grantee's or Subgrantee's possession, constituting, or alleged to constitute, a public record in accordance with the RTKL ("Requested Information"), Grantee or Subgrantee shall:
 1. Provide the Commonwealth, within ten (10) calendar days after receipt of written notification, access to, and copies of, any document or information in Grantee's or Subgrantee's possession arising out of this Grant Agreement that the Commonwealth reasonably believes is Requested Information and may be a public record under the RTKL; and
 2. Provide such other assistance as the Commonwealth may reasonably request, in order to comply with the RTKL with respect to this Grant Agreement.
- d. If Grantee or Subgrantee considers the Requested Information to include a request for a Trade Secret or Confidential Proprietary Information, as those terms are defined by the RTKL, or other information that Grantee or Subgrantee considers exempt from production under the RTKL, Grantee or Subgrantee must notify the Commonwealth and provide, within seven (7) calendar days of receiving the written notification, a written statement signed by a representative of Grantee or Subgrantee explaining why the requested material is exempt from public disclosure under the RTKL.
- e. The Commonwealth will rely upon the written statement from Grantee or Subgrantee in denying a RTKL request for the Requested Information unless the Commonwealth determines that the Requested Information is clearly not protected from disclosure under the RTKL. Should the Commonwealth determine that the Requested Information is clearly not exempt from disclosure, Grantee or Subgrantee shall provide the Requested Information within five (5) business days of receipt of written notification of the Commonwealth's determination.
- f. If Grantee or Subgrantee fails to provide the Requested Information within the time period required by these provisions, Grantee or Subgrantee shall indemnify and hold the Commonwealth harmless for any damages, penalties, costs, detriment or harm that the Commonwealth may incur as a result of Grantee's or Subgrantee's failure, including any statutory damages assessed against the Commonwealth.
- g. The Commonwealth will reimburse Grantee or Subgrantee for any costs associated with complying with these provisions only to the extent allowed under the fee schedule established by the office of Open Records or as otherwise provided by the RTKL if the fee schedule is inapplicable.

- h. Grantee or Subgrantee may file a legal challenge to any Commonwealth decision to release a record to the public with the Office of Open Records, or in the Pennsylvania Courts, however, Grantee or Subgrantee shall indemnify the Commonwealth for any legal expenses incurred by the Commonwealth as a result of such a challenge and shall hold the Commonwealth harmless for any damages, penalties, costs, detriment or harm that the Commonwealth may incur as a result of Grantee's or Subgrantee's failure, including any statutory damages assessed against the Commonwealth, regardless of the outcome of such legal challenge. As between the parties, Grantee or Subgrantee agrees to waive all rights or remedies that may be available to it as a result of the Commonwealth's disclosure of Requested Information pursuant to the RTKL.
- i. The Grantee's or Subgrantee's duties relating to the RTKL are continuing duties that survive the expiration of this Grant Agreement and shall continue as long as the Grantee or Subgrantee has Requested Information in its possession.

**DEPARTMENT OF PUBLIC WELFARE ADDENDUM TO
STANDARD CONTRACT TERMS AND CONDITIONS 8-16-2011**

A. APPLICABILITY

This Addendum is intended to supplement the Standard Terms and Conditions. To the extent any of the terms contained herein conflict with terms contained in the Standard Contract Terms and Conditions, the terms in the Standard Contract Terms and Conditions shall take precedence. Further, it is recognized that certain terms contained herein may not be applicable to all the services which may be provided through Department contracts.

B. CONFIDENTIALITY

The parties shall not use or disclose any information about a recipient of the services to be provided under this contract for any purpose not connected with the parties' contract responsibilities except with written consent of such recipient, recipient's attorney, or recipient's parent or legal guardian.

C. INFORMATION

During the period of this contract, all information obtained by the Contractor through work on the project will be made available to the Department immediately upon demand. If requested, the Contractor shall deliver to the Department background material prepared or obtained by the Contractor incident to the performance of this agreement. Background material is defined as original work, papers, notes and drafts prepared by the Contractor to support the data and conclusions in final reports, and includes completed questionnaires, materials in electronic data processing form, computer programs, other printed materials, pamphlets, maps, drawings and all data directly related to the services being rendered.

D. CERTIFICATION AND LICENSING

Contractor agrees to obtain all licenses, certifications and permits from Federal, State and Local authorities permitting it to carry on its activities under this contract.

E. PROGRAM SERVICES

Definitions of service, eligibility of recipients of service and other limitations in this contract are subject to modification by amendments to Federal, State and Local laws, regulations and program requirements without further notice to the Contractor hereunder.

F. CHILD PROTECTIVE SERVICE LAWS

In the event that the contract calls for services to minors, the contractor shall comply with the provisions of the Child Protective Services Law (Act of November 26, 1975, P.L. 438, No. 124; 23 P.S. SS 6301-6384, as amended by Act of July 1, 1985, P.L. 124, No. 33) and all regulations promulgated thereunder (55Pa. Code, chapter 3490).

G. PRO-CHILDREN ACT OF 1994

The Contractor agrees to comply with the requirements of the Pro-Children Act of 1994; Public Law 103-277, Part C-Environment Tobacco Smoke (also known as the Pro-Children Act of 1994) requires that smoking not be permitted in any portion of any indoor facility owned or leased or contracted by an entity and used routinely or regularly for the provision of health care services, day care and education to children under the age of 18, if the services are funded by Federal programs whether directly or through State and Local governments. Federal programs include grants, cooperative agreements, loans or loan guarantees and contracts. The law does not apply to children's services provided in private residences, facilities funded solely by Medicare or Medicaid funds, and portions of facilities used for inpatient drug and alcohol treatment.

H. MEDICARE/MEDICAID REIMBURSEMENT

1. To the extent that services are furnished by contractors, subcontractors, or organizations related to the contractor/subcontractor and such services may in whole or in part be claimed by the

Commonwealth for Medicare/Medicaid reimbursements, contractor/subcontractor agrees to comply with 42 C.F.R.,Part 420, including:

- a. Preservation of books, documents and records until the expiration of four (4) years after the services are furnished under the contract.
 - b. Full and free access to (i) the Commonwealth, (ii) the U.S. Comptroller General, (iii) the U.S. Department of Health and Human Services, and their authorized representatives.
2. Your signature on the proposal certifies under penalty of law that you have not been suspended/terminated from the Medicare/Medicaid Program and will notify the contracting DPW Facility or DPW Program Office immediately should a suspension/termination occur during the contract period.

I. TRAVEL AND PER DIEM EXPENSES

Contractor shall not be allowed or paid travel or per diem expenses except as provided in Contractor's Budget and included in the contract amount. Any reimbursement to the Contractor for travel, lodging or meals under this contract shall be at or below state rates as provided in Management Directive 230.10, as may be amended, and incorporated herein, unless the Contractor has higher rates which have been established by its offices/officials, and published prior to entering into this contract. Higher rates must be supported by a copy of the minutes or other official documents, and submitted to the Department. Documentation in support of travel and per diem expenses will be the same as required of state employees.

J. INSURANCE

1. The contractor shall accept full responsibility for the payment of premiums for Workers' Compensation, Unemployment Compensation, Social Security, and all income tax deductions required by law for its employees who are performing services under this contract. As required by law, an independent contractor is responsible for Malpractice Insurance for health care personnel. Contractor shall provide insurance Policy Number and Provider's Name, or a copy of the policy with all renewals for the entire contract period.
2. The contractor shall, at its expense, procure and maintain during the term of the contract, the following types of insurance, issued by companies acceptable to the Department and authorized to conduct such business under the laws of the Commonwealth of Pennsylvania:
 - a. Worker's Compensation Insurance for all of the Contractor's employees and those of any subcontractor, engaged in work at the site of the project as required by law.
 - b. Public liability and property damage insurance to protect the Commonwealth, the Contractor, and any and all subcontractors from claim for damages for personal injury (including bodily injury), sickness or disease, accidental death and damage to property, including loss of use resulting from any property damage, which may arise from the activities performed under this contract or the failure to perform under this contract whether such performance or nonperformance be by the contractor, by any subcontractor, or by anyone directly or indirectly employed by either. The limits of such insurance shall be in an amount not less than \$500,000 each person and \$2,000,000 each occurrence, personal injury and property damage combined. Such policies shall be occurrence rather than claims-made policies and shall name the Commonwealth of Pennsylvania as an additional insured. The insurance shall not contain any endorsements or any other form designated to limit or restrict any action by the Commonwealth, as an additional insured, against the insurance coverage in regard to work performed for the Commonwealth.

Prior to commencement of the work under the contract and during the term of the contract, the Contractor shall provide the Department with current certificates of insurance. These certificates shall contain a provision that the coverages afforded under the policies will not be cancelled or changed until at least thirty (30) days' written notice has been given to the Department.

K. PROPERTY AND SUPPLIES

1. Contractor agrees to obtain all supplies and equipment for use in the performance of this contract at the lowest practicable cost and to purchase by means of competitive bidding whenever required by law.
2. Title to all property furnished in-kind by the Department shall remain with the Department.
3. Contractor has title to all personal property acquired by the contractor, including purchase by lease/purchase agreement, for which the contractor is to be reimbursed under this contract. Upon cancellation or termination of this contract, disposition of such purchased personal property which has a remaining useful life shall be made in accordance with the following provisions.
 - a. The contractor and the Department may agree to transfer any item of such purchased property to another contractor designated by the Department. Cost of transportation shall be born by the contractor receiving the property and will be reimbursed by the Department. Title to all transferred property shall vest in the designated contractor. The Department will reimburse the Contractor for its share, if any, of the value of the remaining life of the property in the same manner as provided under subclause b of this paragraph.
 - b. If the contractor wishes to retain any items of such purchased property, depreciation tables shall be used to ascertain the value of the remaining useful life of the property. The contractor shall reimburse the Department in the amount determined from the tables.
 - c. When authorized by the Department in writing, the contractor may sell the property and reimburse the Department for its share. The Department reserves the right to fix the minimum sale price it will accept.
4. All property furnished by the Department or personal property acquired by the contractor, including purchase by lease-purchase contract, for which the contractor is to be reimbursed under this contract shall be deemed "Department Property" for the purposes of subsection 5, 6 and 7 of this section.
5. Contractor shall maintain and administer in accordance with sound business practice a program for the maintenance, repair, protection, preservation and insurance of Department Property so as to assure its full availability and usefulness.
6. Department property shall, unless otherwise approved in writing by the Department, be used only for the performance of this contract.
7. In the event that the contractor is indemnified, reimbursed or otherwise compensated for any loss, destruction or damage to Department Property, it shall use the proceeds to replace, repair or renovate the property involved, or shall credit such proceeds against the cost of the work covered by the contract, or shall reimburse the Department, at the Department's direction.

L. DISASTERS

If, during the terms of this contract, the Commonwealth's premises are so damaged by flood, fire or other Acts of God as to render them unfit for use; then the Agency shall be under no liability or obligation to the contractor hereunder during the period of time there is no need for the services provided by the contractor except to render compensation which the contractor was entitled to under this agreement prior to such damage.

M. SUSPENSION OR DEBARMENT

In the event of suspension or debarment, 4 Pa Code Chapter 60.1 through 60.7, as it may be amended, shall apply.

N. COVENANT AGAINST CONTINGENT FEES

The contractor warrants that no person or selling agency has been employed or retained to solicit or secure this contract upon an agreement or understanding for a commission, percentage, brokerage or contingent fee (excepting bona fide employees or bona fide established commercial or selling agencies maintained by the contractor for the purpose of securing business). For breach or violation of this warranty, the Department shall have the right to annul this contract without liability or, in its discretion, to deduct from

the consideration otherwise due under the contract, or otherwise recover, the full amount of such commission, percentage, and brokerage or contingent fee.

O. CONTRACTOR'S CONFLICT OF INTEREST

The contractor hereby assures that it presently has not interest and will not acquired any interest, direct or indirect, which would conflict in any manner or degree with the performance of its services hereunder. The contractor further assures that in the performance of this contract, it will not knowingly employ any person having such interest. Contractor hereby certifies that no member of the Board of the contractor or any of its officers or directors has such an adverse interest.

P. INTEREST OF THE COMMONWEALTH AND OTHERS

No officer, member or employee of the Commonwealth and no member of its General Assembly, who exercises any functions or responsibilities under this contract, shall participate in any decision relating to this contract which affects his personal interest or the interest of any corporation, partnership or association in which he is, directly or indirectly, interested; nor shall any such officer, member or employee of the Commonwealth or member of its General Assembly have interest, direct or indirect, in this contract or the proceeds thereof.

Q. CONTRACTOR RESPONSIBILITY TO EMPLOY WELFARE CLIENTS

(Applicable to contracts \$25,000 or more)

1. The contractor, within 10 days of receiving the notice to proceed, must contact the Department of Public Welfare's Contractor Partnership Program (CPP) to present, for review and approval, the contractor's plan for recruiting and hiring recipients currently receiving cash assistance. If the contract was not procured via Request for Proposal (RFP); such plan must be submitted on Form PA-778. The plan must identify a specified number (not percentage) of hires to be made under this contract. If no employment opportunities arise as a result of this contract, the contractor must identify other employment opportunities available within the organization that are not a result of this contract. The entire completed plan (Form PA-778) must be submitted to the Bureau of Employment and Training Programs (BETP): Attention CPP Division. (Note: Do not keep the pink copy of Form PA-778). The approved plan will become a part of the contract.
2. The contractor's CPP approved recruiting and hiring plan shall be maintained throughout the term of the contract and through any renewal or extension of the contract. Any proposed change must be submitted to the CPP Division which will make a recommendation to the Contracting Officer regarding course of action. If a contract is assigned to another contractor, the new contractor must maintain the CPP recruiting and hiring plan of the original contract.
3. The contractor, within 10 days of receiving the notice to proceed, must register in the Commonwealth Workforce Development System (CWDS). In order to register the selected contractor must provide business, location and contact details by creating an Employer Business Folder for review and approval, within CWDS at [HTTPS://WWW.CWDS.STATE.PA.US](https://www.cwds.state.pa.us). Upon CPP review and approval of Form PA-778 and the Employer Business Folder in CWDS, the Contractor will receive written notice (via the pink Contractor's copy of Form PA-778) that the plan has been approved.
4. Hiring under the approved plan will be monitored and verified by Quarterly Employment Reports (Form PA-1540); submitted by the contractor to the Central Office of Employment and Training – CPP Division. A copy of the submitted Form PA-1540 must also be submitted (by the contractor) to the DPW Contract Monitor (i.e. Contract Officer). The reports must be submitted on the DPW Form PA-1540. The form may not be revised, altered, or re-created.
5. If the contractor is non-compliant, CPP Division will contact the Contract Monitor to request corrective action. The Department may cancel this contract upon thirty (30) days written notice in the event of the contractor's failure to implement or abide by the approved plan.

R. TUBERCULOSIS CONTROL

As recommended by the Centers for Disease Control and the Occupational Safety and Health Administration, effective August 9, 1996, in all State Mental Health and Mental Retardation Facilities, all

full-time and part-time employees (temporary and permanent), including contract service providers, having direct patient contact or providing service in patient care areas, are to be tested serially with PPD by Mantoux skin tests. PPD testing will be provided free of charge from the state MH/MR facility. If the contract service provider has written proof of a PPD by Mantoux method within the last six months, the MH/MR facility will accept this documentation in lieu of administration of a repeat test. In addition, documented results of a PPD by Mantoux method will be accepted by the MH/MR facility. In the event that a contractor is unwilling to submit to the test due to previous positive reading, allergy to PPD material or refusal, the risk assessment questionnaire must be completed. If a contractor refuses to be tested in accordance with this new policy, the facility will not be able to contract with this provider and will need to procure the services from another source.

S. ACT 13 APPLICATION TO CONTRACTOR

Contractor shall be required to submit with their bid information obtained within the preceding one-year period for any personnel who will have or may have direct contact with residents from the facility or unsupervised access to their personal living quarters in accordance with the following:

1. Pursuant to 18 Pa.C.S. Ch. 91 (relating to criminal history record information) a report of criminal history information from the Pennsylvania State Police or a statement from the State Police that their central repository contains no such information relating to that person. The criminal history record information shall be limited to that which is disseminated pursuant to 18 Pa.C.S. 9121(b)(2) (relating to general regulations).
2. Where the applicant is not, and for the two years immediately preceding the date of application has not been a resident of this Commonwealth, the Department shall require the applicant to submit with the application a report of Federal criminal history record information pursuant to the Federal Bureau of Investigation's under Department of State, Justice, and Commerce, the Judiciary, and Related Agencies Appropriation Act, 1973 (Public Law 92-544, 86 Stat. 1109). For the purpose of this paragraph, the applicant shall submit a full set of fingerprints to the State Police, which shall forward them to the Federal Bureau of Investigation for a national criminal history check. The information obtained from the criminal record check shall be used by the Department to determine the applicant's eligibility. The Department shall insure confidentiality of the information.
3. The Pennsylvania State Police may charge the applicant a fee of not more than \$10 to conduct the criminal record check required under subsection 1. The State Police may charge a fee of not more than the established charge by the Federal Bureau of Investigation for the criminal history record check required under subsection 2.

The Contractor shall apply for clearance using the State Police Background Check (SP4164) at their own expense. The forms are available from any State Police Substation. When the State Police Criminal History Background Report is received, it must be forwarded to the Department. State Police Criminal History Background Reports not received within sixty (60) days may result in cancellation of the contract.

T. LOBBYING CERTIFICATION AND DISCLOSURE

(applicable to contracts \$100,000 or more)

Commonwealth agencies will not contract with outside firms or individuals to perform lobbying services, regardless of the source of funds. With respect to an award of a federal contract, grant, or cooperative agreement exceeding \$100,000 or an award of a federal loan or a commitment providing for the United States to insure or guarantee a loan exceeding \$150,000 all recipients must certify that they will not use federal funds for lobbying and must disclose the use of non-federal funds for lobbying by filing required documentation. The contractor will be required to complete and return a "Lobbying Certification Form" and a "Disclosure of Lobbying Activities form" with their signed contract, which forms will be made attachments to the contract.

U. AUDIT CLAUSE

(applicable to contracts \$100,000 or more)

This contract is subject to audit in accordance with the Audit Clause attached hereto and incorporated herein.

AUDIT CLAUSE A – SUBRECIPIENT

Local Governments and Nonprofit Organizations

The Commonwealth of Pennsylvania, Department of Public Welfare (DPW), distributes federal and state funds to local governments, nonprofit, and for-profit organizations. Federal expenditures are subject to federal audit requirements, and federal and state funding passed through DPW are subject to DPW audit requirements. If any federal statute specifically prescribes policies or specific requirements that differ from the standards provided herein, the provisions of the subsequent statute shall govern. The DPW provides the following audit requirements in accordance with the Commonwealth of Pennsylvania, Governor's Office, Management Directive 325.9, as amended August 20, 2009.

Subrecipient means an entity that expends federal awards received from a pass-through entity to carry out a federal program, but does not include an individual that is a beneficiary of such a program. A subrecipient may also be a recipient of other federal awards directly from a federal awarding agency. For purposes of this audit clause, a subrecipient **is not** a vendor that receives a procurement contract to provide goods or services that are required to provide the administrative support to carry out a federal program.

A. Federal Audit Requirements – Local Governments and Nonprofit Organizations

A local government and nonprofit organization must comply with all federal audit requirements, including: the Single Audit Act, as amended; the revised Office of Management and Budget (OMB) Circular A-133, *Audits of States, Local Government, and Non-Profit Organizations*; and any other applicable law or regulation, as well as any other applicable law or regulation that may be enacted or promulgated by the federal government.

A local government or nonprofit organization that expends federal awards of \$500,000 or more during its fiscal year, received either directly from the federal government, indirectly from a pass-through entity, or a combination of both, to carry out a federal program, **is required** to have an audit made in accordance with the provisions of OMB Circular A-133, as revised.

If a local government or nonprofit organization expends **total federal awards of less than \$500,000** during its fiscal year, it is exempt from these **federal** audit requirements, but is required to maintain auditable records of federal or state funds that supplement such awards. Records must be available for review by appropriate officials. **Although an audit may not be necessary under the federal requirements, DPW audit requirements may be applicable.**

B. Department of Public Welfare Audit Requirements

A local government or nonprofit provider must meet the DPW audit requirements.

Where a Single Audit or program-specific audit is conducted in accordance with the federal audit requirements detailed above, such an audit will be accepted by the DPW provided that:

1. A full copy of the audit report is submitted as detailed below; **and**
2. The subrecipient shall ensure that the audit requirements are met for the terms of this contract; i.e., the prescribed Attestation Report and applicable schedule requirement(s). The incremental cost for preparation of the Attestation Report and the schedule cannot be charged to the federal funding stream.

AUDIT CLAUSE A – SUBRECIPIENT

Local Governments and Nonprofit Organizations

The local government or nonprofit organization must comply with all federal and state audit requirements including: the Single Audit Act Amendments of 1996; Office of Management and Budget (OMB) Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations, as amended; and any other applicable law or regulation and any amendment to such other applicable law or regulation which may be enacted or promulgated by the federal government. **In the absence of a federally required audit**, the entity is responsible for the following annual audit requirements, which are based upon the program year specified in this agreement.

Institutions that **expends \$500,000 or more in combined state and federal funds** during the program year is required to have an audit of those funds made in accordance with generally accepted *Government Auditing Standards* (The Yellow Book), revised, as published by the Comptroller General of the United States. Where such an audit is not required to meet the federal requirements, the costs related to DPW audit requirements may not be charged to federal funding streams.

If in connection with the agreement, a local government or nonprofit organization **expends \$300,000 or more in combined state and federal funds** during the program year, the subrecipient shall ensure that, for the term of the contract, an independent auditor conducts annual examinations of its compliance with the terms and conditions of this contract, as well as applicable program regulations. These examinations shall be conducted in accordance with the American Institute of Certified Public Accountants' Statements on Standards for Attestation Engagements (SSAE), Section 601, *Compliance Attestation*, and shall be of a scope acceptable to the DPW. The initial Section 601 compliance examination shall be completed for the program year specified in the contract and conducted annually thereafter. The independent auditor shall issue a report on its compliance examination as defined in SSAE, Section 601. The incremental cost for preparation of the SSAE cannot be charged to federal funding streams.

The subrecipient shall submit the SSAE, Section 601, audit report (if applicable) to the DPW within 90 days after the program year has been completed. When SSAE, Section 601, audit reports are other than unqualified, the subrecipient shall submit to the DPW, in addition to the audit reports, a plan describing what actions the subrecipient will implement to correct the situation that caused the auditor to issue a qualified report, a timetable for implementing the planned corrective actions, a process for monitoring compliance with the timetable, and a contact person who is responsible for the resolution of the situation.

If the subrecipient enters into an agreement with a subcontractor(s) for the performance of any primary contractual duties, the audit requirements are applicable to the subcontractor(s) with whom the subrecipient has entered into an agreement. Consequently, the audit requirements should be incorporated into the sub-contractual document as entered by the subrecipient.

A local government or nonprofit entity that **expends less than \$300,000 combined state and federal funds** during the program year is exempt from DPW audit requirements, but is required to maintain auditable records for each contract year. Records must be available for review by appropriate officials of the DPW or a pass-through entity.

AUDIT CLAUSE A – SUBRECIPIENT
Local Governments and Nonprofit Organizations

GENERAL AUDIT PROVISIONS

A local government or nonprofit organization is responsible for obtaining the necessary audit and securing the services of a certified public accountant or other independent governmental auditor. Federal regulations preclude public accountants licensed in the Commonwealth of Pennsylvania from performing audits of federal awards.

The Commonwealth reserves the right for federal and state agencies, or their authorized representatives, to perform additional audits of a financial and/or performance nature, if deemed necessary by Commonwealth or federal agencies. Any such additional audit work will rely on the work already performed by the subrecipient's auditor, and the costs for any additional work performed by the federal or state agency will be borne by those agencies at no additional expense to the subrecipient.

The Commonwealth reserves the right for state and federal agencies, or their authorized representatives, to perform financial and/or performance audits if deemed necessary. If it is decided that an audit of this contract will be performed, the subrecipient will be given advance notice. The subrecipient shall maintain books, records, and documents that support the services provided, that the fees earned are in accordance with the contract, and that the subrecipient has complied with the contract terms and conditions. The subrecipient agrees to make available, upon reasonable notice, at the office of the subrecipient, during normal business hours, for the term of this contract and the retention period set forth in this Audit Clause, any of the books, records, and documents for inspection, audit, or reproduction by any state or federal agency or its authorized representative.

The subrecipient shall preserve all books, records, and documents related to this contract for a period of time that is the greater of five years from the contract expiration date, until all questioned costs or activities have been resolved to the satisfaction of the Commonwealth, or as required by applicable federal laws and regulations, whichever is longer. If this contract is completely or partially terminated, the records relating to the work terminated shall be preserved and made available for a period of five years from the date of any resulting final settlement.

Audit documentation and audit reports must be retained by the subrecipient's auditor for a minimum of five years from the date of issuance of the audit report, unless the subrecipient's auditor is notified in writing by the Commonwealth or the cognizant or oversight federal agency to extend the retention period. Audit documentation will be made available upon request to authorized representatives of the Commonwealth, the cognizant or oversight agency, the federal funding agency, or the Government Accountability Office.

Records that relate to litigation of the settlement of claims arising out of performance or expenditures under this contract to which exception has been taken by the auditors shall be retained by the subrecipient or provided to the Commonwealth at the DPW's option until such litigation, claim, or exceptions have reached final disposition.

Except for documentary evidence delivered pursuant to litigation or the settlement of claims arising out of the performance of the contract, the subrecipient may, in fulfillment of his obligation to retain records as required by this Audit Clause, substitute photographs, microphotographs, or other authentic reproductions of such records after the expiration of two years following the last day of the month of reimbursement to the contractor of the invoice or voucher to which such records relate, unless a shorter period is authorized by the Commonwealth.

AUDIT CLAUSE A – SUBRECIPIENT
Local Governments and Nonprofit Organizations

SUBMISSION OF AUDIT REPORTS TO THE COMMONWEALTH

A. Federally Required Audit Reports

Submit an electronic copy of federally required audit reports to the Commonwealth, which shall include:

1. Auditor's reports
 - a. Independent auditor's report on the financial statements, which expresses an opinion on whether the financial statements are presented fairly in all material respects in conformity with the stated accounting policies.
 - b. Independent auditor's report on the supplementary Schedule of Expenditures of Federal Awards (SEFA), which should determine and provide an opinion on whether the SEFA is presented fairly in all material respects in relation to the subrecipient's financial statements taken as a whole. This report can be issued separately or combined with the independent auditor's report on the financial statements.
 - c. Report on internal control over financial reporting, compliance and other matters based on an audit of financial statements performed in accordance with Government Auditing Standards.
 - d. Report on compliance with requirements applicable to each major program and report on internal control in accordance with the circular.
 - e. Schedule of findings and questioned costs.
2. Financial statements and notes to the financial statements
3. SEFA and notes to the SEFA
4. Summary schedule of prior audit findings
5. Corrective action plan (if applicable)
6. Data collection form
7. Management letter (if applicable)

In instances where a federal program-specific audit guide is available, the audit report package for a program-specific audit may be different and should be prepared in accordance with the audit guide and OMB Circular A-133.

Effective July 1, 2009, the Office of the Budget, Office of Comptroller Operations, Bureau of Audits will begin accepting electronic submission of single audit/program-specific audit reporting packages. Electronic submission is required for the fiscal year ending December 31, 2008 and subsequent years. Instructions and information regarding submission of the single audit/program-specific audit reporting package are available to the public on Single Audit Submissions page of the Office of the Budget website (<http://www.budget.state.pa.us>). The

AUDIT CLAUSE A – SUBRECIPIENT

Local Governments and Nonprofit Organizations

reporting package must be submitted electronically in single Portable Document Format (PDF) file to RA-BOASingleAudit@state.pa.us.

Steps for submission:

1. Complete the Single Audit/Program Specific Audit Reporting Package Checklist available on the Single Audit Submissions page of the Office of the Budget website (<http://www.budget.state.pa.us>). The Single Audit/Program Specific Audit Reporting Package Checklist ensures the subrecipient's reporting package contains all required elements.
2. Upload the completed Single Audit/Program-Specific Audit Reporting Package along with the Single Audit/Program Specific Audit Reporting Package Checklist in a single PDF file to an e-mail addressed to RA-BOASingleAudit@state.pa.us. In the subject line of the e-mail the subrecipient must identify the exact name on the Single Audit/Program-Specific Audit Reporting Package and the period end date to which the reporting package applies.

The subrecipient will receive an e-mail to confirm the receipt of the Single Audit/Program-Specific Audit Reporting Package, including the completed Single Audit/Program Specific Audit Reporting Package Checklist.

B. DPW Required Audit Reports and Additional Submission by Subrecipients

Submit **three copies** of the DPW required audit report package.

1. Independent Accountant's Report – on the Attestation of an entity's compliance with specific requirements during a period of time in accordance with the contract and the appropriate schedule, as required.
2. In addition, if OMB Circular A-133, §__.320 (e), *Submission by Subrecipients*, applies, please submit the audit requirements directly to:

U.S. Postal Service: Department of Public Welfare
Bureau of Financial Operations
Division of Financial Policy and Operations
Audit Resolution Section
3rd Floor, Bertolino Building
P. O. Box 2675
Harrisburg, Pennsylvania 17102-2675

Special Deliveries: 3rd Floor, Bertolino Building
1401 North Seventh Street
Harrisburg, Pennsylvania 17102
Phone: (717) 787-8890 Fax: (717) 772-2522

AUDIT CLAUSE A – SUBRECIPIENT
Local Governments and Nonprofit Organizations

PERIOD SUBJECT TO AUDIT

A federally required audit, made in accordance with OMB Circular A-133, encompasses the fiscal period of the provider. **Therefore, the period of the federally required audit may differ from the official reporting period as specified in this agreement.** Where these periods differ, the required supplement schedule(s) and Independent Auditor's Report on the Attestation must be completed for the official annual reporting period of this agreement that ended during the period under audit and shall accompany the federally required audit.

CORRECTIVE ACTION PLAN

The provider shall prepare a corrective action plan (CAP) to address all findings of noncompliance, internal control weaknesses, and/or reportable conditions disclosed in the audit report. For each finding noted, the CAP should include: (1) a brief description identifying the findings; (2) whether the provider agrees with the finding; (3) the specific steps to be taken to correct the deficiency or specific reasons why corrective action is not necessary; (4) a timetable for completion of the corrective action steps; and (5) a description of monitoring to be performed to ensure that the steps are taken (6) the responsible party for the CAP.

REMEDIES FOR NONCOMPLIANCE

The provider's failure to provide an acceptable audit, in accordance with the requirements of the Audit Clause Requirements, may result in the DPW's not accepting the report and initiating sanctions against the provider that may include the following:

- Disallowing the cost of the audit.
- Withholding a percentage of the contract funding pending compliance.
- Withholding or disallowing administrative costs.
- Suspending subsequent contract funding pending compliance.

TECHNICAL ASSISTANCE

Technical assistance on the DPW's audit requirements, and the integration of those requirements with the federal Single Audit requirements, will be provided by:

Department of Public Welfare
Bureau of Financial Operations
Division of Financial Policy and Operations
Audit Resolution Section
3rd Floor, Bertolino Building
P.O. Box 2675
Harrisburg, Pennsylvania 17105-2675
Phone: (717) 787-8890 FAX: (717) 772-2522

AUDIT CLAUSE A – SUBRECIPIENT
Local Governments and Nonprofit Organizations
ENCLOSURE I

The Department of Public Welfare (DPW) requires an Independent Accountant's Report on the Attestation to be in the format described by the American Institute of Certified Public Accountants (AICPA). The following is the form of report an Independent Accountant should use when expressing an opinion on an entity's compliance with specified requirements during a period of time. For further guidance, refer to the AICPA guidelines.

Independent Accountant's Report

[Introductory Paragraph]

We have examined *[name of entity]*'s compliance with *[list specific compliance requirement]* during the *[period]* ended *[date]*. Management is responsible for *[name of entity]*'s compliance with those requirements. Our responsibility is to express an opinion on *[name of entity]*'s compliance based on our examination.

[Scope Paragraph]

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and, accordingly, included examining, on a test basis, evidence about *[name of entity]*'s compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion. Our examination does not provide a legal determination on *[name of entity]*'s compliance with specified requirements.

[Opinion Paragraph]

In our opinion, *[name of entity]* complied, in all material respects, with the aforementioned requirements for the year ended December 31, 20XX.

[DATE]

[SIGNATURE]

AUDIT CLAUSE B – SUBRECIPIENT For-Profit Organizations

The Commonwealth of Pennsylvania, Department of Public Welfare (DPW), distributes federal and state funds to local governments, nonprofit, and for-profit organizations. Federal expenditures are subject to federal audit requirements, and federal and state funding passed through DPW are subject to DPW audit requirements. If any federal statute specifically prescribes policies or specific requirements that differ from the standards provided herein, the provisions of the subsequent statute shall govern. The DPW provides the following audit requirements in accordance with the Commonwealth of Pennsylvania, Governor's Office, Management Directive 325.9, as amended August 20, 2009.

Subrecipient means an entity that expends federal awards received from a pass-through entity to carry out a federal program, but does not include an individual that is a beneficiary of such a program. A subrecipient may also be a recipient of other federal awards directly from a federal awarding agency. For purposes of this audit clause, a subrecipient **is not** a vendor that receives a procurement contract to provide goods or services that are required to provide the administrative support to carry out a federal program.

A. Federal Audit Requirements – For-Profit Organizations

The for-profit organization must comply with all federal and state audit requirements including: the Single Audit Act Amendments of 1996; Office of Management and Budget (OMB) Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations, as amended; and any other applicable law or regulation and any amendment to such other applicable law or regulation which may be enacted or promulgated by the federal government.

A for-profit organization **is required** to have an audit if it expends a total of \$500,000 or more in federal funds under one or more Department of Health and Human Services (DHHS) federal awards. Title 45, CFR 74.26, incorporates the thresholds and deadlines of the Office of Management and Budget (OMB) Circular A-133, *Audits of States, Local Government, and Non-Profit Organizations*, but provides for-profit organizations with two options regarding the type of audit that will satisfy the audit requirements:

1. An audit made in accordance with generally accepted *Government Auditing Standards* (The Yellow Book), revised; or
2. An audit that meets the requirements contained in OMB Circular A-133.

A for-profit organization **is required** to have an audit, in accordance with the above audit requirements, if it expends a total of \$500,000 or more of federal awards directly or indirectly during its fiscal year.

If a for-profit organization expends **total federal awards of less than \$500,000** during its fiscal year, it is exempt from these **federal** audit requirements, but is required to maintain auditable records of federal or state funds that supplement such awards. Records must be available for review by appropriate officials. **Although an audit may not be necessary under the federal requirements, DPW audit requirements may be applicable.**

AUDIT CLAUSE B – SUBRECIPIENT For-Profit Organizations

B. Department of Public Welfare Audit Requirements

A for-profit provider must meet the DPW audit requirements.

Where a Single Audit or program-specific audit is conducted in accordance with the federal audit requirements detailed above, such an audit will be accepted by the DPW provided that:

1. A full copy of the audit report is submitted as detailed below; **and**
2. The subrecipient shall ensure that the audit requirements are met for the terms of this contract; i.e., the prescribed Attestation Report and applicable schedule requirement(s). The incremental cost for preparation of the Attestation Report and the schedule cannot be charged to the federal funding stream.

In the absence of a federally required audit, the entity is responsible for the following annual audit requirements, which are based upon the program year specified in this agreement.

If in connection with the agreement, a for-profit organization **expends \$300,000 or more in combined state and federal funds** during the program year, the subrecipient shall ensure that, for the term of the contract, an independent auditor conducts annual examinations of its compliance with the terms and conditions of this contract. These examinations shall be conducted in accordance with the American Institute of Certified Public Accountants' Statements on Standards for Attestation Engagements (SSAE), Section 601, *Compliance Attestation*, and shall be of a scope acceptable to the DPW. The initial Section 601 compliance examination shall be completed for the program year specified in the contract and conducted annually thereafter. The independent auditor shall issue a report on its compliance examination as defined in SSAE, Section 601. The incremental cost for preparation of the SSAE cannot be charged to federal funding streams.

The subrecipient shall submit the SSAE, Section 601, audit reports (if applicable) to the DPW within 90 days after the program year has been completed. When the SSAE, Section 601, audit reports are other than unqualified, the subrecipient shall submit to the DPW, in addition to the audit reports, a plan describing what actions the subrecipient will implement to correct the situation that caused the auditor to issue a qualified report, a timetable for implementing the planned corrective actions, and a process for monitoring compliance with the timetable and a contact person who is responsible for the resolution of the situation.

If the subrecipient enters into an agreement with a subcontractor(s) for performance of any primary contractual duties, the audit requirements are applicable to the subcontractor(s) with whom the subrecipient has entered into an agreement. Consequently, the audit requirements should be incorporated into the sub-contractual document as entered by the subrecipient.

A for-profit entity that **expends less than \$300,000 combined state and federal funds** during the program year is exempt from DPW audit requirements, but is required to maintain auditable records for each contract year. Records must be available for review by appropriate officials of the DPW or a pass-through entity.

AUDIT CLAUSE B – SUBRECIPIENT For-Profit Organizations

GENERAL AUDIT PROVISIONS

A for-profit organization is responsible for obtaining the necessary audit and securing the services of a certified public accountant or other independent governmental auditor. Federal regulations preclude public accountants licensed in the Commonwealth of Pennsylvania from performing audits of federal awards.

The Commonwealth reserves the right for state and federal agencies, or their authorized representatives, to perform financial and/or performance audits if deemed necessary by the Commonwealth or federal agencies. Any such additional audit work will rely on the work already performed by the subrecipient's auditor, and the costs for any additional work performed by the federal or state agency will be borne by those agencies at no additional expense to the subrecipient.

The Commonwealth reserves the right for state and federal agencies, or their authorized representatives, to perform financial and/or performance audits if deemed necessary. If it is decided that an audit of this contract will be performed, the subrecipient will be given advance notice. The subrecipient shall maintain books, records, and documents that support the services provided, that the fees earned are in accordance with the contract, and that the subrecipient has complied with the contract terms and conditions. The subrecipient agrees to make available, upon reasonable notice, at the office of the subrecipient, during normal business hours, for the term of this contract and the retention period set forth in this Audit Clause, any of the books, records, and documents for inspection, audit, or reproduction by any state or federal agency or its authorized representative.

The subrecipient shall maintain books, records, and documents related to this contract for a period of five years from the contract expiration date, until all questioned costs or activities have been resolved to the satisfaction of the Commonwealth, or as required by applicable federal laws and regulations, whichever is longer. Any records that support the services provided, that the fees earned are in accordance with the contract, and that the subrecipient has complied with contract terms and conditions must be maintained. The subrecipient agrees to make available, upon reasonable notice, at the office of the subrecipient, during normal business hours, for the term of this contract and the retention period set forth in this Audit Clause, any of the books, records, and documents for inspection, audit, or reproduction by any state or federal agency or its authorized representative.

Audit documentation and audit reports must be retained by the subrecipient's auditor for a minimum of five years from the date of issuance of the audit report, unless the subrecipient's auditor is notified in writing by the Commonwealth or the cognizant or oversight federal agency to extend the retention period. Audit documentation will be made available upon request to authorized representatives of the Commonwealth, the cognizant or oversight agency, the federal funding agency, or the Government Accountability Office.

Records that relate to litigation of the settlement of claims arising out of performance or expenditures under this contract to which exception has been taken by the auditors shall be retained by the subrecipient or provided to the Commonwealth at the DPW's option until such litigation, claim, or exceptions have reached final disposition.

AUDIT CLAUSE B – SUBRECIPIENT For-Profit Organizations

Except for documentary evidence delivered pursuant to litigation or the settlement of claims arising out of the performance of the contract, the subrecipient may, in fulfillment of his obligation to retain records as required by this Audit Clause, substitute photographs, microphotographs, or other authentic reproductions of such records after the expiration of two years following the last day of the month of reimbursement to the contractor of the invoice or voucher to which such records relate, unless a shorter period is authorized by the Commonwealth.

SUBMISSION OF AUDIT REPORT TO THE COMMONWEALTH

A. Federally Required Audit Reports

Submit an electronic copy of federally required audit reports to the Commonwealth, which shall include:

1. Auditor's reports
 - a. Independent auditor's report on the financial statements, which expresses an opinion on whether the financial statements are presented fairly in all material respects in conformity with the stated accounting policies.
 - b. Independent auditor's report on the supplementary Schedule of Expenditures of Federal Awards (SEFA), which should determine and provide an opinion on whether the SEFA is presented fairly in all material respects in relation to the subrecipient's financial statements taken as a whole. This report can be issued separately or combined with the independent auditor's report on the financial statements.
 - c. Report on internal control over financial reporting, compliance and other matters based on an audit of financial statements performed in accordance with Government Auditing Standards.
 - d. Report on compliance with requirements applicable to each major program and report on internal control in accordance with the circular.
 - e. Schedule of findings and questioned costs.
2. Financial statements and notes to the financial statements
3. SEFA and notes to the SEFA
4. Summary schedule of prior audit findings
5. Corrective action plan (if applicable)
6. Data collection form
7. Management letter (if applicable)

SUBRECIPIENT AUDIT CLAUSE B

For-Profit Organization

In instances where a federal program-specific audit guide is available, the audit report package for a program-specific audit may be different and should be prepared in accordance with the audit guide and OMB Circular A-133.

Effective July 1, 2009, the Office of the Budget, Office of Comptroller Operations, Bureau of Audits will begin accepting electronic submission of single audit/program-specific audit reporting packages. Electronic submission is required for the fiscal year ending December 31, 2008 and subsequent years. Instructions and information regarding submission of the single audit/program-specific audit reporting package are available to the public on Single Audit Submissions page of the Office of the Budget website (<http://www.budget.state.pa.us>). The reporting package must be submitted electronically in single Portable Document Format (PDF) file to RA-BOASingleAudit@state.pa.us.

Steps for submission:

1. Complete the Single Audit/Program Specific Audit Reporting Package Checklist available on the Single Audit Submissions page of the Office of the Budget website (<http://www.budget.state.pa.us>). The Single Audit/Program Specific Audit Reporting Package Checklist ensures the subrecipient's reporting package contains all required elements.
2. Upload the completed Single Audit/Program-Specific Audit Reporting Package along with the Single Audit/Program Specific Audit Reporting Package Checklist in a single PDF file to an e-mail addressed to RA-BOASingleAudit@state.pa.us. In the subject line of the e-mail the subrecipient must identify the exact name on the Single Audit/Program-Specific Audit Reporting Package and the period end date to which the reporting package applies.

The subrecipient will receive an e-mail to confirm the receipt of the Single Audit/Program-Specific Audit Reporting Package, including the completed Single Audit/Program Specific Audit Reporting Package Checklist.

B. DPW Required Audit Reports and Additional Submission by Subrecipients

Submit **three copies** of the DPW required audit report package.

1. Independent Accountant's Report – on the Attestation of an entity's compliance with specific requirements during a period of time in accordance with the contract and the appropriate schedule, as required.
2. In addition, if OMB Circular A-133, §__.320 (e), *Submission by Subrecipients*, applies, please submit the audit requirements directly to:

U.S. Postal Service: Department of Public Welfare
Bureau of Financial Operations
Division of Financial Policy and Operations
Audit Resolution Section
3rd Floor, Bertolino Building
P. O. Box 2675
Harrisburg, Pennsylvania 17102-2675

SUBRECIPIENT AUDIT CLAUSE B

For-Profit Organization

Special Deliveries 3rd Floor, Bertolino Building
1401 North Seventh Street
Harrisburg, Pennsylvania 17102
Phone: (717) 787-8890 Fax: (717) 772-2522

PERIOD SUBJECT TO AUDIT

A federally required audit, made in accordance with OMB Circular A-133, encompasses the fiscal period of the auditee. **Therefore, the period of the federally required audit may differ from the official reporting period as specified in this agreement.** Where these periods differ, the required supplement schedule and an Independent Auditor's Report on the Attestation must be completed for the official annual reporting period of this agreement that ended during the period under audit and shall accompany the federally required audit.

CORRECTIVE ACTION PLAN

The provider shall prepare a corrective action plan (CAP) to address all findings of noncompliance, internal control weaknesses, and/or reportable conditions disclosed in the audit report. For each finding noted, the CAP should include: (1) a brief description identifying the findings; (2) whether the auditee agrees with the finding; (3) the specific steps to be taken to correct the deficiency or specific reasons why corrective action is not necessary; (4) a timetable for completion of the corrective action steps; and (5) a description of monitoring to be performed to ensure that the steps are taken. (6) the responsible party for the CAP.

REMEDIES FOR NONCOMPLIANCE

The provider's failure to provide an acceptable audit, in accordance with the requirements of the Audit Clause Requirements, may result in the DPW's not accepting the report and initiating sanctions against the Provider that may include the following:

- Disallowing the cost of the audit.
- Withholding a percentage of the contract funding pending compliance.
- Withholding or disallowing administrative costs.
- Suspending subsequent contract funding pending compliance.

TECHNICAL ASSISTANCE

Technical assistance on the DPW's audit requirements, and the integration of those requirements with the federal Single Audit requirements, will be provided by:

Department of Public Welfare
Bureau of Financial Operations
Division of Financial Policy and Operations
Audit Resolution Section
3rd Floor, Bertolino Building
P.O. Box 2675
Harrisburg, Pennsylvania 17105-2675
Phone: (717) 787-8890 FAX: (717) 772-2522

AUDIT CLAUSE B
For-Profit Organization
ENCLOSURE I

Independent Accountant's Report

The Department of Public Welfare (DPW) requires an Independent Accountant's Report on the Attestation to be in the format described by the American Institute of Certified Public Accountants (AICPA). The following is the form of report an Independent Accountant should use when expressing an opinion on an entity's compliance with specified requirements during a period of time. For further guidance, refer to the AICPA guidelines.

Independent Accountant's Report

[Introductory Paragraph]

We have examined [*name of entity*]'s compliance with [*list specific compliance requirement*] during the [*period*] ended [*date*]. Management is responsible for [*name of entity*]'s compliance with those requirements. Our responsibility is to express an opinion on [*name of entity*]'s compliance based on our examination.

[Scope Paragraph]

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and, accordingly, included examining, on a test basis, evidence about [*name of entity*]'s compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion. Our examination does not provide a legal determination on [*name of entity*]'s compliance with specified requirements.

[Opinion Paragraph]

In our opinion, [*name of entity*] complied, in all material respects, with the aforementioned requirements for the year ended December 31, 20XX.

[DATE]

[SIGNATURE]

AUDIT CLAUSE C – VENDOR
Service Organizations

The Commonwealth of Pennsylvania, Department of Public Welfare (DPW), distributes federal and state funds to local governments, nonprofit, and for-profit organizations. Federal expenditures are subject to federal audit requirements, and federal funding and state funding passed through DPW are subject to DPW audit requirements. If any federal statute specifically prescribes policies or specific requirements that differ from the standards provided herein, the provisions of the subsequent statute shall govern.

Vendor means a dealer, distributor, merchant, or other seller providing goods or services to an auditee that are required for the **administrative support** of a program. These goods or services may be for an organization's own use or for the use of beneficiaries of the federal program. The vendor's responsibility is to meet the requirements of the procurement contract.

Department of Public Welfare Audit Requirements

If in connection with the agreement, an entity **expends \$300,000 or more in combined state and federal funds** during the program year, the entity shall ensure that, for the term of the contract, an independent auditor conducts annual examinations of its compliance with the terms and conditions of this contract. These examinations shall be conducted in accordance with the American Institute of Certified Public Accountants' Statements on Standards for Attestation Engagements (SSAE), Section 601, *Compliance Attestation*, and shall be of a scope acceptable to the DPW. The contractor shall also ensure that an independent auditor performs an audit of its policies and procedures applicable to the processing of transactions. These audits shall be performed in accordance with the Statement on Auditing Standards 70 (SAS 70), *Reports on the Processing of Transactions by Service Organizations*. The initial SAS 70 audit shall be completed for the official annual reporting period of this agreement and conducted annually thereafter. The independent auditor shall issue reports on its compliance examination, as defined in the SSAE, Section 601, and on the policies and procedures placed in operation and the tests of operating effectiveness, as defined in SAS 70.

The Commonwealth reserves the right for state and federal agencies, or their authorized representatives, to perform financial and performance audits if deemed necessary. If it is decided that an audit of this contract will be performed, the contractor will be given advance notice. The contractor shall maintain books, records, and documents that support the services provided, that the fees earned are in accordance with the contract, and that the contractor has complied with contract terms and conditions. The contractor agrees to make available, upon reasonable notice, at the office of the contractor, during normal business hours, for the term of this contract and the retention period set forth in this Audit Clause, any of the books, records, and documents for inspection, audit, or reproduction by any state or federal agency or its authorized representative.

The contractor shall preserve all books, records, and documents related to this contract for a period of time that is the greater of five years from the contract expiration date, until all questioned costs or activities have been resolved to the satisfaction of the Commonwealth, or as required by applicable federal laws and regulations, whichever is longer. If this contract is completely or partially terminated, the records relating to the work terminated shall be preserved and made available for a period of five years from the date of any resulting final settlement.

AUDIT CLAUSE C – VENDOR
Service Organizations

Records that relate to litigation or the settlement of claims arising out of performance or expenditures under this contract to which exception has been taken by the auditors, shall be retained by the contractor or provided to the Commonwealth at the DPW's option until such litigation, claim, or exceptions have reached final disposition.

Except for documentary evidence delivered pursuant to litigation or the settlement of claims arising out of the performance of this contract, the contractor may, in fulfillment of his obligation to retain records as required by this Audit Clause, substitute photographs, microphotographs, or other authentic reproductions of such records, after the expiration of two years following the last day of the month of reimbursement to the contractor of the invoice or voucher to which such records relate, unless a shorter period is authorized by the Commonwealth.

DPW Required Audit Report Submission

The contractor shall submit the SSAE, Section 601, and SAS 70 audit reports to the DPW within 90 days after the required period of audit has ended. When either the SSAE, Section 601, or SAS 70 audit reports are other than unqualified, the contractor shall submit to the DPW, in addition to the audit reports, a plan describing what actions the contractor will implement to correct the situation that caused the auditor to issue a qualified report, a timetable for implementing the planned corrective actions, and a process for monitoring compliance with the timetable and the contact person who is responsible for resolution.

Submit **two copies** of the DPW required audit report package.

1. Independent Accountant's Report – on the Attestation of an entity's compliance with specific requirements during a period of time in accordance with the contract and the appropriate schedule, as required.
2. Submit the audit report directly to the program office.

REMEDIES FOR NONCOMPLIANCE

The provider's failure to provide an acceptable audit, in accordance with the requirements of the Audit Clause Requirements, may result in the DPW's not accepting the report and initiating sanctions against the contractor that may include the following:

- Disallowing the cost of the audit.
- Withholding a percentage of the contract funding pending compliance.
- Suspending subsequent contract funding pending compliance.

AUDIT CLAUSE C – VENDOR
Service Organizations

TECHNICAL ASSISTANCE

Technical assistance on the DPW's audit requirements, will be provided by:

Department of Public Welfare
Bureau of Financial Operations
Division of Financial Policy and Operations
Audit Resolution Section
3rd Floor, Bertolino Building
P.O. Box 2675
Harrisburg, Pennsylvania 17105-2675
Phone: (717) 787-8890 FAX: (717) 772-2522

AUDIT CLAUSE C – VENDOR

Service Organizations

ENCLOSURE I

The Department of Public Welfare (DPW) requires an Independent Accountant's Report on the Attestation to be in the format described by the American Institute of Certified Public Accountants (AICPA). The following is the form of report an Independent Accountant should use when expressing an opinion on an entity's compliance with specified requirements during a period of time. For further guidance, refer to the AICPA guidelines.

Independent Accountant's Report

[Introductory Paragraph]

We have examined [*name of entity*]'s compliance with [*list specific compliance requirement*] during the [*period*] ended [*date*]. Management is responsible for [*name of entity*]'s compliance with those requirements. Our responsibility is to express an opinion on [*name of entity*]'s compliance based on our examination.

[Scope Paragraph]

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and, accordingly, included examining, on a test basis, evidence about [*name of entity*]'s compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion. Our examination does not provide a legal determination on [*name of entity*]'s compliance with specified requirements.

[Opinion Paragraph]

In our opinion, [*name of entity*] complied, in all material respects, with the aforementioned requirements for the year ended December 31, 20XX.

[DATE]

[SIGNATURE]

AUDIT CLAUSE D – VENDOR

The Commonwealth of Pennsylvania, Department of Public Welfare (DPW), distributes federal and state funds to local governments, nonprofit, and for-profit organizations. Federal expenditures are subject to federal audit requirements, and federal funding and state funding passed through DPW are subject to DPW audit requirements. If any federal statute specifically prescribes policies or specific requirements that differ from the standards provided herein, the provisions of the subsequent statute shall govern.

Vendor means a dealer, distributor, merchant, or other seller providing goods or services to an auditee that are required for the **administrative support** of a program. These goods or services may be for an organization's own use or for the use of beneficiaries of the federal program. The vendor's responsibility is to meet the requirements of the procurement contract.

Department of Public Welfare Audit Requirement

If in connection with the agreement, an entity **expends \$300,000 or more in combined state and federal funds** during the program year, the entity shall ensure that, for the term of the contract, an independent auditor conducts annual examinations of its compliance with the terms and conditions of this contract. These examinations shall be conducted in accordance with the American Institute of Certified Public Accountants' Statements on Standards for Attestation Engagements (SSAE), examinations, Section 601, *Compliance Attestation*, and shall be of a scope acceptable to the DPW. The initial SSAE, Section 601, compliance examination shall be completed for the official annual reporting period of this agreement and conducted annually thereafter. The independent auditor shall issue a report on its compliance examination, as defined in the SSAE, Section 601.

The Commonwealth reserves the right for state and federal agencies, or their authorized representatives, to perform financial and performance audits if deemed necessary. If it is decided that an audit of this contract will be performed, the contractor will be given advance notice. The contractor shall maintain books, records, and documents that support the services provided, that the fees earned are in accordance with the contract, and that the contractor has complied with contract terms and conditions. The contractor agrees to make available, upon reasonable notice, at the office of the contractor, during normal business hours, for the term of this contract and the retention period set forth in this Audit Clause, any of the books, records, and documents for inspection, audit, or reproduction by any state or federal agency or its authorized representative.

The contractor shall preserve all books, records, and documents related to this contract for a period of time that is the greater of five years from the contract expiration date, until all questioned costs or activities have been resolved to the satisfaction of the Commonwealth, or as required by applicable federal laws and regulations, whichever is longer. If this contract is completely or partially terminated, the records relating to the work terminated shall be preserved and made available for a period of five years from the date of any resulting final settlement.

Records that relate to litigation or the settlement of claims arising out of performance or expenditures under this contract to which exception has been taken by the auditors, shall be retained by the contractor or provided to the Commonwealth at the DPW's option until such litigation, claim, or exceptions have reached final disposition.

AUDIT CLAUSE D – VENDOR

Except for documentary evidence delivered pursuant to litigation or the settlement of claims arising out of the performance of this contract, the contractor may, in fulfillment of his obligation to retain records as required by this Audit Clause, substitute photographs, microphotographs, or other authentic reproductions of such records, after the expiration of two years following the last day of the month of reimbursement to the contractor of the invoice or voucher to which such records relate, unless a shorter period is authorized by the Commonwealth

DPW Required Audit Report Submission

The contractor shall submit the SSAE, Section 601 audit report to the DPW within 90 days after the required period of audit has ended. When the SSAE, Section 601, audit report is other than unqualified, the contractor shall submit to the DPW, in addition to the audit reports, a plan describing what actions the contractor will implement to correct the situation that caused the auditor to issue a qualified report, a timetable for implementing the planned corrective actions, and a process for monitoring compliance with the timetable.

Submit **two copies** of the DPW required audit report package.

1. Independent Accountant's Report – on the Attestation of an entity's compliance with specific requirements during a period of time in accordance with the contract and the appropriate schedule, as required.
2. Submit the audit report directly to the program office.

REMEDIES FOR NONCOMPLIANCE

The provider's failure to provide an acceptable audit, in accordance with the requirements of the Audit Clause Requirements, may result in the DPW's not accepting the report and initiating sanctions against the contractor that may include the following:

- Disallowing the cost of the audit.
- Withholding a percentage of the contract funding pending compliance.
- Suspending subsequent contract funding pending compliance.

TECHNICAL ASSISTANCE

Technical assistance on the DPW's audit requirements, will be provided by:

Department of Public Welfare
Bureau of Financial Operations
Division of Financial Policy and Operations
Audit Resolution Section
3rd Floor, Bertolino Building
P.O. Box 2675
Harrisburg, Pennsylvania 17105-2675
Phone: (717) 787-8890 FAX: (717) 772-2522

**AUDIT CLAUSE D – VENDOR
ENCLOSURE I**

The Department of Public Welfare (DPW) requires an Independent Accountant's Report on the Attestation to be in the format described by the American Institute of Certified Public Accountants (AICPA). The following is the form of report an Independent Accountant should use when expressing an opinion on an entity's compliance with specified requirements during a period of time. For further guidance, refer to the AICPA guidelines.

Independent Accountant's Report

[Introductory Paragraph]

We have examined [*name of entity*]'s compliance with [*list specific compliance requirement*] during the [*period*] ended [*date*]. Management is responsible for [*name of entity*]'s compliance with those requirements. Our responsibility is to express an opinion on [*name of entity*]'s compliance based on our examination.

[Scope Paragraph]

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and, accordingly, included examining, on a test basis, evidence about [*name of entity*]'s compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion. Our examination does not provide a legal determination on [*name of entity*]'s compliance with specified requirements.

[Opinion Paragraph]

In our opinion, [*name of entity*] complied, in all material respects, with the aforementioned requirements for the year ended December 31, 20XX.

[DATE]

[SIGNATURE]

SUBRECIPIENT / VENDOR AUDITS

AUDIT CLAUSE E – VENDOR Exceptions

NOTE: This Audit Clause should not be used in most instances – only for instances when no specific audit requirement is warranted.

The Commonwealth reserves the right for state and federal agencies, or their authorized representatives, to perform financial and performance audits if deemed necessary. If it is decided that an audit of this contract will be performed, the contractor will be given advance notice. The contractor shall maintain books, records, and documents that support the services provided, that the fees earned are in accordance with the contract, and that the contractor has complied with contract terms and conditions. The contractor agrees to make available, upon reasonable notice, at the office of the contractor, during normal business hours, for the term of this contract and the retention period set forth in this Audit Clause, any of the books, records, and documents for inspection, audit, or reproduction by any state or federal agency or its authorized representative.

The contractor shall preserve all books, records, and documents related to this contract for a period of time that is the greater of five years from the contract expiration date, until all questioned costs or activities have been resolved to the satisfaction of the Commonwealth, or as required by applicable federal laws and regulations, whichever is longer. If this contract is completely or partially terminated, the records relating to the work terminated shall be preserved and made available for a period of four years from the date of any resulting final settlement.

Records that relate to litigation or the settlement of claims arising out of performance or expenditures under this contract to which exception has been taken by the auditors, shall be retained by the contractor or provided to the Commonwealth at the Department of Public Welfare's option until such litigation, claim, or exceptions have reached final disposition.

Except for documentary evidence delivered pursuant to litigation or the settlement of claims arising out of the performance of this contract, the contractor may, in fulfillment of his obligation to retain records as required by this Audit Clause, substitute photographs, microphotographs, or other acceptable reproductions of such records, after the expiration of two years following the last day of the month of reimbursement to the contractor of the invoice or voucher to which such records relate, unless a shorter period is authorized by the Commonwealth.

APPENDIX C
DOMESTIC WORKFORCE UTILIZATION CERTIFICATION

To the extent permitted by the laws and treaties of the United States, each proposal will be scored for its commitment to use the domestic workforce in the fulfillment of the contract. Maximum consideration will be given to those offerors who will perform the contracted direct labor exclusively within the geographical boundaries of the United States or within the geographical boundaries of a country that is a party to the World Trade Organization Government Procurement Agreement. Those who propose to perform a portion of the direct labor outside of the United States and not within the geographical boundaries of a party to the World Trade Organization Government Procurement Agreement will receive a correspondingly smaller score for this criterion. In order to be eligible for any consideration for this criterion, offerors must complete and sign the following certification. This certification will be included as a contractual obligation when the contract is executed. Failure to complete and sign this certification will result in no consideration being given to the offeror for this criterion.

I, _____ [title] of _____ [name of Contractor]
a _____ [place of incorporation] corporation or other legal entity, ("Contractor") located at

[address], having a Social Security or Federal Identification Number of _____, do
hereby certify and represent to the Commonwealth of Pennsylvania ("Commonwealth") (Check **one** of the
boxes below):

All of the direct labor performed within the scope of services under the contract will be performed exclusively within the geographical boundaries of the United States or one of the following countries that is a party to the World Trade Organization Government Procurement Agreement: Aruba, Austria, Belgium, Bulgaria, Canada, Cyprus, Czech Republic, Denmark, Estonia, Finland, France, Germany, Greece, Hong Kong, Hungary, Iceland, Ireland, Israel, Italy, Japan, Korea, Latvia, Liechtenstein, Lithuania, Luxemburg, Malta, the Netherlands, Norway, Poland, Portugal, Romania, Singapore, Slovak Republic, Slovenia, Spain, Sweden, Switzerland, and the United Kingdom

OR

_____ percent (____ %) [Contractor must specify the percentage] of the direct labor performed within the scope of services under the contract will be performed within the geographical boundaries of the United States or within the geographical boundaries of one of the countries listed above that is a party to the World Trade Organization Government Procurement Agreement. Please identify the direct labor performed under the contract that will be performed outside the United States and not within the geographical boundaries of a party to the World Trade Organization Government Procurement Agreement and identify the country where the direct labor will be performed:

[Use additional sheets if necessary]

The Department of General Services [or other purchasing agency] shall treat any misstatement as fraudulent concealment of the true facts punishable under Section 4904 of the *Pennsylvania Crimes Code*, Title 18, of Pa. Consolidated Statutes.

Attest or Witness:

Corporate or Legal Entity's Name

Signature/Date

Signature/Date

Printed Name/Title

Printed Name/Title

**APPENDIX D
CORPORATE REFERENCE QUESTIONNAIRE**

Proposer Information

Reference Information

Proposer _____ **Corporation/Company** _____

Address _____ **Contact Person** _____

_____ **Telephone Number** _____

_____ **Telephone Number** _____

Q1. What function does/did the contractor perform for you? 		
Q2. What is/was the dollar amount of your contract? 		
Q3. What is/was the time period in which services were provided? 		
Ratings: Summarize contractor's performance and circle in the column on the right the number that corresponds to the performance rating for each rating category. Please use the following rating scale. 0–Unsatisfactory 1–Poor 2–Fair 3–Good 4–Excellent 5–Demonstrated Exceptional Performance		
Q4. Rate the contractor's overall performance.	Comments:	Rating: 0 1 2 3 4 5
Q5. How would you assess the contractor's key personnel? (How long did key personnel work on the contract	Comments:	Rating: 0 1 2

<p>– did they effectively manage the contract – were they responsive to technical direction?)</p>		<p>3 4 5</p>
<p>Q6. Please rate and comment on the contractor's ability to work with your in-house staff.</p>	<p>Comments:</p>	<p>Rating: 0 1 2 3 4 5</p>
<p>Q7. Please rate and comment on the contractor's technical skills and knowledge in providing managed care or healthcare services.</p>	<p>Comments:</p>	<p>Rating: 0 1 2 3 4 5</p>
<p>Q8. Please rate and comment on the contractor's reasonableness in resolving conflicts or problems.</p>	<p>Comments:</p>	<p>Rating: 0 1 2 3 4 5</p>
<p>Q9. Please rate and comment on the contractor's commitment to customer satisfaction.</p>	<p>Comments:</p>	<p>Rating: 0 1 2 3 4 5</p>
<p>Q10. How cooperative was the contractor during contract negotiations? Please explain your rating.</p>	<p>a. Highly cooperative b. Moderately cooperative c. Slightly cooperative d. Slightly uncooperative e. Moderately uncooperative f. Highly uncooperative g. No opinion</p> <p>Explanation:</p>	

<p>Q11. Would you hire the contractor again for another project? Please explain your rating.</p>	<p>a. Yes b. No</p> <p>Explanation:</p>
<p>Q12. What do you view as the contractor's greatest strength?</p>	<p>Comments:</p>
<p>Q13. What do you view as the contractor's greatest weakness?</p>	<p>Comments:</p>
<p>Q14. Is there anything you would like to add concerning the contractor?</p>	<p>Comments:</p>

PRINT NAME: _____

SIGNATURE: _____

TITLE: _____

DATE: _____

LOBBYING CERTIFICATION FORM

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 any 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 under *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 such failure.

SIGNATURE: _____

TITLE: _____

DATE: _____

INSTRUCTIONS FOR COMPLETION OF SF-LLL, DISCLOSURE OF LOBBYING ACTIVITIES

This disclosure form shall be completed by the reporting entity, whether subawardee or prime Federal recipient, at the initiation or receipt of a covered Federal action, or a material change to a previous filing, pursuant to title 31 U S C section 1352. The filing of a form is required for each payment or agreement to make payment to any lobbying entity 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 a covered Federal action. Complete all items that apply for both the initial filing and material change report. Refer to the implementing guidance published by the Office of Management and Budget for additional information.

- 1 Identify the type of covered Federal action for which lobbying activity is and/or has been secured to influence the outcome of a covered Federal action
- 2 Identify the status of the covered Federal action.
- 3 Identify the appropriate classification of this report. If this is a followup report caused by a material change to the information previously reported, enter the year and quarter in which the change occurred. Enter the date of the last previously submitted report by this reporting entity for this covered Federal action.
- 4 Enter the full name, address, city, State and zip code of the reporting entity. Include Congressional District, if known. Check the appropriate classification of the reporting entity that designates if it is, or expects to be, a prime or subaward recipient. Identify the tier of the subawardee, e.g., the first subawardee of the prime is the 1st tier. Subawards include but are not limited to subcontracts, subgrants and contract awards under grants.
- 5 If the organization filing the report in item 4 checks "Subawardee," then enter the full name, address, city, State and zip code of the prime Federal recipient. Include Congressional District, if known.
- 6 Enter the name of the Federal agency making the award or loan commitment. Include at least one organizational level below agency name, if known. For example, Department of Transportation, United States Coast Guard.
- 7 Enter the Federal program name or description for the covered Federal action (item 1). If known, enter the full Catalog of Federal Domestic Assistance (CFDA) number for grants, cooperative agreements, loans, and loan commitments.
- 8 Enter the most appropriate Federal identifying number available for the Federal action identified in item 1 (e.g., Request for Proposal (RFP) number; Invitation for Bid (IFB) number; grant announcement number; the contract, grant, or loan award number; the application/proposal control number assigned by the Federal agency). Include prefixes, e.g., "RFP-DE-90-001."
- 9 For a covered Federal action where there has been an award or loan commitment by the Federal agency, enter the Federal amount of the award/loan commitment for the prime entity identified in item 4 or 5.
- 10 (a) Enter the full name, address, city, State and zip code of the lobbying registrant under the Lobbying Disclosure Act of 1995 engaged by the reporting entity identified in item 4 to influence the covered Federal action.

(b) Enter the full names of the individual(s) performing services, and include full address if different from 10 (a). Enter Last Name, First Name, and Middle Initial (MI).
11. The certifying official shall sign and date the form, print his/her name, title, and telephone number.

According to the Paperwork Reduction Act, as amended, no persons are required to respond to a collection of information unless it displays a valid OMB Control Number. The valid OMB control number for this information collection is OMB No. 0348-0046. Public reporting burden for this collection of information is estimated to average 10 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 (0348-0046), Washington, DC 20503.

DISCLOSURE OF LOBBYING ACTIVITIES

Approved by OMB
0348-0046

Complete this form to disclose lobbying activities pursuant to 31 U.S.C. 1352
(See reverse for public burden disclosure.)

1. Type of Federal Action: <input type="checkbox"/> a. contract <input type="checkbox"/> b. grant <input type="checkbox"/> c. cooperative agreement <input type="checkbox"/> d. loan <input type="checkbox"/> e. loan guarantee <input type="checkbox"/> f. loan insurance	2. Status of Federal Action: <input type="checkbox"/> a. bid/offer/application <input type="checkbox"/> b. initial award <input type="checkbox"/> c. post-award	3. Report Type: <input type="checkbox"/> a. initial filing <input type="checkbox"/> b. material change For Material Change Only: year _____ quarter _____ date of last report _____
4. Name and Address of Reporting Entity: <input type="checkbox"/> Prime <input type="checkbox"/> Subawardee Tier _____, if known: Congressional District, if known: ^{4c}	5. If Reporting Entity in No. 4 is a Subawardee, Enter Name and Address of Prime: Congressional District, if known:	
6. Federal Department/Agency:	7. Federal Program Name/Description: CFDA Number, if applicable: _____	
8. Federal Action Number, if known:	9. Award Amount, if known: \$ _____	
10. a. Name and Address of Lobbying Registrant <i>(if individual, last name, first name, MI):</i>	b. Individuals Performing Services <i>(including address if different from No. 10a)</i> <i>(last name, first name, MI):</i>	
11. Information requested through this form is authorized by title 31 U.S.C section 1352. This disclosure of lobbying activities is a material representation of fact upon which reliance was placed by the tier above when this transaction was made or entered into. This disclosure is required pursuant to 31 U.S.C. 1352. This information will be available for public inspection. Any person who fails to file the required disclosure shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.	Signature: _____ Print Name: _____ Title: _____ Telephone No.: _____ Date: _____	
Federal Use Only:		Authorized for Local Reproduction Standard Form LLL (Rev. 7-97)

**APPENDIX F
FORMAT FOR QUESTIONS**

Date:

Subject: Preproposal Conference Questions

To: Chairman
Evaluation Committee

From: Name:
Firm:
Date:

1.

2.

3.

4.

5.

6.

COMMONWEALTH OF PENNSYLVANIA BUSINESS ASSOCIATE APPENDIX

WHEREAS, the Pennsylvania Department of Welfare (**Covered Entity**) and _____ (Business Associate) intend to protect the privacy and security of certain Protected Health Information (PHI) to which Business Associate may have access in order to provide goods or services to or on behalf of Covered Entity, in accordance with the Health Insurance Portability and Accountability Act of 1996, Public Law 104-191 (HIPAA), the Health Information Technology for Economic and Clinical Health (HITECH) Act, Title XIII of Division A and Title IV of Division B of the American Recovery and Reinvestment Act of 2009 (ARRA), Pub. L. No. 111-5 (Feb. 17, 2009) and related regulations, the HIPAA Privacy Rule (Privacy Rule), 45 C.F.R. Parts 160 and 164, as amended, the HIPAA Security Rule (Security Rule), 45 C.F.R. Parts 160, 162 and 164), as amended, 42 U.S.C. § 602(a)(1)(A)(iv), 42 U.S.C. § 1396a(a)(7), 35 P.S. § 7607, 50 Pa.C.S. § 7111, 71 P.S. § 1690.108(c), 62 P.S. § 404, 55 Pa. Code Chapter 105, 55 Pa. Code Chapter 5100, 42 C.F.R. §§ 431.301-431.302, 45 C.F.R. § 205.50, the Pennsylvania Breach of Personal Information Notification Act, 73 P.S. § 2301 *et seq.*, and other relevant laws, including subsequently adopted provisions applicable to use and disclosure of confidential information, and applicable agency guidance.

WHEREAS, Business Associate may receive PHI from Covered Entity, or may create or obtain PHI from other parties for use on behalf of Covered Entity, which PHI must be used, handled and disclosed in accordance with this Appendix and the standards established by HIPAA, the HITECH Act and related regulations, and other applicable laws and agency guidance.

NOW, THEREFORE, Covered Entity and Business Associate agree as follows:

1. Definitions.

- a. “Business Associate” shall have the meaning given to such term under HIPAA, the HITECH Act, applicable regulations and agency guidance.
- b. “Covered Entity” shall have the meaning given to such term under HIPAA, the HITECH Act and applicable regulations and agency guidance.
- c. “HIPAA” shall mean the Health Insurance Portability and Accountability Act of 1996, Public Law 104-191.
- d. “HITECH Act” shall mean the Health Information Technology for Economic and Clinical Health (HITECH) Act, Title XIII of Division A and Title IV of Division B of the American Recovery and Reinvestment Act of 2009 (ARRA).
- e. “Privacy Rule” shall mean the standards for privacy of individually identifiable health information in 45 C.F.R. Parts 160 and 164, as amended, and related agency guidance.
- f. “Protected Health Information” or “PHI” means any information, transmitted or recorded in any form or medium; (i) that relates to the past, present or future physical or mental condition of an individual; the provision of health care to an individual; or the past, present or future payment for the provision of health care to an individual, and (ii) that identifies the individual or with respect to which there is a reasonable basis to believe the information can be used to identify the individual, and shall have the meaning given to such term under HIPAA, the

HITECH Act and related regulations and agency guidance. PHI also includes any and all information that can be used to identify a current or former applicant or recipient of benefits or services of Covered Entity or its contractors/ or business associates.

- g. "Security Rule" shall mean the security standards in 45 C.F.R. Parts 160, 162 and 164, as amended, and related agency guidance.
- h. "Unsecured PHI" shall mean PHI that is not secured through the use of a technology or methodology as specified in HITECH regulations and agency guidance or as otherwise defined in the HITECH Act.

- 2. Stated Purposes For Which Business Associate May Use Or Disclose PHI.** The Parties hereby agree that Business Associate shall be permitted to use and/or disclose PHI provided by or obtained on behalf of Covered Entity for providing **XXXXXX** under its contract with Covered Entity, except as otherwise stated in this Appendix.

NO OTHER DISCLOSURES OF PHI OR OTHER INFORMATION ARE PERMITTED.

3. BUSINESS ASSOCIATE OBLIGATIONS:

- a) **Limits On Use And Further Disclosure.** Business Associate shall not further use or disclose the PHI provided by, or created or obtained on behalf of Covered Entity other than as permitted or required by this Appendix or as required by law and agency guidance.
- b) **Appropriate Safeguards.** Business Associate shall establish and maintain appropriate safeguards to prevent any use or disclosure of PHI other than as provided for by this Appendix. Appropriate safeguards shall include implementing administrative, physical, and technical safeguards that reasonably and appropriately protect the confidentiality, integrity, and availability of the electronic PHI that is created, received, maintained, or transmitted on behalf of the Covered Entity and limiting use and disclosure to applicable minimum necessary requirements as set forth in applicable federal and state statutory and regulatory requirements and agency guidance.
- c) **Reports Of Improper Use Or Disclosure.** Business Associate hereby agrees that it shall report to Thomas Zarb, Chief, Security Architecture Section, Bureau of Information Systems at 717-772-7449, within two (2) days of discovery any use or disclosure of PHI not provided for or allowed by this Appendix.
- d) **Security Incidents.** In addition to following the breach notification requirements in section 13402 of HITECH Act and related regulations, agency guidance and other applicable federal and state laws, Business Associate shall report to Thomas Zarb at 717-772-7449, within two (2) days of discovery any security incident of which it becomes aware. At the sole expense of Business Associate, Business Associate shall comply with all applicable federal and state breach

notification requirements. Business Associate shall indemnify the Covered Entity for costs associated with any incident involving the acquisition, access, use or disclosure of Unsecured PHI in a manner not permitted under federal or state law and agency guidance.

- (e) **Subcontractors And Agents.** At any time PHI is provided or made available to any subcontractors or agents, Business Associate shall provide only the minimum necessary PHI for the purpose of the covered transaction and shall first enter into a subcontract or contract with the subcontractor or agent that contains the same terms, conditions and restrictions on the use and disclosure of PHI as contained in this Appendix.
- (f) **Right Of Access To PHI.** Business Associate will allow an individual who is the subject of PHI maintained in a designated record set, to have access to and copy that individual's PHI within five (5) business days of receiving a written request from the Covered Entity. Business Associate shall provide PHI to the extent and in the manner required by 45 C.F.R. § 164.524 and other applicable federal and state law and agency guidance. If Business Associate maintains an electronic health record, Business Associate must provide the PHI in electronic format if requested. If any individual requests from Business Associate or its agents or subcontractors access to PHI, Business Associate shall notify Covered Entity of same within five (5) business days. Business Associate shall further conform with and meet all of the requirements of 45 C.F.R. §164.524 and other applicable laws, including the HITECH Act and related regulations, and agency guidance.
- (g) **Amendment And Incorporation Of Amendments.** Within five (5) business days of receiving a request from Covered Entity for an amendment of PHI maintained in a designated record set, Business Associate shall make the PHI available and incorporate the amendment to enable Covered Entity to comply with 45 C.F.R. §164.526, applicable federal and state law, including the HITECH Act and related regulations, and agency guidance. If any individual requests an amendment from Business Associate or its agents or subcontractors, Business Associate shall notify Covered Entity within five (5) business days.
- (h) **Provide Accounting Of Disclosures.** Business Associate will maintain a record of all disclosures of PHI in accordance with 45 C.F.R. §164.528 and other applicable laws and agency guidance, including the HITECH Act and related regulations. Such records shall include, for each disclosure, the date of the disclosure, the name and address of the recipient of the PHI, a description of the PHI disclosed, the name of the individual who is the subject of the PHI disclosed, and the purpose of the disclosure. Business Associate shall make such record available to the individual or the Covered Entity within five (5) business days of a request for an accounting of disclosures.
- (i) **Requests for Restriction.** Business Associate shall comply with requests for restrictions on disclosures of PHI about an individual if the disclosure is to a

health plan for purposes of carrying out payment or health care operations (and is not for treatment purposes), and the PHI pertains solely to a health care item or service for which the service involved was paid in full out-of-pocket. For other requests for restriction, Business Associate shall otherwise comply with the Privacy Rule, as amended, and other applicable statutory and regulatory requirements and agency guidance.

- (j) Access To Books And Records.** Business Associate will make its internal practices, books, and records relating to the use or disclosure of PHI received from, or created or received by Business Associate on behalf of the Covered Entity, available to the Secretary of Health and Human Services or designee for purposes of determining compliance with applicable laws and agency guidance.
- (k) Return Or Destruction Of PHI.** At termination or expiration of its contract with Covered Entity, Business Associate will return or destroy all PHI provided by or obtained on behalf of Covered Entity. Business Associate will not retain any copies of the PHI after termination of this contract. If return or destruction of the PHI is not feasible, Business Associate extends the protections of this Appendix to limit any further use or disclosure until such time as the PHI may be returned or destroyed. If Business Associate elects to destroy the PHI, it shall certify to Covered Entity that the PHI has been destroyed.
- (l) Maintenance of PHI.** Notwithstanding Section 3(k) of this Agreement, Business Associate and its subcontractors or agents shall retain all PHI throughout the term of its contract and shall continue to maintain the information required under the various documentation requirements of this Appendix (such as those in §3(h)) for a period of six (6) years after termination of the contract, unless Covered Entity and Business Associate agree otherwise.
- (m) Mitigation Procedures.** Business Associate will establish and provide to Covered Entity upon request, procedures for mitigating, to the maximum extent practicable, any harmful effect from the use or disclosure of PHI in a manner contrary to this Appendix or the Privacy Rule, as amended. Business Associate will mitigate any harmful effect that is known to Business Associate of a use or disclosure of PHI by Business Associate in violation of this Appendix or applicable laws and agency guidance.
- (n) Sanction Procedures.** Business Associate shall develop and implement a system of sanctions for any employee, subcontractor or agent who violates this Appendix, applicable laws or agency guidance.
- (o) Grounds For Breach.** Non-compliance by Business Associate with this Appendix or the Privacy or Security Rules, as amended, is a breach of the contract, if Business Associate knew or reasonably should have known of such non-compliance and failed to immediately take reasonable steps to cure the non-compliance.

- (p) **Termination by Commonwealth.** Business Associate authorizes termination of its contract for Medical Review Team services if the Covered Entity determines, in its sole discretion, that the Business Associate has violated a material term of this Agreement.
- (q) **Failure to Perform Obligations.** In the event Business Associate fails to perform its obligations under this Appendix, Covered Entity may immediately discontinue providing PHI to Business Associate. Covered Entity may also, at its option, require Business Associate to submit to a plan of compliance, including monitoring by Covered Entity and reporting by Business Associate, as Covered Entity in its sole discretion determines to be necessary to maintain compliance with this Appendix and applicable laws and agency guidance.
- (r) **Privacy Practices.** The Department will provide and Business Associate shall immediately begin using any applicable form, including but not limited to, any form used for Notice of Privacy Practices, Accounting for Disclosures, or Authorization, upon the effective date designated by the Program or Department. The Department retains the right to change the applicable privacy practices, documents and forms. The Business Associate shall implement changes as soon as practicable, but not later than 45 days from the date of notice of the change.

4. OBLIGATIONS OF COVERED ENTITY:

- a) **Provision of Notice of Privacy Practices.** Covered Entity shall provide Business Associate with the notice of privacy practices that the Covered Entity produces in accordance with applicable law and agency guidance, as well as changes to such notice.
- b) **Permissions.** Covered Entity shall provide Business Associate with any changes in, or revocation of, permission by individual to use or disclose PHI of which Covered Entity is aware, if such changes affect Business Associate's permitted or required uses and disclosures.
- c) **Restrictions.** Covered Entity shall notify Business Associate of any restriction to the use or disclosure of PHI that the Covered Entity has agreed to in accordance with 45 C.F.R. §164.522 and other applicable laws and applicable agency guidance, to the extent that such restriction may affect Business Associate's use or disclosure of PHI.

**APPENDIX H - PROPOSAL COVER SHEET
COMMONWEALTH OF PENNSYLVANIA**

DPW/BFO - Division of Procurement/OLTL and ODP

Enclosed in three separately sealed submittals is the proposal of the Offeror identified below for the above-referenced RFP:

Offeror Information:	
Offeror Name	
Offeror Mailing Address	
Offeror Website	
Offeror Contact Person	
Contact Person's Phone Number	
Contact Person's Facsimile Number	
Contact Person's E-Mail Address	
Offeror Federal ID Number	

Submittals Enclosed and Separately Sealed:	
<input type="checkbox"/>	Technical Submittal
<input type="checkbox"/>	Disadvantaged Business Submittal
<input type="checkbox"/>	Contractor Partnership Program Submittal
<input type="checkbox"/>	Mentor Protégé Program
<input type="checkbox"/>	Cost Submittal

Signature	
Signature of an official authorized to bind the Offeror to the provisions contained in the Offeror's proposal:	
Printed Name	
Title	

FAILURE TO COMPLETE, SIGN AND RETURN THIS FORM WITH THE OFFEROR'S PROPOSAL MAY RESULT IN THE REJECTION OF THE OFFEROR'S PROPOSAL

Glossary of Terms and Definitions:

Administrative Entity is the entity that is responsible for authorizing the services on the ISP. For ODP, this term applies to the county/joinders that exist. For OLTL, this term applies to the Bureau of Individual Supports (BIS) regional teams.

Budget Authority is when participants exercise complete decision-making authority over the participant-directed budget (as outlined on the participant's Spending Plan) and the full array of supports are available to participants who exercise budget authority.¹ Under the Budget Authority, the participant exercises decision-making authority and management responsibility for a participant-directed budget from which the participant authorizes the purchase of waiver goods and services that are authorized in the service plan. The principal defining characteristic of this authority is the establishment of a participant-directed budget.² Functions of the VF/EA FMS entity under Budget Authority include:

1. Verifying workers' citizenship status;
2. Collecting and processing direct care workers' timesheets;
3. Processing payroll including the management of federal, state, and local employment-related taxes and insurances.³
4. Maintaining a separate bank account for participants' budget funds;
5. Tracking and reporting on participants' public funds, disbursements and balances;
6. Processing and paying invoices for goods and services approved in the participant's budget; and
7. Providing participants' with periodic reports of expenditures and the status of participants' participant-directed budgets and spending plans.

Additional functions/activities include:

1. Executing and maintaining Medicaid provider agreements, i.e. Direct Care Worker/Vendor Agreements as authorized under a written agreement with the Department;
2. Receiving and disbursing funds for the payment of participant-directed services under an agreement with the Department; and
3. Providing other entities specified by the Department with periodic reports of expenditures and the status of the participant-directed budget.⁴

In Pennsylvania, Budget Authority is referred to as Services My Way (SMW) in the Aging and Attendant Care waivers.

¹ CMS Version 3.5 HCBS Waiver Application Instructions, Appendix E, p. 191.

² CMS Version 3.5 HCBS Waiver Application Instructions, Appendix E, p. 195.

³ CMS Version 3.5 HCBS Waiver Application Instructions, Appendix E, p. 176

⁴ CMS Version 3.5 HCBS Waiver Application Instructions, Appendix E, p. 176.

Care Manager/Service Coordinator is the individual assisting the participant in accessing needed waiver services and other state plan services, as well as medical, social, educational and other services regardless of the funding source through which access to services is gained. Care Managers/Service Coordinators (CM/SC) work with, and at the direction of, the participant to identify, coordinate, and facilitate services. For OLTL, the term Care Manager applies to the Aging waiver and OPTIONS program and the term Service Coordinator applies to the Attendant Care, COMMCARE, Independence, and OBRA waivers and the ACT 150 program. For ODP, the term Care Manager/Service Coordinator (CM/SC) is referred to as Supports Coordinators (SC) and applies to the Consolidated, Person/Family Directed Supports (P/FDS) waivers.

Common Law Employer is, under common law rules, an individual or organization that has the right to direct and control how a person (engaged by an individual/organization) performs the services provided. This control refers not only to the result to be accomplished (outcome) by the work but also the means and details by which that result are accomplished, even if the employer gives the person he/she engages freedom of action.⁵

Department of Aging (PDA) is the Commonwealth of Pennsylvania's department charged with being an advocate for the interests of older Pennsylvanians. PDA's mission is to enhance the quality of life of all older Pennsylvanians by empowering diverse communities, the family, and the individual.

Department of Public Welfare (DPW) is the Commonwealth of Pennsylvania's department that administers a variety of home and community-based programs. DPW's mission is to promote, improve and sustain the quality of family life, break the cycle of dependency; promote respect for employees; protect and service Pennsylvania's most vulnerable citizens; and manage its resources effectively. DPW also is the State Medicaid Agency in Pennsylvania.

Direct Care Worker (DCW) is an individual who meets the requirements as described in the waiver or program standards and is employed by the participant or his/her representative/surrogate to provide assistance and support to the participant in accordance with the participant's service plan and for Budget Authority the participant's spending plan. For ODP, this includes the Support Service Workers (SSWs).

Direct Service Provider is an individual or organization who meets the requirements as described in the waiver or program standards.

Employment Taxes are taxes imposed on employees and employers by the Federal Insurance Contribution Act (FICA), sections 3101 and 3111 of the Code, the tax imposed on employers by the Federal Unemployment Tax Act (FUTA), section 3301 of the Code and Federal income tax withholding, section 3402 of the Code.

Employee is, under common law rules, anyone who performs services for a person or organization where the person/organization has the right to direct and control what will be done and how it will be

⁵ IRS Proposed Notice 2003-70, Question & Answer 6, p.10.

done. This control refers not only to the result to be accomplished (outcome) by the work but also the means and details by which that result is accomplished, even if the person/organization gives the individual they engaged freedom of action.⁶

Employer Authority is when participants exercise the full range of decision-making authority over their direct care workers and the full array of support is available to participants.⁷ Under the Employer Authority, the participant exercises choice and control over workers who furnish waiver services to which this authority applies (e.g., personal assistance, attendant services). The principal defining characteristic of this authority is that the participant functions as the employer of workers.⁸ Functions included under Employer Authority include:

1. Verifying workers' citizenship status;
2. Collecting and processing direct care workers' timesheets; and
3. Processing payroll including the management of federal, state, and local employment-related taxes and insurances.⁹
4. Maintaining a separate bank account for participants' budget funds; and
5. Tracking and reporting on participants' public funds, disbursements and balances.

Additional functions/activities include:

1. Executing and maintaining Medicaid provider agreements, i.e. Direct Care Worker/Vendor Agreements as authorized under a written agreement with the Department; and
2. Receiving and disbursing funds for the payment of participant-directed services under an agreement with the Department.

In Pennsylvania, Employer Authority is referred to as the Consumer-Directed PAS model in the Aging waiver and OPTIONS program and the Consumer-Employer (CE) model in the Attendant Care, COMMCARE, Independence, and OBRA waivers and ACT 150 program.

Entity is the Vendor Fiscal/ Employer Agent that is awarded the contract.

Financial Management Services (FMS) provide payroll, invoice processing and payment, fiscal reporting services, employer orientation, and skills training, and other fiscal-related services to participants¹⁰ choosing to exercise employer and/or budget authority within the Office of Long Term Living (OLTL) and Office of Developmental Programs (ODP) and their representatives/surrogates. These FMS reduce the employer-related burden for participants while making sure Medicaid and Commonwealth funds used to pay for services and supports as outlined in the participant's Individual Service Plan are managed and disbursed appropriately as authorized. The FMS provider must operate as a Vendor Fiscal/Employer Agent (F/EA), in accordance with §3504 of the IRS code and Revenue

⁶ IRS website: <http://www.irs.gov/business/small/article/0,,id=131137,00.html>

⁷ CMS Version 3.5 HCBS Waiver Application Instructions, Appendix E, p. 191.

⁸ CMS Version 3.5 HCBS Waiver Application Instructions, Appendix E, p. 195.

⁹ CMS Version 3.5 HCBS Waiver Application Instructions, Appendix E, p. 176

¹⁰ Please note that, by employing the term "participant" the term also includes participants' representatives.

Procedure 70-6, respectively, as modified by IRS Proposed Notice 2003-70. The F/EA must have an FMS Policies and Procedures Manual, developed for the specific type of F/EA employed, that includes the policies, procedures and internal controls that describe the proper operation of the F/EA, that are in accordance with federal, state and local tax, labor, workers' compensation and OLTL and ODP program rules and regulations.

Independent Contractor is a person who, in providing services to an individual or organization, is operating as a trade or business or in a profession, in which they offer services to the public, has the right to direct and control the activities and the results of the services provided including the means and methods by which the results are accomplished.¹¹ In general, direct care workers who are employed by participant-employers are not independent contractors.

Individual Service Plan (ISP) is the plan that includes the assessed need for a good or service. The plan will include authorized services including the frequency and duration of the services. For OLTL, the ISP is developed by the Care Manager/Service Coordinator and the participant. For ODP this includes the Individual Support Plan.

Office of Long-Term Living (OLTL) is a joint Deputate of the Departments of Public Welfare and the Department of Aging. The OLTL was formed to assist in rebalancing Pennsylvania's long-term living system and in providing opportunities for those who are over the age of 60 and people with disabilities to live independently.

Participant is a person determined by the Pennsylvania Department of Public Welfare to be eligible and is receiving self-directed Medicaid home and community-based waiver services or state funded program services.

Participant-Directed Goods and Services are services, equipment, supplies or goods not otherwise provided through the Aging or Attendant Care waiver, or through the Medicaid State Plan or other third party payers. These items must address an identified need in the participant's ISP (including improving and maintaining the individual's opportunities for full participation in the community) and meet at least one of the following participant outcomes. The item or service would:

1. Decrease the need for other Medicaid services;
2. Promote or maintain inclusion in the community;
3. Increase the individual's health and safety in the home environment;
4. Develop or maintain personal, social, physical, or work-related skills;
5. Increase the ability of unpaid family members and friends to receive training and education needed to provide support; or
6. Fulfill a medical, social or functional need as identified in the participant's ISP.

¹¹ IRS web site 6/13/08, <http://www.irs.gov/businesses/small/article/0,,id=179115,00.html>

Participant-Directed goods and services are purchased from the participant's spending plan. As a Medicaid funded service, this definition will not cover experimental goods and services.¹²

Per Member Per Month (PM/PM) is a payment method established by OLTL/ODP that reimburses a VF/EA FMS for F/EA services rendered based on a flat rate of payment for each participant it serves as employer agent each month it provides services and processes claims for direct care workers payments to each participant.

Program Office is the Office of Long Term Living (OLTL) and/or the Office of Developmental Programs (ODP).

Representative is a family member, friend or other person who is close to and chosen by the participant who shares the authority, with the participant, for managing the participant's services and supports and the direct care workers who provide them. This authority must reflect the desires and preferences of the participant and may include being the common law employer of the participants' direct care workers when appropriate. A participant's representative cannot also be his/her direct care worker but may be the employer of a participant's direct care worker(s) when appropriate. For ODP, this term can also be referred to as a "surrogate".

Surrogate is or ODP only, a person named by the recipient to be the Common Law Employer of his or her home-based care workers (such as Direct Care Workers or Support Service Workers).

Services My Way (SMW) is a model of services that place participants in charge of directing their own services and managing a monthly budget. SMW gives participants the option to manage a flexible budget (Individual Spending Plan) and decide for themselves the type of goods and services that best meet their service needs.

Self-Direction is a service model where participants have the right to exercise decision making authority over some or all of the services they need to live in their community and accept the responsibility for taking a direct role in managing these services. It is an alternative to provider management of services and promotes personal choice and control over their services and how they are delivered. Some self-directing program participants share authority with or delegate authority to a representative (i.e., a family member, friend or other person close to the participant). The designation of a representative enables adults with cognitive impairments to participate in self-direction programs.

Small Unlicensed Providers is for ODP only. Provider entities that provide direct services to recipients and receive less than \$500,000 of federal funding

Spending Plan is the detailed budget that describes what, how much and from whom the participant will obtain goods and services that meet his/her needs as identified in the ISP. The Spending Plan is

¹² Experimental Goods and Services is defined as a drug or product currently being investigated under licensure by the FDA to determine its safety and effectiveness, or a medical procedure, including an investigational procedure that deviates from customary standards of medical practice, not routinely used in the medical or surgical treatment of a specific illness or condition or is not of proven medical value.

developed by the participant and authorized by the Care Manager/Service Coordinator and OLTL. The VF/EA must pay the invoices in accordance with the authorized Spending Plan.

State-Funded Programs is the programs that are not waiver funded programs but are State-funded programs. For OLTL these include the: Attendant Care Act 150 program and Options program.

Vendor is an individual or entity that provides goods and services to a participant that are authorized in the participant's Individual Spending Plan.

Vendor Fiscal/Employer Agent (VF/EA) is a vendor entity that applies for and receives approval from the Internal Revenue Service (IRS) to be an employer agent, in accordance with §3504 of the IRS code, Revenue Procedure 70-6, 1970-1 C.B. 420, as modified by Proposed Notice 2003-70, on behalf of participants/representatives/surrogates performing all that is required of an employer for wages paid on their behalf and all that is required of the payer for the requirements of back-up withholding, as applicable. The VF/EA FMS performs other fiscal and reporting tasks as required by OLTL/ODP and as described in this RFA.

Waiver refers to all 1915c Home and Community based waivers that allow for participant directed services. For OLTL these include the: Aging Waiver, Attendant Care Waiver, CommCare Waiver, Independence Waiver, and OBRA Waiver. For ODP, these include the: Consolidated Waiver and Person and Family Directed Supports Waiver (P/FDS)

VF/EA FMS Organization Readiness Review Tool

Does the VF/EA Organization have evidence that demonstrates the following requirements have been met?	YES	NO	COMMENTS
1. Timeframe for preparing enrollment and employment packets and distributing them to new and current individuals and representatives who will become common law employers.			
2. Current database modification to meet all requirements of this RFA and the Agreement.			
3. Staff recruitment and training process and timeline.			
4. Modifications to a current call center.			
5. Modification to a current website.			
6. Recommended modifications to the current processes used by the Commonwealth for VF/EA FMS organizations.			
7. Timeframe for computer networks to be installed and tested.			
8. Timeframe for Medicaid billing systems to be implemented and tested.			
9. Timeframe for Reporting system and reports to be tested and validated by VF/EA FMS organization and OLTL/PDA/ODP prior to implementation.			
10. Timeframe for enrolling existing common law employers with the Selected Offeror(s).			
11. Develop a quality management system to monitor the requirements of this RFA and the Agreement.			

**COMMONWEALTH OF PENNSYLVANIA
DEPARTMENT OF PUBLIC WELFARE
DEPARTMENT OF AGING
OFFICE OF LONG-TERM LIVING
BUREAU OF PROVIDER SUPPORT**

SPECIAL PROVIDER AGREEMENT

WHEREAS, the Department of Public Welfare administers the Pennsylvania Medical Assistance Program; and

WHEREAS, the Department of Public Welfare administers Home and Community-Based Waiver Programs as part of its administration of the Pennsylvania Medical Assistance Program; and

WHEREAS, Fiscal/Employer Agents are utilized under the Home and Community-Based Waiver Programs to provide Financial Management Services (FMS); and

WHEREAS, the Fiscal/Employer Agent (F/EA) Provider must meet additional standards in order to provide financial management services under the Home and Community-Based Waiver Programs.

NOW THEREFORE, each Government and Vendor F/EA provider agrees as follows:

1. To enroll as a Provider Type 54, Specialty 541 in the Pennsylvania Medical Assistance Program.
2. To meet the FMS provider qualifications as outlined in the OLTL F/EA-FMS Provider Standards which are incorporated as if fully set forth herein.
3. To maintain documentation to support its compliance with the OLTL F/EA FMS Provider Standards.
4. To obtain written results of criminal history clearances from the Pennsylvania State Police for all administrative staff and direct care employees providing waiver/program services within 30 days from the date that the direct care employee initiates services to the consumer;
5. As a Government F/EA, to operate in accordance with §3504 of the Internal Revenue Service (IRS) Code, Revenue Procedure 80-4, 1980-1 C.B. 581, as modified by IRS Proposed Notice 2003-70 and any other future revenue procedures, notices or publication promulgated by the IRS.
6. As a Vendor F/EA, to operate in accordance with §3504 of the Internal Revenue Service (IRS) Code, Revenue Procedure 70-6, 1970-1 C.B. 420, as modified by IRS Proposed Notice 2003-70 and any other future revenue procedures, notices or publication promulgated by the IRS.

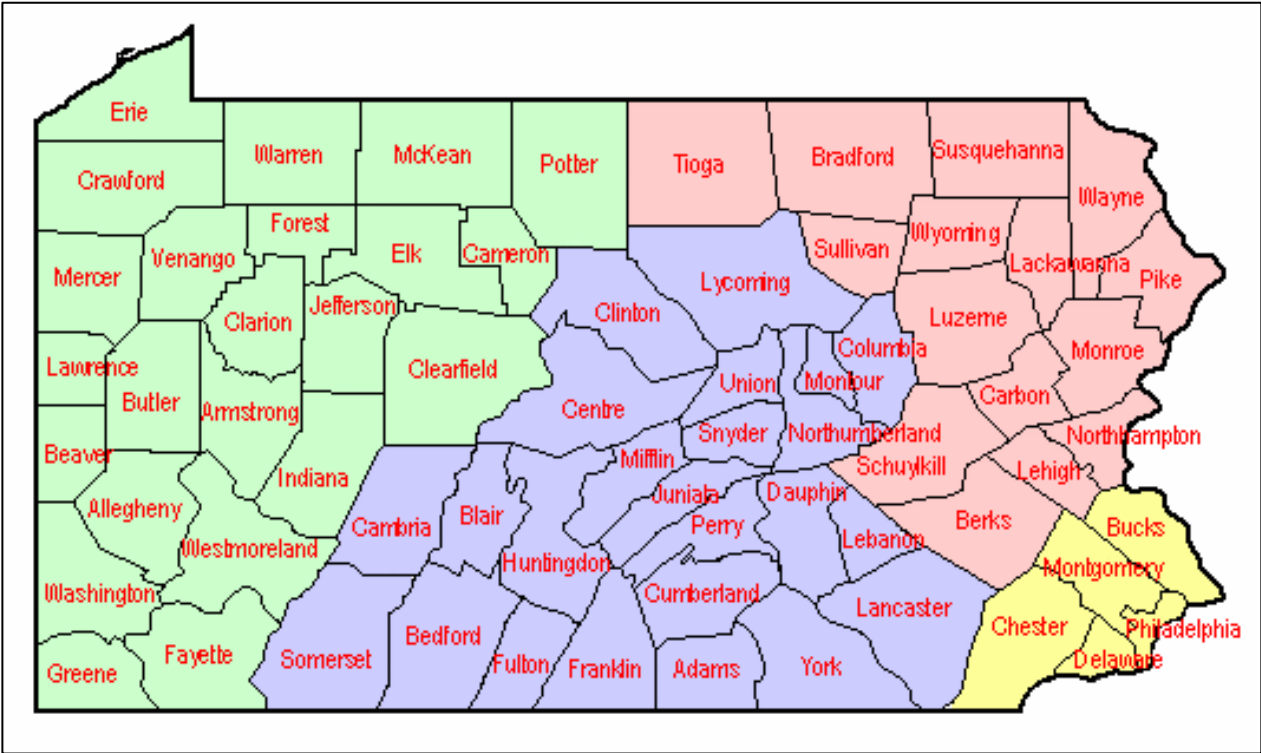
7. To have a physical plant and the equipment that is appropriate and supports the provision of FMS as outlined in §IV.17 of the F/EA FMS Provider Standards.
8. To have a sound financial and reporting structure to efficiently serve participants as outlined in §IV.3 of the F/EA FMS Provider Standards.
9. To maintain books, records and have documents available for inspection by OLTL, or other Department of Aging and Department of Public Welfare officials, or Federal authorities without prior notice.
10. Demonstrate the ability to select, contract with and oversee the performance of a reporting agent (Government and Vendor F/EAs) or subagent (Government F/EAs) effectively, as applicable and as outlined in §IV.1 of the F/EA FMS Provider Standards.

WHERETO, with the authority to bind the agency, the undersigned agrees this
_____ day of _____, 20__

Name of Agency

Name of Applicant

Printed Name/Title of Applicant



note that ODP uses 4 regional areas whereas OLTL uses 3 regional areas. Please reference the above ODP Regional Map in order to determine the counties that are within the respective ODP Region. ODP has a point person in each region that the contractor will need to communicate with.

ODP Participants for the VF/EA program	
Number of Recipients	County Breakdown ODP
11	Allegheny
56	Bedford/Somerset
5	Berks
29	Blair
1	Bradford/Sullivan
4	Bucks
1	Butler
4	Carbon/Monroe/Pike*
32	Centre
28	Chester
38	Cumberland/Perry
36	Dauphin
135	Delaware
7	Erie
1	Fayette
5	Greene
4	Huntingdon/Mifflin/Juniata

15	Lackawanna/Susquehanna
92	Lancaster
3	Lawrence
11	Lebanon
15	Lehigh
3	Luzerne/Wyoming
19	Lycoming/Clinton
27	Mercer
139	Montgomery
2	Northampton
19	Northumberland
5	Philadelphia
14	Schuylkill
6	Tioga
3	Venango
6	Washington
14	Wayne
4	Westmoreland
49	York/Adams
TOTAL: 843	

Consumer Guidebook for Self-Directed Services

Providing you with the basic information you need to manage your own self-directed services.



Developed by the Office of Long-Term Living under the
Pennsylvania Departments of Aging and Public Welfare



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Special recognition is due to the individual advocates and agencies that for many years have been providing consumers throughout Pennsylvania with real opportunities to direct their own services. Their success and determination directly led to the Services My Way model in Pennsylvania and subsequently, the creation of this manual.

The staff members at the Robert Wood Johnson Foundation are thanked for their assistance and patience with the Services My Way project. Their expertise and advice have made the Services My Way model a success throughout the nation and especially in Pennsylvania.

Most importantly, respect and admiration go to the thousands of participants who are already directing their own services in Pennsylvania. Their success has given us all the encouragement needed to continue self-directed services in Pennsylvania.

Chapter 1: Introduction to Self-Directed Services

You are the expert on your needs and how to address them.

- 1.1 What is the Consumer-Employer Model?
- 1.2 What is the Services My Way Model?
- 1.3 What is the Agency Model?
- 1.4 Am I Eligible for self-directed services?
- 1.5 What are the benefits of self-directed services?
- 1.6 Why should I choose the Services My Way option if I'm already directing my own personal assistance services?
- 1.7 Can I have a combination of Services My Way and Consumer Employer or Agency model services?
- 1.8 What are some examples of goods and services I can purchase under the Services My Way model?
- 1.9 What are some examples of goods and services I cannot purchase under the Services My Way model?
- 1.10 What if my Service Coordinator does not agree on what I feel I need on my Spending Plan?
- 1.11 What are my rights to appeal and dispute my Individual Service Plan or Individual Budget?
- 1.12 What will happen if I run out of money before the end of the year?
- 1.13 What if my direct care worker does not report to work?
- 1.14 Does my Individual Budget roll over to the next fiscal year?
- 1.15 Can I use Agency model services in an emergency if my back-up worker is not available?
- 1.16 What if I don't want to continue with the Consumer-Employer or Services My Way model?
- 1.17 Who should I go to with additional questions?

Pennsylvania has a rich history of offering “self-directed services” under our home and community based programs. You know best about your own needs and how to address them. Self-directed services let you take more control of your services and give you the power to manage your own services and support service worker.

Pennsylvania’s self-directed services are offered via two service models that allow you varying degrees of control based on your needs and preferences. The two models are Consumer-Employer (CE) and Services My Way (SMW).

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This guidebook has been designed to provide you with the basic information you need to manage your own self-directed services. In addition, the guidebook will point out

ICON KEY
Valuable information
Sample Tool
Make it Yours!

some additional resources that are available to you. As you find additional information and resources, write them down in your guidebook and share them with your coordinator and other participants. The more experience you have, the better you will become at managing your own services.

1.1 What is the Consumer-Employer Model?

The Consumer-Employer model is a service model designed to give you control over your workers. In the Consumer-Employer model, you are the employer of your support service workers. You may hire a friend, neighbor, or other trusted individual to be your worker.

 As the employer, you are responsible for:

- Recruiting and hiring your worker;
- Training your worker;
- Determining your worker's job duties and schedule;
- Supervising your worker;
- Reviewing your worker's performance; and
- Firing your worker when necessary

1.2 What is the Services My Way Model?

Services My Way is a service model designed to give you control over your services. Services My Way allows you to design your own Spending Plan in order to purchase goods and services related to a need identified in your Individual Service Plan (ISP). In Services My Way you get to choose the goods and services you need based on your Individual Budget. You will develop your own flexible Spending Plan to purchase the goods and services that will assist you in meeting your needs and goals.

In Services My Way, you are the employer of your direct care worker. You may hire a friend, neighbor or other trusted individual to be your worker. You decide how much to pay your employees based upon your Individual Budget.

You may include goods and services in your Spending Plan that are not typically available through the Aging or Attendant Care waiver but are supportive of your Individual Service Plan.

Services My Way is not a new service. It's a different way of delivering services that gives you more choices.

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1.3 What is the Agency Model?

The Agency Model of service is available for participants that do not wish to self-direct their services. In the agency model, you would select a provider from an approved list of agencies to provide your services. The provider that you select recruits, hires, and manages your support service workers.

1.4 Am I Eligible for self-directed services?

To use self-directed services, you need to be:

- Willing to participate and interested in self-direction
- Willing to accept risks, rights and responsibilities of self-direction
- Willing to accept the responsibilities as an employer

In addition, to be eligible for Services My Way, you need to live in a participating county. Your service coordinator can give you a list of participating Services My Way counties.

1.5 What are the benefits of self-directed services?

Self-directed services offer you more control of your services and workers. Self-directed services allow you to lead your service planning process; determine how and when your services are delivered; and recruit, hire, and manage your support service workers.

There are pros and cons to all models of service, and you should choose a model that best meets your needs and goals. Your service coordinator can provide additional information and guidance regarding the various models. Ultimately, selecting a model of service is a personal decision that is up to you.

*Ultimately,
selecting a
model of service
is a personal
decision that is
up to you.*

1.6 Why should I choose the Services My Way option if I'm already directing my own personal assistance services?

With Services My Way you get more choices than in any other service model. You will participate in developing your Individual Budget and a Service Coordinator will help you achieve your goals. You will design your Spending Plan for what you need to continue living in your own home. You decide what to pay your workers and when to give them a raise. You can buy the things you need that aren't offered through other service models.

1.7 Can I have a combination of Self-Direction and Agency model services?

Yes. For example, if you normally use a direct care worker from an agency on the weekend and your own direct care worker during the week, this arrangement could continue.

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1.8 *What are some examples of goods and services I can purchase under the Services My Way model?*

- Employment of support service workers, including family members, to provide personal assistance;
- Help with cleaning , laundry, meal preparation, and other household chores;
- Assistance with personal care like bathing, hair washing, bladder and bowel care, and care of your teeth;
- Purchase of services from home care providers or temporary help agencies;
- Chores services, including outside chores that provide for a safe environment and access in and out of the home;
- Home modifications and/or equipment not currently paid for by other program resources;
- Supplies and equipment that promote or enhance independence that are not currently paid for by the other program resources;
- Repairs to adaptive equipment;
- Savings for your back-up plan;
- Savings for a special purchase which you cannot afford to make from one monthly budget; and
- Services or purchases which support your ability to live as independently as possible and avoid the need for admission to a long-term care facility.

1.9 *What are some examples of goods and services I cannot purchase under the Services My Way model?*


- Services covered by the State Plan, Medicare, other third-parties, including education, home-based schooling, and vocational services;
- Services, goods, or supports provided to or benefiting persons other than you;
- Personal items and services not related to your disability;
- Experimental treatments;
- Vehicle maintenance (unless the maintenance is to modifications related to the disability)
- Vacation expenses;
- Gifts for workers, family or friends;
- Loans to your workers;
- Rent or mortgage payments;
- Payments to someone to be your representative;
- Clothing;
- Groceries (with the exception of special foods required to maintain nutritional status);
- Lottery tickets;
- Alcoholic beverages;
- Entertainment activities;

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- Televisions, stereos, radios, or VCRs;
- Utility payments (electric, gas, sewer, garbage services);
- Tobacco products;
- Pets and their related costs; (with the exception of training and certified service animals and their related costs); and
- Home delivered meals.

1.10 What if my Service Coordinator does not agree on what I feel I need on my Spending Plan?

Services My Way is a self-directed program which means you have the power to exercise decision making authority over some or all of your waiver services and accepting the responsibility for taking a direct role in managing them. The role of the Service Coordinator is to provide guidance throughout this process.

-  Goods and services are appropriate purchases when they are reasonably necessary to meet at least one of the following outcomes:
 - Maintain your ability to remain in the community;
 - Enhance your community inclusion and family involvement;
 - Develop or maintain your personal, social, physical, or work-related skills;
 - Decrease your dependency on formal support services and lead to a reduction of the number of units of service or costs in your service plan;
 - Increase your independence; or
 - Increase the ability of your unpaid family members and friends to receive training and education needed to provide support.

1.11 What are my rights to appeal and dispute my Individual Service Plan or Individual Budget?

Regardless of the model you choose, you have the opportunity to request a fair hearing and appeal when your request for an adjustment to your Individual Service Plan or Individual Budget is denied or the amount of the Individual Service Plan or Individual Budget is decreased. You have the same rights to a fair hearing and appeal as originally set forth in the waiver or program in which you participate.

1.12 What will happen if I run out of money before the end of the year?

Your Spending Plan is allocated on a monthly basis. This allows for your money to last throughout the year. Your Fiscal/Employer Agent and Service Coordinator will assist in monitoring your Spending Plan. Your Fiscal/Employer Agent will provide you with written financial reports on a monthly and quarterly basis and as requested by you, the Service Coordinator or the Office of Long-Term Living. Your Service Coordinator will

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track under spending and over spending and contact you to resolve potential service delivery problems.

1.13 What if my direct care worker does not report to work?

You will need to have a back-up plan.

- The use of family, friends, and neighbors is encouraged and usually available on short notice.
- A Back-up Support Service Worker Designation form describing your arrangement of back-up services will be completed when you enroll in the Services My Way model and be maintained with your individual service plan.
- In the event that your back-up plan fails, your Service Coordinator will be responsible to coordinate immediate, non-routine basic services to you until your regular support service worker or back-up worker returns.
- The back-up plan will be responsive to your needs and goals as specified in your individual service plan.



My Back-up Plan includes:

1.14 Does my Individual Budget roll over to the next fiscal year?

No, your savings must be spent within the state fiscal year which starts on July 1st and ends on June 30th of each year.

1.15 Can I use Agency model services in an emergency if my back-up worker is not available?

Yes, if your back-up plan fails, you can use an agency model attendant to provide back-up coverage. Service providers may provide emergency back-up coverage in order to meet your immediate needs in a timely manner as well as to ensure your health and welfare. The Service Coordinator is responsible for confirming that your strategies and back-up plans are working and are still current. In order to ensure your health and

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safety it is recommended that you contact your Service Coordinator to report any disruptions of back-up plans or strategies.

1.16 What if I don't want to continue with the Consumer-Employer or Services My Way model?

You may discontinue participation in the either service model at any time and choose another model of service without an interruption in services. If you decide to return to the Consumer-Employer or Services My Way model, you may contact your Service Coordinator to discuss re-enrollment.

1.17 Who should I go to with additional questions?

Any additional questions concerning wages paid on your behalf and all that is required of you for requirements of local, state, and federal withholdings may be forwarded to your Fiscal Employer Agency. All other questions pertaining to your services should be referred to your Service Coordinator.

 Key Contacts:
My Service Coordinator is:
Name
Agency
Address
Phone
Email
My Fiscal/Employer Agency is:
Name
Agency
Address
Phone
Email

Chapter 2: Getting Started

Starting self-directed services is easy

- | | | | |
|-----|-------------------------------------------------------|-----|-------------------------------------------------|
| 2.1 | Where do I begin? | 2.5 | Will I Still Have a Service Coordinator? |
| 2.2 | Can I have a Representative who speaks for me? | 2.6 | What is a Fiscal/Employer Agent? |
| 2.3 | What are my Rights? | 2.7 | What if I have a Complaint? |
| 2.4 | What are my Responsibilities? | 2.8 | What is the Appeal Process? |

Starting self-directed services is easy and only takes a quick phone call to your Service Coordinator to begin the process.

2.1 Where do I begin?

- You can contact your Service Coordinator and let them know you are interested in either the Consumer-Employer or Services My Way model. Your Service Coordinator will meet with you, your family and/or your advocates.
- In addition, you can call the Long-Term Living Helpline toll-free at 1-866-286-3636 for assistance on how to apply. You may also visit the Long-Term Living website at <http://www.ltlinpa.com>
- Your Service Coordinator will work with you to determine your Individual Budget based on your needs (Services My Way only).

2.2 Can I have a Representative who speaks for me?

Yes, if you are in the Aging waiver. Your representative can be a legal guardian or other legally appointed personal representative, an income payee, any family member, or friend of your choice who is acting in your best interest. Contact your Service Coordinator for additional details.

2.3 What are my Rights?

📌 As a consumer of the Office of Long-Term Living, you have the following rights:

You have the freedom to choose.

- You have the freedom to choose either the Consumer-Employer or Services My Way service model for some of your services.
- You have the right to be treated with dignity, courtesy, consideration and respect at all times.
- You have the right to have your privacy respected at all times.
- You have the right to withdraw from the Consumer-Employer or Services My Way model at any time.

2.4 What are my Responsibilities?

📌 As a consumer of the Office of Long-Term Living, you also take on additional responsibilities when you choose self-directed services.

- Develop or change your Individual Service Plan, back-up plan, Individual Budget (SMW only) and Spending Plan (SMW only) with your Service Coordinator.
- Manage your employees.
 - Treat all of your employees with dignity, courtesy, consideration and respect at all times.
 - Decide what special knowledge or skills your employee must possess.
 - Decide who to hire and fire.
- Determine your employee's wages (SMW only) and work schedules.
 - Review and submit all approved purchases, invoices and timesheets to your Fiscal/Employer Agent.
- Complete all the necessary paperwork required for your employees.
 - Your Fiscal/Employer Agent will assist you as needed.
- Make decisions about the best way to meet your needs, receive and use goods and services and then judge how those goods and services work for you, making changes as needed (SMW only).
- Provide training for your employees.
- Appeal any decision made if you have problems with your services.
- Voluntarily withdraw from self-directed services model at any time.
- Use your Individual Budget responsibly; your Spending Plan must reflect your assessed service needs identified in your Individual Service Plan (SMW only).
- Review and ask questions on all information provided to you regarding the Consumer-Employer or Services My Way model.

You have the right to make choices. You are responsible for reviewing and asking questions on the information provided to you so that you can make informed choices.

2.5 Will I Still Have a Service Coordinator?

Yes, you will still have a Service Coordinator who will:

Your Service Coordinator will collaborate with you to develop your Individual Service Plan.

- Provide you with necessary information on each service model so you can make a fully informed choice on how you would like to receive your services.
- Inform you of your rights and responsibilities under each service model.
- Collaborate with you to develop your

Individual Service Plan based on your personal, social, and educational needs and goals.

- Determine the value of your Individual Budget (SMW only).
- Facilitate and assist you as necessary with the development of your Spending Plan.
- Monitor and assist with revisions to your Individual Service Plan, Individual Budget (SMW only), and Spending Plan (SMW only).
- Assist you in selecting traditional providers, if you choose.
- Monitor provision of services including such things as interviews or monitoring visits with you and your service providers.
- Link you with training that you request and that is specific to your Individual Service Plan.
- Review monthly budget reports from your Fiscal/Employer Agent (SMW only).
- Assist you in developing and implementing your back-up plan as necessary.
- Inform you of available community resources and peer support opportunities.

2.6 What is a Fiscal/Employer Agent?

A vendor who acts as your agent or representative for the purpose of receiving and disbursing program funds; withholding, filing and depositing your employee's federal and state employment taxes; collecting, verifying and processing your employee's time sheets; preparing and disbursing your employee's payroll checks; and processing and paying non-labor related invoices included in the your Spending Plan. The Fiscal/Employer Agent also assists in verifying your employee's citizenship/legal alien status, providing technical assistance and generating standardized reports for you and the state program agencies.

2.7 What if I have a Complaint?

If you have a complaint, there are a variety of options available to you to try to resolve it:

- Speak to a supervisor at your provider agency
- Speak to your Service Coordinator
- Speak to the complaint department (sometimes available in larger agencies)
- Contact the OLTL Helpline

GETTING STARTED

- Switch providers
- Terminate your employee

The best option for you will depend on your individual situation and the nature of your complaint.

 Numbers to Call if I have a Complaint:
My Service Coordinator:
Name
Agency
Phone
My Service Coordinator's Supervisor:
Name
Phone
My Service Coordinator's Complaint Department:
Phone
My Fiscal/Employer Agency:
Name
Agency
Phone
Contacts at Another Provider I Use:
Name
Agency
Phone
Contacts at Another Provider I Use:
Name
Agency
Phone
The OLTL Helpline:
Phone 1-800-757-5042

2.8 What is the Appeal Process?

- When a decision is made to deny, reduce, change or stop your services, you will receive a letter that tells you about the appeal process. If you don't agree with a decision, you may file an appeal.

GETTING STARTED

- If the services you currently receive are being stopped or reduced, you can continue to receive the service while your case is in the appeal process.
- Please consult with your local Area Agency on Aging or your Service Coordination Agency for more details on the appeal process, as each waiver or program handles the process in a different manner.

Chapter 3: Spending Plan Development

- 3.1 How is my Individual Budget determined?
- 3.2 What goods and services can I buy?
- 3.3 Who can I hire?
- 3.4 Can I purchase services from a local business which specializes in providing these services, such as a Visiting Nurse Association?
- 3.5 Who approves my spending plan?
- 3.6 What if my needs change?

If you have chosen the Services My Way model, you will have an Individual Budget and Spending Plan to help determine how to best meet your service needs

3.1 How is my Individual Budget determined?

You will be assessed to determine what type of services you need to help you complete your routine for daily living. You and your Service Coordinator will develop your Individual Service Plan based upon your needs as identified through the assessment process. Your Individual Service Plan is the plan that details the services you want and need and the provision of these services. Your Service Coordinator will ask for approval from the Office of Long Term Living for your Individual Service Plan.

 Needs and Goals I Want Included on My Service Plan:

(Self-directed services may not be able to cover all of your needs and goals, but it is important to identify them.)

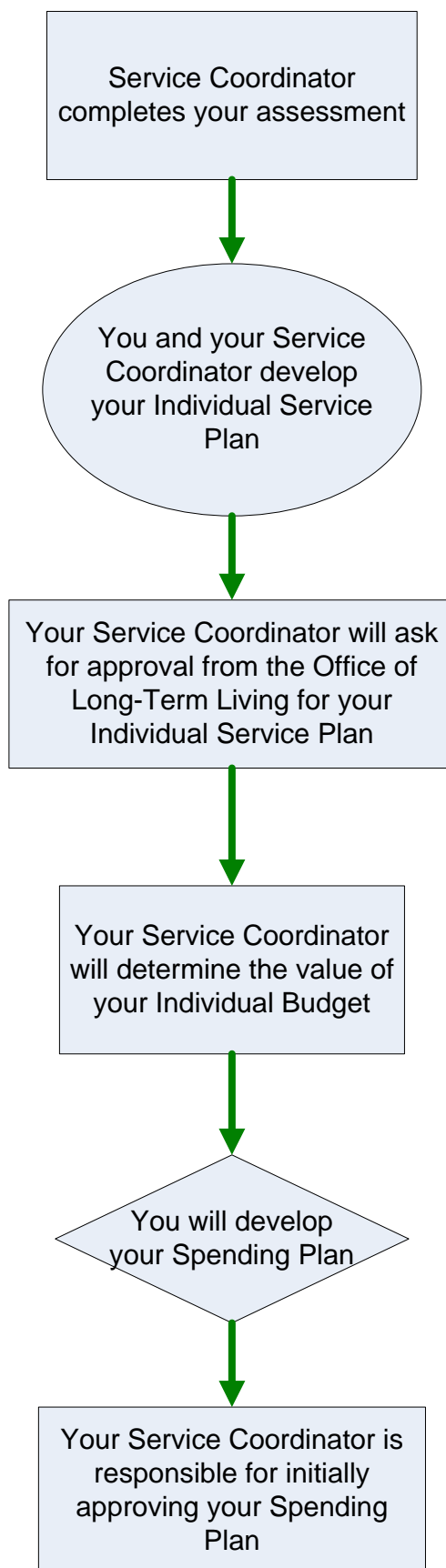
SPENDING PLAN DEVELOPMENT

Your Service Coordinator will determine the value of your Individual Budget based on your assessed needs during the development of your Individual Service Plan. Your Individual Budget is the calculated value of your Individual Service Plan.

You will develop your Spending Plan to determine how your Individual Budget is spent. Your Spending Plan is the detailed budget that describes what, how much and from whom you will obtain goods and services that meet your needs as identified in your Individual Service Plan. Your Service Coordinator can help you develop your Spending Plan and is responsible for initially approving it. Your Fiscal/Employer Agent will pay the invoices in accordance with your Spending Plan as authorized by you.

The cost of the monthly Fiscal/Employer Agent service fee is deducted from the Individual Budget amount and is not reflected in your Spending Plan.

This flowchart depicts the process you will go through to determine your Spending Plan.



3.2 *What goods and services can I buy?*

Goods and services will address a need identified in your Individual Service Plan

You may purchase services, equipment, supplies, or goods not otherwise provided through the Aging or Attendant Care Waivers, or through the Medicaid State Plan or other third party payers. These items will address an identified need in your Individual Service Plan, including improving and maintaining opportunities for full participation in the community, and will meet one or more of the following requirements. The item or service would:

- Decrease your need for other Medicaid services;
- Promote or maintain your inclusion in the community;
- Promote your independence;
- Increase your health and safety in your home environment;
- Develop or maintain your personal, social, physical, or work-related skills;
- Increase the ability of your unpaid family members and friends to receive training and education needed to provide support; or
- Fulfill your need as identified in your Individual Service Plan.

Self-directed goods and services are purchased from the Individual Budget as outlined in your Spending Plan.

3.3 *Who can I hire?*

You may hire a friend, neighbor, relative (other than your spouse) or just someone you trust.

 The person you choose must meet the following requirements:

- Be 18 years of age or older;
- Have the required skills to perform community support services as specified in your Individual Service Plan or be willing to receive such training;
- Be able to communicate with you;
- Possess a valid Social Security number;
- Have a criminal history background check performed;
- Not be your designated representative or legally authorized guardian or power of attorney.

3.4 *Can I purchase services from a local business which specializes in providing these services, such as a Visiting Nurse Association?*

Yes. You may identify local businesses in your Spending Plan as long as the overall cost is within your Individual Budget.

3.5 *Who approves my spending plan?*

Your Spending Plan is initially approved by your Service Coordinator.



Your Spending Plan should:

- Be within your Individual Budget.
- Include a back-up plan.
- Meet the needs identified on your Individual Service Plan.
- Contain goods and services allowed under the Services My Way model (See list in Chapter One).

3.6 *What if my needs change?*

If your needs or goals change, you will meet with your Service Coordinator to change your Individual Service Plan, Individual Budget and Spending Plan. You may also request a review of your Individual Budget at any time.

You may also request a review of your Individual Budget at any time.



Goods and Services I Would Like to Include on My Spending Plan:

Chapter 4: Putting My Spending Plan into Action

4.1 How do I monitor my Spending Plan?

4.2 How do I make changes to my Spending Plan?

4.3 What if Services My Way is not working for me?

In the last chapter, you learned how to create a Spending Plan if you have chosen the Services My Way model. Now that you have a Spending Plan, it's time to make that plan work for you!

4.1 How do I monitor my Spending Plan?

Your Fiscal/Employer Agent and Service Coordinator will assist in monitoring your Spending Plan. Your Fiscal/Employer Agent will provide you with written financial reports on a monthly and quarterly basis and as requested by you, your Service Coordinator or the Office of Long-Term Living. Your Service Coordinator will track under-spending and over spending and contact you to resolve potential service delivery problems.


Your Fiscal/Employer Agent will provide you with written financial reports while your Service Coordinator will track spending.

4.2 How do I make changes to my Spending Plan?

In order to make changes to your Spending Plan, you will need to contact your Service Coordinator for any of the following modifications:

PUTTING MY SPENDING PLAN INTO ACTION

- There is a change in your personal circumstances that require a reassessment.
- You are hospitalized.
- You want to pay the employee more.
- You want to modify your Individual Budget.
- You want to change the purpose for what your savings may be used.
- You want to change your Individual Service Plan, back-up plan, Individual Budget, or Spending Plan.
- You used your savings to make a special purchase and now want to continue saving for another item which will support independence.

 It is **not necessary** to contact the Service Coordinator for any of the following modifications:

- You want to change an employee's start time.
- You want to distribute work hours more evenly by assigning more hours to one employee, and this change will not exceed your Individual Budget limit.
- You want to change how an employee will do assigned tasks.
- You want to reschedule an employee from one day to the next.
- You need to use your back-up plan.

4.3 What if Services My Way is not working for me?

You may discontinue participation in the Services My Way service model at any time and choose another model of service without an interruption in services. If you decide to return to the Services My Way model, you may contact your Service Coordinator to discuss re-enrollment.

Chapter 5: Being the Employer

- 5.1 Where Do I Start?
- 5.2 How Do I Write a Job Description?
- 5.3 How Do I Recruit and Choose My Direct Care Worker?
- 5.4 How Do I Screen an Applicant?
- 5.5 How Do I Interview an Applicant?
- 5.6 How Do I Check an Applicant's References?
- 5.7 How Do I Perform a Criminal Background Check on My Direct Care Worker?
- 5.8 How Do I Schedule My Direct Care Worker?
- 5.9 How Do I Train My Direct Care Worker?
- 5.10 How Do I Pay My Direct Care Worker?
- 5.11 How Do I Fire My Direct Care Worker?
- 5.12 How Do I Provide a Safe Work Environment for My Direct Care Worker?
- 5.13 How Do I Purchase Worker's Compensation Insurance for My Direct Care Worker?
- 5.14 How Do I Prevent Myself from Being a Victim of a Theft?
- 5.15 Tips to Effective Communication

Managing your own services is similar to running your own business. There are rules you must follow to comply with state and federal laws. There are also good practices you may want to use to make your experience as an employer better and to build a great service team.

5.1 Where Do I Start?

You should begin by assessing your needs. This will assist you in developing a job description and interview questions that can be used for screening and interviewing applicants, and for developing schedules. If you don't know what your own needs are, how can you list them for someone else? Don't just think of

BEING THE EMPLOYER

your physical needs. You also want to consider your likes and dislikes – Your Life Style!

Here are some things you may want to consider:

- How do you like your home to look?
 - Some duties may include cleaning your home and should be included in the contract. What duties and how often you want them done could be but are not limited to – dusting, vacuuming, sweeping/mopping, sanitizing the bathroom/kitchen, etc.
- What foods do you like to eat?
 - Do you have any special dietary needs?
 - What your expectations are regarding your attendant sharing your food?
 - Do you want them to bring their own food?
 - Any limits you may have on use of the kitchen?
- What you expect when there is a call off.
 - What you expect if coverage is needed? This should be arranged prior to any calls off occurring. A home health agency may be used as back-up, so any requirements of that agency should be done in advance so there is no interruption in your services.
 - Define calls off and what people you want notified in the event a worker is not available for their shift.
 - Be sure your employees know how to tell you when they need to call off. Do they need to call within a certain time frame?
- How do you feel about your direct care worker using tobacco, or smoking while on the job?
 - If you smoke, will you allow your attendants to smoke on duty? You need to be considerate if they don't smoke.
 - If you don't smoke will you allow your attendants to smoke while on duty and if so where do you expect them to smoke. If you don't want them to smoke in your residence, don't let them!
 - You want to set these guidelines during the interview and incorporate them in the contract between you and your attendant.
- When do you like to go to bed and get up in the morning?
 - If you need assistance getting into and out of bed you are responsible for developing this schedule and you must adhere to it unless a change in times is agreed on prior to the occurrence.
 - If your direct care worker comes at the scheduled time to assist you in getting up and you decide that you want to sleep in, it is not fair to your attendant that had to get up and be available. They could have slept in too if it was agreed on prior to the occurrence. You should also consider when you may want to sleep in and build it into your schedule.
 - Don't forget to schedule time for turning in bed during the night, if necessary.

BEING THE EMPLOYER

- You want to mention as many of your daily activities as you can think of prior to hiring.
 - This may include telephone messages, meals for guests, use of motor vehicles, participation in religious holidays, attendance in gatherings with friends and family, the temperature of the house, use of the television and stereo, etc.

You can use the Individual Service Plan that you and your Service Coordinator developed to help assess your own needs. You should have a copy of this for your files. If you don't have one, your Service Coordinator can give you a copy.

Your Individual Service Plan can help you assess your own needs. You should have a copy from your Service Coordinator.

You can also assess your own needs by making checklists. The following lists are some ideas for starting your checklists.

 TASKS

• Bathing	• Eating/Feeding	• Shopping
• Grooming	• Meal Clean Up	• Transfers/ Repositioning
• Dressing	• House Cleaning	• Communication
• Toileting	• Exercising	• Transportation for Errands
• Meal Preparation	• Assistance with Equipment	• Household Management

Break each task into steps based on how you like things to be done such as:

Bathing:

- Set up Bathroom
- Lay out clothes you chose
- Prepare your bath water
- Assist you to bath area
- Assist as directed by you
- Dry you as directed
- Apply deodorant, skin cream, powder etc.
- Assist you with dressing

House Cleaning:

- Daily tasks
- Weekly tasks
- Monthly tasks



I Need Help with These Tasks:

1.

2.

3.

4.

5.

6.

7.

8.

9.

10.

11.

12.

13.

14.

15.

16.

17.

18.

19.

20.

 Task Checklists

Task 1	Task 6	Task 11
Task 2	Task 7	Task 12
Task 3	Task 8	Task 13
Task 4	Task 9	Task 14
Task 5	Task 10	Task 15

BEING THE EMPLOYER

Once you have completed your self assessment you are ready to look for a direct care worker.

5.2 How Do I Write a Job Description?

Before you start looking for someone to provide services for you, it is a good idea to write a job description for that service or job. A job description is important and gives you, as an employer, the opportunity to clearly define the type of person you would like to hire.

A job description has several uses:

- A job description gives potential workers a good idea of what the job requires.
- It can be used as a guideline for asking questions during the interview.
- It can be used as a checklist of duties and responsibilities after a worker has been hired and is being trained.
- It can be helpful when deciding if you are happy with the way a worker is doing the job.


The job description should be written with your personal needs in mind and should include:

- Basic job duties
- Required qualifications
- The way you want the job done
- The number of hours and days needed

The information on the job description does not have to be permanent. It is fine to change the job description later if you change your mind about what you need. However, if you change the job description after you hire someone, you should discuss the changes with the worker to make sure they understand. If you change the job duties too much, the worker may not be qualified, agree to continue, or want to work unless pay is increased.

Job descriptions can be written in a lot of different ways. The most important thing is that the information be shared with the worker before he or she agrees to accept the job.

5.3 How Do I Recruit and Choose My Direct Care Worker?

 When recruiting and choosing your direct care worker, there are requirements that you must follow. The Department of Public Welfare requires that direct care workers **MUST**:

- Be 18 years of age or older
- Have the required skills to perform services as specified in your service plan

BEING THE EMPLOYER

- Possess basic math, reading, and writing skills
- Possess a valid social security number
- Be willing to submit to a criminal record check
- If you require it, be able to demonstrate the capability to perform health maintenance activities specified in your service plan or be willing to receive the training to provide the activities.
- You **cannot** hire your spouse, power of attorney, legal or designated representative, or guardian.

The first steps you need to take as an employer is recruiting your direct care worker(s). At first, this may seem like an extremely difficult task. The following information can assist you in this process.

The first step you need to take as an employer is recruiting your workers.

- One way to find a direct care worker is to let your friends know you are looking for one. They may be able to recommend someone.
- You could also contact local employment services. Many people who are doing a job search begin there.
- Another way to find a direct care worker is to advertise. You can advertise in the newspaper, local free ad magazines, newsletters (at universities, churches and community groups), community bulletin boards, employment agencies, social service agencies and even on the internet (can also search ads on the internet).

Caution:

- Listing your phone number increases your risk of unwanted or harassing calls.
- Including your address can open you up to unwanted visitors and criminal elements.
- For safety, you could use a phone number of another person who will take messages for you. Another option is to establish an e-mail account to use specifically for applicants. You can also use a post office box. Most newspapers will offer a box number to you if you place an ad with them.
- Saturday and Sunday are the days the papers are most read.
 - Bold type heading makes your ad more noticeable
 - You can also check the situations wanted section.
- When writing your ad you can list what the job is and the duties. You can also list the shifts you require and any training or experience you want in a prospective direct care worker. Including the hourly pay may be helpful. Decide if you want mail or phone responses and include that contact information.

Here are some sample newspaper ads

EARN EXTRA MONEY

9.50/hr PT personal care/household work for female with disability Evening hours on West side, no experience necessary, will train. Call Dot at 555-1234

FT POSITION/\$10/HR DAYLIGHT HOURS PERSONAL CARE FOR QUADRAPLEGIC ON BUSLINE E-MAIL RESUME TO RESPONSE@GMAIL.COM



Information for My Newspaper Ad:

5.4 *How Do I Screen an Applicant?*

Screening applicants is an important step as it will eliminate applicants that you feel wouldn't be qualified for the position. Screening saves you time in the long run.

- You should screen applicants over the telephone to determine if an interview is worth both yours and the applicant's time.
 - Always be friendly and pleasant on the telephone.
 - Call people back as soon as possible
- You should do the following when screening an applicant:
 - Give a brief job description of the duties, hours/schedule, and pay they can expect
 - Write this description out so it is the same for every applicant that calls.
- You want to ask questions about their experience with the description you gave. Applicants can disqualify themselves if they don't meet the requirements to meet your needs.
 - Some possible questions could be –
 - Why are you interested in this type of work?
 - What kind of experience/training do you have?
 - Do you have reliable transportation?
 - You may want to tell applicants if you smoke or have pets as this may eliminate some people.
 - Ask if they smoke if that's a concern, or ask about their ability to lift and transfer if that is an essential job function.
 - Listen for specifics in their description of previous experiences instead of vague or general statement.
- You want to ask specifically what kind of schedule they prefer or their availability.
- You want to listen for a pleasant tone of voice and positive attitude on the phone.
- You should always take the name, address, and telephone number of all the people that call and let them know that you have several more telephone interviews and will call them to set up an interview.
 - Schedule interviews with the applicants that you really liked.
 - Even if the person does not seem suitable for the job, always thank them for their interest. You may want to file their name and address; it may come in handy in the future.

Sample Telephone Screening

1. Introduce myself and provide a brief description of the position:
I am looking for a personal assistant to assist me with performing routine tasks of daily living at my instruction. I have several workers and am looking to fill a late evening shift. The hours are 7:00 to 10:00 p.m. Wednesday through Sunday. The salary is \$8.00 to \$10.00 per hour. Some benefits may be available.
2. Does this sound like a position you would be interested in?
3. Can you describe your experience?
4. Do you have reliable transportation?
5. I have two cats. Are you allergic to cats?
6. I have your name and phone number. Can you confirm how you spell your name? Can you give me your address?
7. Thanks for taking the time to speak with me. I have several more people to do a phone interview with.
8. (If I'm interested) I will call you back to set up an in-person interview.

5.5 How Do I Interview an Applicant?

After you pre-screen applicants, review all of the information and decide who you feel is the most qualified. You want to schedule personal interviews with the most qualified applicants first. You want to set up interviews with as many qualified applicants as possible. The personal interview is your opportunity to learn as much as possible about the applicant. You can give the applicant a detailed job description, based on your self-assessment, and the hours you need assistance. Interviews will always go better if you are prepared!

*Interviews will
always go better if
you are prepared!*

- If you are uncomfortable holding the interview in your home, then hold it in a neutral location such as your Service Coordinator's office, a coffee shop, library, or a community center.
 - You may choose to have the interview where you live as it gives the applicant a better understanding of what the job will require and what your expectations are.
 - Having someone with you, such as a family member, friend, neighbor, or service coordinator, when you interview applicants is a good idea, especially if you hold the interview in your home.

BEING THE EMPLOYER

- A second person may pick up on things you miss, or help you remember a question that you may have forgotten to ask.
- You can discuss, with the other person in attendance, how the interview went when deciding which applicant you felt was most qualified.
- You can expect that some applicants won't show up for the interview.
- Be friendly and get acquainted with the applicant to set the tone for the interview. First impressions are very important. Describe your disability and demonstrate your ability to direct your own care.
 - If you decide to have another person at the interview, let the applicant know that you are the one interviewing them and you will be the one making the decision whether to hire them or not.
 - You want to hold the interview in a quiet place that is free of distractions. Turn the TV and radio off and make sure any pets and/or children present will not be an interruption.
 - Wear clothes that convey a sense of confidence.
 - Sit in a location that allows you to have eye contact with the applicant. Be observant of eye contact and body language of the applicant as this will allow you to get a sense of how they are feeling as well as who they are.

Have a folder for each interview that includes:

- A blank job application.
- A job description
- Checklist of duties and shifts
- Educational information about your disability
- A list of the interview questions prepared ahead of time
- The applicants resume and references
- Plan the interview questions:
 - Decide ahead of time what questions you want to ask and write them down.
 - Ask questions that will give you more than a yes/no answer. You want to get insight into what this person has to offer for the job.
 - Use the same questions for each interview. This allows you to compare the applicants equally.
 - Make sure you do not ask illegal questions. (see examples below)
 - Have the applicant fill out the application and give them the job description to go over.
 - While the applicant looks over the job description you can look at the application and see what needs to be clarified.
 - Have a way to evaluate answers to the questions, whether in words or with a number corresponding to the value of the answer.
 - For example: 1 can mean poor and 10 can mean excellent.

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- When you are done asking questions, always ask the applicant if they have any questions. Their questions can tell you how well they were listening and how well they understand the job.
- Avoid making these common interviewing mistakes.
 - You do not dominate the interview. Let the interviewee do the majority of talking so you can learn more about them.
 - When an applicant mentions information that may be relevant, don't forget to follow up on it.
 - For example, if they mention they had previous training that relates to the job, ask questions to find out how long ago, how long it lasted, and how much it pertains to being your attendant.
- Be aware of some signs that the person you are interviewing may not be right for the job. These could be signs you definitely don't want to hire the person.
 - Has alcohol on the breath
 - Has greasy hair and dirty fingernails
 - Is rude
 - Is late
 - Discloses confidential information about previous employer
 - Takes control of the interview
 - Expresses sympathy, being overly considerate or hypertensive
 - Stares or makes prolonged eye contact, which could be a sign of aggression
 - Makes little eye contact
 - Begins the interview by telling you all things he/she cannot do or all the times he/she cannot work
 - Has no references (even if a person just moved to the area they should have friends or previous employers)
 - Says he/she really needs a job and will take anything for now
 - Looks to the non-disabled person in the room for instructions and/or verification as if they didn't hear what you were saying.

Questions NOT to ask

- Ethnic Origin or Background
- Color/Race
- Nationality or National Origin
- Religion
 - You MAY ask how the person feels about working on Sundays or other holidays if you need them on those days.
- Age
 - You MAY ask if they are over 18.
- Sex

*Protect
yourself!
Employers are
legally not
allowed to ask
these questions!*

BEING THE EMPLOYER

- Disability
 - You MAY state that lifting is a part of the job, primarily to help you transfer, and ask if there are any reasons they would not be able to perform this task?"
- Political Belief
- Family or Marital Status
 - You MAY state that the job involves working on Weekends, Sundays, and even Holidays. And ask, "Are you available at those times?"
- Source of Income

Samples of Questions to Ask and Why

1. Does everything on the job description make sense to you?
You ask this to know if the applicant understands the job.
2. What type of food do you like to cook?
Know what they are good at cooking so you can have that to eat.
3. Why are you interested in this line of work?
Compatibility, Attitude about the work
4. What qualities do you feel like you bring to this job?
Persons feelings about themselves
5. How do you feel about taking direction from others?
Will they be able to take direction from you?
6. What stresses you out and how do you deal with it?
Ability to deal with stressful situations
7. What do you think confidentiality in this job means?
Understand privacy issues
8. Would you be willing to drive my car to run errands or transport me in your car?
Ability to adapt and run errands

Situational Questions

- A. You come to work and find that my refrigerator stopped working and all the food we planned for this weeks meals was spoiled, what would your next step be?
 - i. An answer will give you the personal ability to problem solve and come up with a new plan on the spot.
- B. It is a Sunday afternoon and another attendant calls off, so I call you and ask you to come in, how would you feel about that?
 - i. Shows the persons ability to change plans and come in when needed

 Sample Interview

Charlie: Hi, I'm Charlie Garth. Have a seat.

Beth: Thank you.

Charlie: Did you find your way all right?

Beth: Yes, your directions were perfect.

Charlie: How about this weather? I sure hope the rain stops soon!

Beth: Me too, it would be nice to see the sun again!

Charlie: Oh, I agree with that. Why don't we go ahead and get started. We talked a little on the phone about your experience. Could you tell me more?

Beth: I used to volunteer in a nursing home for about a year.

Charlie: What kinds of things did you do?

Beth: I would get things for the residents and play cards. Things like that.

Charlie: Is that what got you interested in this kind of work?

Beth: Well, kind of. My grandpa was a resident of that nursing home, and that's why I started volunteering there. I always wished he could be home, but it would have been too hard on our family. He's passed away now. I learned about Home and Community services from a friend and that's how I became interested in doing home care.

Charlie: Well, this job is a lot different than volunteering in a nursing home. I have a spinal cord injury, which means that I have limited use of all four limbs. My disability is called Quadriplegia. I need assistance with all of my personal care like dressing, bathing, cooking, cleaning, and shopping. Actually, I have some lists here that describe what I need help with in detail. They are on the corner of the table. I'd like you to take a couple of minutes to read them. (Applicant reads the lists)

Charlie: I know it looks like a lot, but I have a routine that we will get into. Does everything in the job description make sense to you?

Beth: This section on catheter irrigation. What does it mean?

Charlie: Just as I have difficulty controlling my arms and legs, I don't have control over my bladder so I have a catheter. The type of catheter I have is a tube that goes through my stomach right into my bladder. When my bladder gets full, the urine goes out the hose and into a bag that is strapped to my leg. The bag needs to be emptied as it fills, and there are other tasks related to keeping the site clean and healthy where it enters my body.

Beth: Oh, I see. How would I learn how to do those tasks?

Charlie: I will train you how to do it, along with how I like to have different things done.

(Ask other types of questions as listed above, but you get the picture)

Charlie: Do you have any other questions?

Beth: No, I don't think so.

Charlie: After learning more about me and what this position involves are you still interested in it?

Beth: Oh, yes. It sounds very challenging and exciting!

Charlie: O.K. Then I will need you to fill out this application.

BEING THE EMPLOYER

Charlie: (After reviewing application) You forgot to list the address of your last employer. Do you know it?

Beth: I know the street, but I don't know the exact address.

Charlie: If you could just write in the street then. (After she writes in info.) Well, everything looks in order. I have a few more people to interview before I make a decision. I have your number, and I'll be contacting you either way. Thanks for coming. It was nice meeting you.



My Interview Questions:

5.6 How Do I Check an Applicant's References?

Checking references may save you a lot of trouble later on. This step only takes a few minutes for each applicant and can give you valuable information about the individual. If a reference says they wouldn't hire the individual again that may be an indicator that the person may not be your best choice. Keep in mind that it may have just been a personality conflict and that person may be perfect for your situation. Use your best judgment.

Use your best judgment!

- It is very important to check the references of a potential direct care worker.
 - You can eliminate unsuitable candidates and prevent difficulties in the future.
 - The applicant should supply at least three references. Usually references are professional references, not family or friends. If the person does not have work experience, you can recommend teachers, religious leaders, or non-family members that know the person well.
- You should start by developing a reference form for the applicant to complete.
 - Include name of reference, address, business name if applicable, phone number and e-mail address.
 - If the applicant requests that you do not contact their current employer this should be respected.

✂ Applicant Reference Check	
Applicant's Name:	
Reference Information:	
	Name
	Business Name
	Address
	Phone
	Email
How long have you known the applicant?	
Is the applicant responsible?	
Is the applicant on time and dependable?	
Is the applicant honest?	
What are the applicant's strengths?	
What are the applicant's weaknesses?	
Would you recommend the applicant to be a direct care worker?	

BEING THE EMPLOYER

- You can check references by phone, mail or e-mail.
 - Using the mail will take longer than a phone call.
 - Develop a list of questions regarding the applicant.
 - This list can be used as a guide when phoning a reference. You could also send it to the reference to complete.
- Most employers will not give out much information on former direct care workers due to legal issues.
 - They will disclose when the person worked for them and if they would rehire.
 - An option is to have a release of information form signed.
- Personal references usually will be more informative.
- Check the information you obtain against the persons resume for discrepancies.

5.7 How Do I Perform a Criminal Background Check on My Direct Care Worker?

You will be required to have a criminal history background check performed on the direct care workers that you hire even if the worker is a family member. The purpose of this is to protect your own personal health and safety in your own home. You will be informed of the results of the criminal history background check on your direct care worker. You may still choose to hire a direct care worker even if the worker is found to have a criminal history Your Fiscal Employer Agent will assist you in completion of the proper paperwork.

5.8 How Do I Schedule My Direct Care Worker?

You need to develop your schedules based on the number of hours in your service plan. It is your responsibility to make sure your needs get met, first and foremost! You can consider your attendant's wishes when developing your schedule, but your needs come first.

- Base your schedule on when you need things done.
 - The self-assessment that you have already done is a useful tool when deciding how to schedule your direct care workers. Use your service plan to determine the number of hours per day based on your needs. If you need more or less hours in a day, you need to talk to your Service Coordinator to re-assess your needs.
 - Try to think of every little detail of every day. Think about what has worked well and what hasn't worked. Even the smallest detail could become a big detail if you did not think about it. It cannot be stressed enough to think about everything you may need assistance with.

*It is your
responsibility to
make sure your
needs get met,
first and
foremost!*

BEING THE EMPLOYER

If you go to school or work, how long will it take to get up and ready in the morning?

If you need assistance with meals, how are those hours going to be covered?

Is your attendant expected to be there the whole day or do you need your hours split into shifts?

Will you need to run errands or have your attendant run errands? Any doctor appointments or the need for a hair cut.

If you need assistance getting into bed, what time do you want to go to bed at night?

- If you have more than one employee, it is a good idea to have a monthly schedule so everyone knows exactly when he or she is working.
 - You need to have a back-up plan in case your attendant has an emergency and can't work their scheduled time.
 - Test your back-up plan to make sure it really works!
 - Having an agreement with the person you want to use for your back-up plan is essential!
 - If you plan to use an agency as your back-up plan make sure all the necessary paper work has been completed and the agency is ready to respond in the event they are needed at short notice.
 - If your attendant wants time off, make sure you have a process in place so you can schedule other attendants or your back-up plan attendant for those times.
 - You may want to use a request for time off form or post something similar in a visible location to remind you when you are developing your schedules.
 - No one should change this schedule but you, or with your permission to do so.
 - Using a calendar to do a schedule works very well. You can do this using a computer or writing names and hours on a calendar. See the following sample on next page.

5.9 How Do I Train My Direct Care Worker?

Before training a direct care worker you must determine their job duties. This can be done by using the checklists you developed in your self-assessment of your personal care routine, household duties and any errands to be performed. Break each task into steps.

- Be patient and communicate. Explain what you need assistance with and what you can do yourself. Be realistic about what you can do “safely” by yourself.
 - Show your direct care worker exactly what, when, and how you want certain tasks performed.
 - Encourage questions
 - Tell the direct care worker what behaviors are unacceptable. For example: tardiness, not performing job duties, poor attitude, discussing personal problems, borrowing money, or not maintaining confidentiality.
 - Explain your medical condition(s) and symptoms.
 - Provide specific training on any equipment, as well as how to maintain it.
 - Tell your direct care workers when you are pleased with their work.
- During training, you should take one task at a time. One way to do this is to have the new attendant follow along, on the checklist or (through verbal instruction) while watching a former or current attendant perform the activity. Encourage the new attendant to ask questions about any details they need clarified. Discuss each task with the new direct care worker before they perform the activity.
- You are now ready to begin on-the-job training.
 - Have the attendant review the checklist and ask questions about any duties he or she is unsure of performing.
 - This gives the attendant an outline of the general steps in the task and an idea of the expected outcome.
 - While both you and the attendant refer to the checklist, begin the routine one-step at a time.
 - Remember, checklists do not provide all the details about how a particular task should be performed. It’s your responsibility to give instructions to make sure the attendant knows exactly how you want the job done.
- You may consider developing an agreement or contract with your direct care worker.
 - See Sample Agreement/Contract in Chapter 6
- Make sure your direct care worker is aware of the following things:

Encourage your new workers to ask questions about any details they need clarified.

BEING THE EMPLOYER



NOTE: You should go over this verbally with the direct care worker and have it available in a visible location such as on the side of the refrigerator or on a bulletin board


<i>My Health Conditions are:</i>	
<i>My Physician's Name is</i>	<i>My Physician's Phone number is:</i>
<i>The Name of My Pharmacy is</i>	<i>My Pharmacy's Phone number is:</i>
<i>I take the following medications: (You might consider making this a separate chart. Include dose and frequency.)</i>	
<i>I Should Not Eat the Following Foods:</i>	<i>I am Allergic to the Following:</i>
<i>In case of an emergency, you should contact:</i>	
<i>The ambulance service I use is</i>	<i>The Hospital I prefer is</i>

BEING THE EMPLOYER

5.10 How Do I Pay My Direct Care Worker?

Although people may become a direct care worker out of a desire to assist others, the truth is that earning money is most likely their main concern. As an employer it is your duty to know the process and assure you and your direct care worker follow the steps required for timely and accurate paychecks.

- You will get timesheets for each attendant to use from your Fiscal Employer Agent.
- The hours worked are filled in on the timesheets each day by the scheduled attendant.
- At the end of each pay period, you or your representative will review the timesheets for accuracy, sign them, (only to be signed by you or your representative) and send them to the Fiscal Employer Agent.
- The Fiscal Employer Agent is the paying agent for each of your attendants.
 - The Fiscal Employer Agent will process the payroll, take out any applicable taxes, and file them with the IRS. If you have questions, you should call your Fiscal Employer Agent for more details.

 You are responsible for staying within the amount of hours in your service plan/spending plan. You will run out of hours/money before the end of the month if you exceed your hours.

5.11 How Do I Fire My Direct Care Worker?

Terminating an employee is never an easy task. It is necessary if the direct care worker's job performance or behavior is not working out. It is important to remember that you are in charge. If you are not happy with the way things are, it is up to you to change it.

- Termination should be a process.
 - Don't use dismissal as a threat.
 - Give feedback to the employee about your concerns as they occur.
- The next step is a reprimand.
 - You should do this in writing and clearly state the problem and possible solutions and have your direct care worker sign this document.
 - You should be open to discussion with the direct care worker about resolving problems and what steps will be taken if the issue occurs again.
- The final step is dismissal.
 - Steps 1 and 2 should have prepared the direct care worker and reduced any surprise.
 - You must have back-up plans in place before dismissing the direct care worker. You must make sure that your needs will be met before you dismiss an employee.

BEING THE EMPLOYER

- If you have a contract with the direct care worker you can use it to support your decision to let them go. Point out what parts of the contract they have not met and why this puts you in jeopardy.

You may want to consider having a trusted person with you when you dismiss the direct care worker.

- Have a list prepared of the items the direct care worker needs to return to you and ask for them at this time.
- Discuss the final timesheet, or pay as appropriate.

Don't argue with the direct care worker. If the person becomes aggressive or hostile ask them to leave immediately and call the police if necessary.

5.12 How Do I Provide a Safe Work Environment for My Direct Care Worker?

Just as your direct care worker has a duty to ensure your safety, you have the same duty toward them. Looking out for the direct care worker's safety can prevent injuries that could result in direct care worker's compensation claims and put your health and safety in jeopardy by possible lack of coverage for your personal care needs.

- You should conduct a tour of your home.
 - Look for anything that could be a safety hazard, such as rugs that could be tripped over or sharp edges.
 - Make sure any issues found are corrected.
 - A first aid kit should also be handy.
- You should have the direct care worker's complete information in case there is an emergency in which you need to contact someone on his or her behalf.
- The direct care worker should be trained on proper transferring techniques to prevent injury.
- Make sure universal precautions are followed.
 - This will protect you and your direct care worker.
- Have smoke detectors and fire extinguishers.
 - Train the direct care worker on how to use the fire extinguisher.
 - If your service provider offers this training have your direct care workers attend it.
- Be aware of dangerous substances in your home, such as bleach.
 - Provide gloves for use by the direct care worker.
- Keep all mechanical equipment checked and maintained.
- Ensure all pets are free of parasites.
- Develop a safety plan and train your direct care worker concerning it.
 - Keep this safety plan in a visible place.



Safety Plan for My Household Workers

Personal Safety:

My Equipment Needs

My Critical Medications

My Communication Needs

Household Safety:

Location of Fire Extinguishers

Location of First Aid Kit

Location of Critical Supplies

(You must notify me if you require non-latex gloves.)

Building Evacuation Plan

Meeting Location

Special Notes

Resources:

Police Department

Neighbor

Fire Department

Emergency Contact

Building Manager/Maintenance

My Doctor

Service Coordinator

Ambulance

Worker's Compensation Contact Information

Other Numbers

Policy Number:


5.13 How Do I Purchase Worker's Compensation Insurance for My Direct Care Worker?

Direct care worker's compensation insurance is a means of protecting you and your direct care worker. You are ultimately responsible to make sure your Fiscal Employer Agent takes responsibility for all of the needed paperwork and sending payments in a timely manner. You should familiarize yourself with this requirement. The Fiscal Employer Agent may also be able to provide training for you in the event your attendant needs to file a claim due to injury on the job.

- All employers need to be covered by direct care worker's compensation insurance, but it will be taken care of by the Fiscal Employer Agent.
- The Fiscal Employer Agent will take care of securing and renewing direct care workers' compensation insurance policies, paying the premiums, collecting data on claims, and keeping track of what is paid to direct care workers.
- The amount owed for direct care workers' compensation insurance should be calculated into the wage being paid to each attendant.

5.14 How Do I Prevent Myself from Being a Victim of a Theft?

Preventing theft is an important thing to consider when you have direct care workers in your home. We may want to trust everyone but that is not always advisable.

 Below are some tips to prevent getting ripped off by your attendant.

- Screen attendants thoroughly.
 - This means never hire someone until you have had an opportunity to check their references.
- Never leave valuables lying around.
 - The most common items stolen are jewelry and money.
 - Always lock your jewelry in a safe place.
 - Keep your money on yourself or close to you.
- Keep track of your medication.
 - Always keep your medication locked up.
 - Also, keep track of how many pills you have.
- Avoid letting your attendant write checks or withdraw money for you.
 - One of the easiest ways for attendants to steal money is to forge checks.
 - Never give attendants access to your checkbook or bankcards when you are not around.

Don't give them your card and your pin number and send them to the bank alone. ALWAYS accompany attendants when money is concerned.

Preventing theft is important to consider when you have workers in your home.

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- ALWAYS have attendants give you receipts for any errands you have them run for you. Use cash if you send them on errands.
- Never give your credit card to your attendant to use.
 - A credit card is one of the simplest ways an attendant can steal from you.
- Avoid letting your attendant use your property for his or her personal use.
 - Many people get ripped-off through the abuse of personal property.
 - This includes use of your van, phone, and apartment.
- Be sure to get your key back when an attendant quits or is fired.
 - If your attendant fails to return your keys, have your locks changed immediately.
 - Have all keys you may give to attendants stamped with “Do Not Duplicate.”
 - Combinations on locks controlled by keypad combinations should always be changed when an attendant quits or you terminate them.
- Keep an eye on things.
 - From the first day, let your attendant know that you will be keeping track of medication, van miles, phone calls, etc.

If you are the victim of theft, confront the attendant to get their side of the story (unless it would be unsafe to do so). If it is clear that they took something, call the police. If you are afraid that the attendant will harm you, let the police know.

5.15 Tips to Effective Communication

Communication Tips


Having good communication between you and your attendants is very important. Good communication is a skill and needs to be practiced. This skill is natural to some people and very unnatural to others. Good communication always makes for better working relationships.

Good communication is a skill. It needs to be practiced!

- Effectively communicating with your direct care workers will help reduce the number of conflicts or issues that may arise.
- Although many types of communication are present in any relationship, you should always try to be an assertive communicator.
 - Assertive communicators are:
 - People who can treat themselves and others with respect

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- People who stand up for their thoughts and beliefs without violating the thoughts and beliefs of others
 - People who are direct and honest without being rude.
 - People who clearly state their own ideas and needs
 - People who are self-confident even when another person disagrees with what they have to say
- Assertive communication is not something that comes naturally. Practicing some of these skills will benefit you. If you can follow the outline of assertive statements below you will be on your way to better assertive communication.
 - Do not put yourself down, always speak positively of yourself
 - When speaking to your attendant use “I”. In doing so you are taking the responsibility for the actions that are taking place. As an example, “I would like you to cut the carrots up smaller next time.” Instead of saying, “It would be nice if you could find a way to cut the carrots up smaller next time.”
 - Do not use the word “but”. In general, people will become defensive when you use this word and may even stop listening when they hear it.
 - Do not speak down to your attendant even if they are much younger than you. They are your employee and they are also your equal.
 - Do not forget to let your attendant know when they have done an exceptional job with a task. Simply giving them a nice polite “thank you” will let them know that the task or gesture was greatly appreciated.

 Remember: Effective communication does not always come naturally to everyone so make sure to practice to develop these skills.

Giving Feedback

Giving feedback to your direct care worker is an essential part of being an employer. Feedback is information telling the direct care worker how he or she is performing in their job tasks. Feedback lets your direct care worker know what they are doing well and what skills may need improvement. It may also help you retain direct care workers by giving the person praise and respect, as well as handling corrective issues in a positive way.

Feedback lets your worker know how he or she is doing in their job.

- Providing training initially is the best way to let your direct care worker know what is expected of their work performance.
 - If you are using task checklists, you can go over them with the direct care worker as a type of evaluation and feedback.
 - This applies to the training period as well as an ongoing tool for providing constructive feedback.
- It is very important to provide feedback to your direct care worker. There are two types of feedback:

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- Positive
 - Positive feedback is praising your direct care worker for a job done well.
This lets the person know that you acknowledge their effort and appreciate their work. This should be done frequently. Try not to use the same phrases each time as this can cause the praise and feedback to lose impact and effectiveness.
- Corrective
 - You should give corrective feedback at the time it is needed. One approach is to start by saying something they did right and then presenting the corrective topic.
- Being firm but polite helps you to be assertive but not punishing.
 - You could say “You did a very good job cleaning the bathroom and I appreciate it. In the future will you also mop the hall please?”
- Being a good employer means being the boss without being a dictator or a doormat.
 - It is difficult for many people to accept the role of boss.
 - Remember you are in charge of the duties performed by your attendant.
 - If something goes wrong, or you are not happy with the way things are being done, it is up to YOU to fix it or change it.
 - You are responsible for your own routine.
 - If your attendant is not performing the tasks as well as you would like, then try giving feedback that is more specific.
 - An honest description of your feelings of dissatisfaction may help the situation.
 - If you are still unhappy with their performance, let the attendant go. You will, of course, need to hire another attendant.
- Being in charge does not mean forgetting that your attendant is a person, too, not just an employee.
 - Respecting your attendant can do more for your relationship than screaming or just accepting things the way they are to avoid a confrontation.
 - Treating your direct care worker with respect is the beginning of your direct care worker treating you with respect.

Effective Listening

Listening is very important in developing effective communication skills. Listening skills and communication skills are like peanut butter and jelly. You really can't have one without the other! You need to practice listening to become effective at it just as you have to practice communication skills to become effective. Both communication and listening skills will make you a more effective employer.

- You have to practice to become an effective listener.

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- Too often a listener is thinking of how to respond rather than truly listening.
- When you listen you should engage the person speaking by:
 - Giving them your full attention
 - Paying attention to body language as well as what is being said.
 - Nodding your head or saying “uh huh” or “go on” so the person talking knows you are paying attention to what they are saying.
- You should reiterate what the person is saying to make sure you received the message as intended.
 - Ways to reiterate are:
 - “What I hear you saying is...”
 - “This is my understanding of what you are saying...”
 - “You are angry because...”
 - “You would like...”
- Repeating what the speaker says does not mean that you agree, or don’t have your own opinion on the subject. It just gives the person a sense that you have acknowledged their thoughts or feelings.
- If the person who is speaking is angry they will not hear what you have to say or how you feel, so letting them know you understood what they’re saying will help them to calm down and relax so they can pay more attention to what you have to say.
 - Avoid saying “but.” An example of this is:
 - “I understand you would like the day off, but you didn’t give me enough notice to get back-up”
 - This could cause the person to become defensive and not hear anything else that you say.
 - Instead use:
 - “I understand you would like the day off, and if you had given me more notice I could have arranged for back-up.”
 - This gives the person the sense that you acknowledge their feelings and that you are willing to work with them if they work with you.
- You need to practice effective listening. Effective listening separates acknowledging the thoughts and feelings of a person from approving, agreeing, or persuading that person. It leaves you open to the option of:
 - Agreeing or disagreeing
 - Saying yes or no to a request
 - Saying more about the matter being discussed.

Managing Conflict & Issues

Positive working relationships don’t happen by chance. It takes a lot of work and effort on the part of everyone to make a work environment peaceful and pleasant. As an employer, you are the leader in creating a positive work

*You are the leader in
creating a positive work
environment.*

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environment. Recognizing that not everyone will agree all of the time is a good place to start in promoting a positive working environment. When issues do arise, the employer is the person to take the initiative to find a resolution. There are many ways to resolve issues that occur at the work place. In all cases, it is important to listen to everyone involved in the conflict. This is when you want to use your effective listening skills as described earlier.

Minimizing Workplace Conflicts and Issues

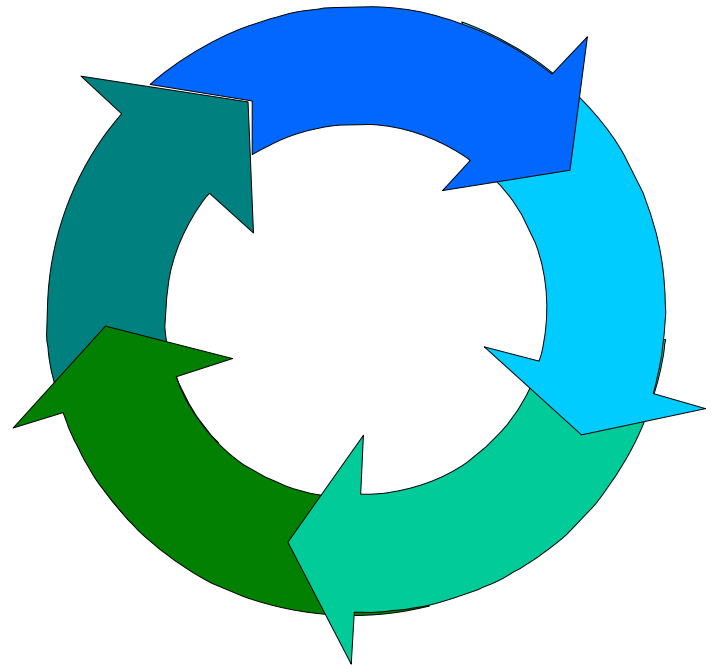
- Hire attendants who fit into your life style. You want the personality of your attendant to mix well with you as well as your other attendants.
- Have an open communication policy so that your attendants always feel like they can talk to you when they have a problem.
- Be fair with all of your attendants. Distribute work hours as evenly as possible, or as you had previously discussed.
- Have a strategy for your attendants to express problems or issues they have. This will allow any issues to be brought to your attention before they evolve into a major issue.
- Set common goals for your attendants. Focus on the tasks you want completed.
- Avoid using language that is loaded. These are words or phrases that have different meanings to different people. They can create strong negative or positive feelings to different individuals. Use words that are straight forward and do not have other meanings.
 - Doing this will ensure no confusion exists between what you said and what your attendant thought you meant.
 - Asking attendants to repeat what you said will confirm they got your message correctly.

How to work through Conflicts and Issues

- **Identify the Problem.** State the conflict in a formal manner by writing it down
 - You may feel there is a problem, but your attendant may not realize that one exists.
 - Make sure to express what is going on that you do not like.
When talking about what you don't like, do it in a neutral way. Keep in mind that it is a situation you don't like, and not a person.

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- Use “I” statements. For example say, “I really don’t like when wet towels are left on the floor, I prefer them to be hung over the shower curtain rod.” instead of “How come you’re so lazy leaving towels on the floor!”
- **Define the issue.** You need to explain the problem without using outside influences, such as personalities, motives, blame, or value judgments. Ask open-ended questions to get a clearer picture of the issue.
 - Getting a clear picture of the issue allows you to address the problem in a more precise manor.
- **Brainstorm and Evaluate Solutions.** After identifying and defining issues, generate solutions.
 - Everyone who is involved should be sure to suggest solutions.
 - One key aspect is to make sure the solutions do not focus on individual personalities.
 - After developing several solutions, make sure to evaluate all the positives and negatives of each solution.
- **Choose a Solution and Actions.** Once all the solutions have been evaluated, you will need to choose one that all parties involved will be able to manage.
 - You will use this solution to solve the issue that you have defined.
 - Once you have a solution picked, decide who will take what actions and when they must be completed by. By doing this you will hold yourself and your attendants accountable.
- **Implement and Check the Solution.** Make sure you set a date in the future to ensure the issue is being solved and decide if you need to choose a different solution.



What do you do if these processes do not work?

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- Always know you can ask for help from your Service Coordinator. They will be able to let you know how to handle the issues or will know where you can get help.
- If you notice that the issues or conflicts continue to exist it may be necessary to terminate employment with an attendant.




Chapter 6: Other Information

6.1 Where Can I Find Additional Help and Information?

6.2 Glossary of Terms

6.1 *Where Can I Find Additional Help and Information?*

Contact your Service Coordinator.

 My Service Coordinator is: Name: Phone Number: Email:

6.2 *Glossary of Terms*

Adaptive Equipment	An item, piece of equipment, or product system, whether acquired commercially, modified, or customized, that is used to increase, maintain, or improve functional capabilities of participants.
Advocate	A person who gives you support or protects your rights.
Aging Waiver	A long term care program that assists frail elderly Pennsylvanians with the services they need to live independently in their own homes and communities.
Area Agencies on Aging (AAA)	There are 52 Area Agencies on Aging, covering all 67 counties. They administer various programs and services offered to older Pennsylvanians. Your local Area Agency on Aging is listed in

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	the blue pages of your phone book or you can find a listing at: http://www.aging.state.pa.us .
Average Regional Agency Personal Assistance Rate	This is the average hourly wage of all direct care workers in a region of Pennsylvania across all provider agencies. This average rate does not take into account the variances in pay due to education, experience, or years with the employer. The rate also does not factor in varying job descriptions or job duties.
Back-up Plan	This is the plan you will use if one of your regular workers or informal supports is temporarily not available.
Budget	Your personalized blueprint for developing supports that show how we are going to buy services within your monthly allowance
Consumer-Employer	A service model that allows you to employ your workers directly.
Direct Care Worker	One who performs activities of daily living that support your health and well-being, promote your ability to care for yourself and your family, assist you to enjoy leisure and recreation, and help you to contribute to society and the community. Also known as Personal Assistance Worker, Personal Service Worker, attendant, and the participant's employee
Fiscal/Employer Agent (F/EA)	A vendor operating under Section 3504 of the IRS Code and Revenue Procedure 70-6 who acts as your agent or representative for the purpose of receiving and disbursing program funds; withholding, filing and depositing federal and state employment taxes; collecting, verifying and processing workers' time sheets; preparing and disbursing workers' payroll checks; and processing and paying non-labor related invoices included in the your Purchasing Plans. The FEA also assists in verifying citizenship/legal alien status, providing technical assistance and generating standardized reports for you and the state program agencies.
Home and Community Based Services	Services provided to you in your home or in the community where you live, to allow you to remain at home rather than in an institution or nursing facility.
Home Modifications	Adaptations to the living environment intended to increase ease of use, safety, security, and independence
Individual Service Plan	A plan of supports and services for you that will be authorized and paid by the waiver or program in which you participate.
Legal Guardian	A court-appointed person who has the legal responsibility for the care and management of an estate, minor or incapacitated person. This term applies to the Aging waiver only.
Participant	An individual enrolled in a home and community based services program. Also referred to as a "consumer."
Personal Assistance	Provides in-home personal assistance services such as help with bathing, dressing, meal preparation and housekeeping. These services differ from traditional homemaker and chore

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	services in that they recognize the consumer's right to make decisions regarding the level and intensity of care; provide hands-on personal care services; and are available at any time depending on the consumer's needs.
Self-Directed Services	Services that allow you to exercise decision making authority over some or all of your waiver services by directly employing your own workers and/or by managing an individual budget to meet your service needs.
Service Coordination Agency	An agency which provides a systematic process for coordinating informal supports and formal services across agencies, departments, and the community. The goal of service coordination is an integrated delivery system that is responsive to the needs of the individuals and families served by the Office of Long Term Living and the community.
Service Coordinator (SC)	One whose job it is to put together, monitor and review the service plan agreed upon after a <i>needs assessment</i> for home and community-based services. This individual is also known as a Care Manager.
Service Model	An approach to receiving services that allows you varying degrees of control over your services. There are three service models within Pennsylvania: <ol style="list-style-type: none"> 1. Agency, or Traditional, Model where a provider agency hires workers and sends them to your house to assist you. 2. Consumer-Employer 3. Services My Way
Services My Way	A service model that allows you to employ your workers directly and to purchase goods and services that are not normally covered under the waiver or program you are enrolled in.
Spending Plan	A plan or schedule adjusting expenses during a certain period to the estimated or fixed income for that period.
Third Party Payer	An organization, other than the patient (first-party) or health care provider (second-party), involved in the financing of personal health services. A "Third-party payer" can be any insurer, nonprofit hospital service plan, health care service plan, health maintenance organization, self-insurer or any person or other entity which provides payment for medical and related services.
Units	The minimum amount of time or money you can be charged for a given service. For many goods you may purchase, the unit would equal the total cost of the purchase. Most services are paid in 15-minute units. For example, if your direct worker stays five minutes late you must pay him or her for a full fifteen minutes extra.

Vendor Fiscal/Employer Agent (VF/EA) Financial Management Services (FMS)

AUTHORIZED SURROGATE/REPRESENTATIVE DESIGNATION

Surrogate/representative designation:

Please check only one box in this section:

I, _____, am able to self-direct and manage my own
(Name of individual)

Service/Support services and do not need a surrogate/representative at this time. (If selected, skip to signatures section.)

I, _____, have authorized _____, to act
(Name of individual) (Name of surrogate/representative)
as my surrogate/representative and assist me in directing and managing my Participant Directed Services (PDS) on my behalf.

My legal guardian, _____, or the person granted power of attorney
(Name of legal guardian)

for me, _____, have authorized _____,
(Name of power of attorney) (Name of surrogate/representative)

to act as my surrogate/representative and assist me in directing and managing my Participant Directed Services (PDS) on my behalf.

Surrogate/representative contact information:

Surrogate/representative's address:

Telephone number: () _____ E-mail address: _____

Relationship of the surrogate/representative to the individual:

Surrogate/representative responsibilities and attestation:

I, _____, understand and
(Name of surrogate/representative)
agree with my role as a surrogate/representative. I understand that my appointment as surrogate/representative may be revoked at any time by the individual, myself, the Office of Long Term Living (OLTL) or the Office of Developmental Programs (ODP).

I understand as a surrogate/representative, I cannot receive payment for performing the surrogate/representative role or for any services funded through the Consolidated, Person/Family Directed Service/Support (P/FDS), Aging, Attendant Care, Community Care (COMMCARE), Independence, and Omnibus Budget Reconciliation Act (OBRA) waiver or the Attendant Care and Act 150 programs that I provide to the individual.

I understand that PDS must be provided in accordance with the individual's approved and authorized Individual Service/Support Plan (ISP).

I agree that I will make decisions on the individual's behalf. Once authorized, I am responsible to do the following:

- Maintain compliance with federal and state regulations, ODP policy bulletins and the Consolidated and P/FDS waivers, as applicable.
- As much as possible, make the decisions the individual would make if the individual made the decisions.
- Accommodate the individual, to the extent necessary, so that the individual can participate as fully as possible in all decisions that affect the individual. Accommodations must include, but not be limited to communication devices, interpreters and physical assistance.
- Give due consideration to all information including the recommendations of other interested and involved parties.

I understand and agree with my responsibilities as _____'s
(Name of individual)

surrogate/representative, as they relate to participating in the PDS delivery option, enrolling with the VF/EA FMS organization and acting on behalf of the individual who designated me as the surrogate/representative.

Signatures:

(Individual-mandatory)

(Date)

(Surrogate/representative- if not the individual)

(Date)

(Legal guardian or power of attorney, if applicable)

(Date)

Vendor Fiscal/Employer Agent (VF/EA) Financial Management Services (FMS)

AUTHORIZED SURROGATE/REPRESENTATIVE DESIGNATION Instructions

When an individual has chosen to participate in the Participant Directed Services (PDS) delivery option and is enrolling with the VF/EA FMS organization, the *Authorized Surrogate/representative Designation* form must be completed to indicate whether the individual is or is not able to self-direct and manage their Participant Directed Services (PDS) independently.

1. Surrogate/representative designation:

- (a) One box must be checked.
- (b) Please check the first box if the individual is able to self-direct and manage their Participant Directed Services (PDS) independently. After the first box is checked and the individual's name is entered in the space provided. Stop filling out the form and skip to the signatures section.
- (c) Please check the second box if the individual is not able to self-direct and manage their Participant Directed Services (PDS) independently. This indicates **the individual** has determined that they will benefit from having a surrogate/representative designated to assist them with making decisions regarding the use of PDS. After the second box is checked, please enter the names of the individual and the person being designated as the surrogate/representative in the spaces provided. Continue filling out the surrogate/representative contact information.
- (d) Please check the third box if the individual is not able to self-direct and manage their Participant Directed Services (PDS) independently. Checking this box indicates **the individual's legal guardian or power of attorney** has determined that the individual will benefit from having a surrogate/representative designated to assist the individual with making decisions regarding the use of PDS. After the third box is checked, please enter the names of the legal guardian or power of attorney as applicable, and the person being designated as the surrogate/representative in the spaces provided. Continue filling out the surrogate/representative contact information.

2. Surrogate/representative contact information:

Please enter the surrogate/representative's contact information as applicable in the spaces provided.

3. Surrogate/representative responsibilities and attestation:

The person being authorized as the surrogate/representative must enter their name in the space provided and read the attestation. By signing where applicable, the surrogate/representative is stating they understand the responsibilities of the surrogate/representative and agree to maintain compliance with what is written in this section.

4. Signatures:

- (a) The individual must sign and date the form.
- (b) The surrogate/representative should sign and date the form if the surrogate/representative is not the individual.
- (c) The legal guardian or power of attorney (as applicable) should only sign and date the form if the third box was checked in the surrogate/representative designation section.

Vendor Fiscal/Employer Agent (VF/EA) Financial Management Services (FMS)

COMMON LAW EMPLOYER AGREEMENT

I understand that participating in the Participant Direct Services (PDS) delivery option means that the individual or individual's representative/surrogate has the ability to exercise decision-making authority over some or all of the individual's services and supports as authorized in the person-centered Individual Service Plan (ISP). The individual receiving services or the individual's representative/surrogate elects and accepts the responsibility for self-directing services or managing the individual's services and supports and is, therefore, recognized as the common law employer of the qualified Direct Care Workers (DCW)/ Support Service Workers (SSW) hired to provide the individual's PDS.

Individual's information:

Name of individual receiving PDS: (Print/type) _____

Address: _____
(Number) (Street) (Unit/Apt)

(City) (State) (Zip Code)

Cell phone: (_____) Home phone: (_____) _____

Email: _____

Common law employer designation: (check one box)

Individual Representative/Surrogate

If the individual's representative/surrogate will be the common law employer, complete the information below:

Representative/Surrogate's information: (if applicable)

Name of surrogate: (Print/type) _____

Address: _____
(Number) (Street) (Unit/Apt)

(City) (State) (Zip Code)

Cell phone: (_____) Home phone:(_____) _____

Email address: _____

Direct Care Workers (DCW/SSWs)/ Support Service Workers (SSW) Responsibilities:

1. DCW/SSW/SSW understands that he/she is employed by the participant and not by the Vendor Fiscal/Employer Agent (VF/EA), the Case Management or Administrative Entity, or the Commonwealth of Pennsylvania.
2. DCW/SSW agrees to assist the participant by providing the services and performing the activities specified in the participant's authorized individual service/support plan (ISP).
3. DCW/SSW agrees to protect the health and welfare of the participant by providing authorized services in accordance with the policies and standards applicable to the Office of Long-Term Living (OLTL) or Office of Developmental Programs (ODP) waiver or state-funded program.
4. DCW/SSW agrees to provide services as specified in the participant's service plan on a schedule mutually agreed upon between the participant and the DCW/SSW. On an exception basis, occasional variations in the tasks and in the schedule will occur, based on mutual agreement of the parties.
5. In the event of illness, emergency or incident preventing the DCW/SSW from providing scheduled services to the participant, the DCW/SSW agrees to notify the participant as soon as possible so that the participant may obtain assistance from someone else.
6. DCW/SSW agrees to participate in training in providing services, including training in performing any services, as required by the participant and/or as specified in the participant's authorized individual service/support plan (ISP).
7. DCW/SSW agrees to maintain the participant's confidentiality and respect the participant's privacy.
8. DCW/SSW agrees to pay all required federal, state and/or local wage and/or income taxes levied against his/her wages. DCW/SSW agrees to cooperate with the participant and the participant's VF/EA in providing information needed to comply with all income and unemployment laws and regulations.
9. DCW/SSW understands that this agreement does not guarantee employment.

Common Law Employer (CLE) Responsibilities:

1. CLE agrees to orient, train and direct the DCW/SSW in providing the services that are described and authorized by the participant's service plan.
2. CLE agrees to establish a mutually agreeable schedule for the DCW/SSW's services, either orally or in writing.
3. CLE agrees to provide adequate notice of changes in the DCW/SSW's work schedule in the event of unforeseen circumstances or emergencies.
4. CLE agrees to pay all income and unemployment taxes and make regular payments of workers' compensation insurance premiums on behalf of the DCW/SSW.

- By signing below, I _____ attest that I have read this
(Name of common law employer)
Common Law Employer Agreement in its entirety.
- I understand that I must complete, sign and return this form to the VF/EA FMS organization under contract with the Office of Long-Term Living (OLTL) and the Office of Developmental Programs (ODP) as a condition of enrolling in the VF/EA FMS model and participating in the PDS delivery option.
- I attest that I understand what is being required of me and agree to abide by its terms and conditions.
- I further understand and agree that violation of any of the terms and/or conditions of this agreement may result in termination of this agreement and may result in the individual being terminated from participating in the VF/EA FMS model of the PDS

(Common law employer signature)

(Print name)

(Date)

*This agreement must be submitted to the VF/EA FMS organization once completed by the common law employer.

Vendor Fiscal/Employer Agent (VF/EA) Financial Management Services (FMS)

COMMON LAW EMPLOYER AGREEMENT Instructions

The common law employer must complete and submit the *Common Law Employer Agreement* to the VF/EA FMS organization for the individual to participate in the VF/EA FMS model of the Participant Directed Services (PDS) delivery option and enroll with the VF/EA FMS organization.

For assistance with completing this form, please contact the VF/EA FMS organization.

1. **Individual's information:** The individual's identification information must be completed.
2. **Common law employer designation:** One box must be checked to identify whether the individual or the individual's representative/surrogate is being designated as the common law employer.
3. **Representative/Surrogate's information:** If the individual is designating a representative/surrogate to be the common law employer, the representative/surrogate identification information must be completed.
4. **Common law employer requirements:** The individual or representative/surrogate (as applicable) must meet the requirements identified in the *Common Law Employer Agreement* to be considered an eligible candidate to be the common law employer. If the individual or representative/surrogate has questions regarding the common law employer requirements, please contact the VF/EA FMS organization.
5. **Common law employer responsibilities:** The individual or representative/surrogate (as applicable) must be informed of the common law employer responsibilities and agree to maintain compliance with the responsibilities of being the common law employer. If the individual or representative/surrogate has questions regarding the common law employer responsibilities, please contact the VF/EA FMS organization.
6. **Attestation box:** The common law employer's name must be entered in the attestation box and read the attestation. By signing, printing and dating the *Common Law Employer Agreement*, the individual or representative/surrogate (as applicable) is agreeing to the terms and conditions of being designated as the common law employer.
7. **Submit to VF/EA FMS organization:** The common law employer must submit the completed original *Common Law Employer Agreement* to the VF/EA FMS organization. Copies of the form will not be accepted.

- |
- Maintain copy in file:** The common law employer must maintain a copy of the *Common Law Employer Agreement* in the common law employer's file. If the individual has designated a representative/surrogate to be the common law employer, a copy of the *Common Law Employer Agreement* must also be maintained in the individual's file.

DRAFT

Vendor Fiscal/Employer Agent Financial Management Services
Qualified Back-up Direct Care Worker (DCW)/Support Service Worker (SSW) and/or Natural Support¹ Staff Designation

Individual information:

Name of individual receiving services: _____

Name of common law employer: _____

Qualified Back-up DCW/SSW or Natural Support Staff information:

Paid Back-up Qualified DCW/SSW

Unpaid Natural Support Staff

I have sent the New Hire Packet to the VF/EA

Name: _____

Address: _____

Phone number: (____) _____

Relationship to individual: _____

Description of days/times available and services to be provided:

Responsibilities and attestation:

Responsibilities:

I, _____, understand and agree with my
(Name)
responsibilities as _____'s qualified back-up DCW/SSW or
(Name of Individual)
natural support staff in relation to the Participant Directed Services (PDS) that I will provide to the individual in the event a regularly scheduled DCW is unable to provide PDS to the individual. I understand that PDS must be provided in accordance with the individual's approved and authorized Individual Service Plan (ISP).

I understand my acceptance of this responsibility as a back-up qualified DCW/SSW or natural support staff may be revoked at any time by the individual, the common law employer, myself, the Office of Long-Term Living (OLTL) or Office of Developmental Programs (ODP).

Signatures:

(Signature of back-up qualified DCW/SSW or natural support staff) (Date)

(Signature of common law employer) (Date)

Provide copy to: Qualified Back-up DCW/SSW, natural support staff, Care Manager/Service Coordinator/Support Coordinator (SC), Vendor Fiscal/Employer Agent (VF/EA), AE/County Program

¹ Natural supports are non-paid supports provided to participants by friends, family and others.

Vendor Fiscal/Employer Agent Financial Management Services
Qualified Back-up Direct Care Worker (DCW/SSW)/Support Service
Worker (SSW) and Natural Support¹ Staff Designation Form

Instructions

The common law employer is responsible to complete one form to identify each qualified back-up DCW/SSW or qualified natural support staff that agrees to provide Participant Directed Services (PDS) if the individual's regularly scheduled DCW/SSW is unable to provide the service.

1. Individual information:

Enter the name of the individual receiving PDS and the name of the common law employer as applicable in the spaces provided.

2. Back-up Qualified DCW/SSW or Natural Support Staff information:

Only one box should be checked to indicate whether the form is being completed for a paid qualified back-up DCW/SSW or an unpaid natural support staff.

Enter the name and contact information as applicable in the spaces provided. The common law employer should identify the relationship the person has to the individual. The common law employer must then identify the following:

- The specific days and times when the qualified back-up DCW/SSW or natural support staff person is agreeing to be available to provide PDS, if the individual's regularly scheduled DCW/SSW is unable to provide the service.
- The specific service to be provided, if the individual's regularly scheduled DCW/SSW is unable to provide the service.

3. Staff person's responsibilities and attestation:

- (a) The common law employer must identify the responsibilities the staff person will have should they be called upon to provide PDS.
- (b) The staff person must be informed of the qualified back-up DCW/SSW or natural support staff responsibilities and agree to maintain compliance with the responsibilities.
- (c) The common law employer should also review the qualified back-up plan with the staff person, so they are aware of what will occur if the plan is put into effect.
- (d) It is the common law employer's responsibility to ensure the staff person fully understands the responsibilities expected of them and the importance of the staff person's role in the individual's back-up plan.

¹ Natural supports are non-paid supports provided to the individual by friends, family and others.

- (e) The staff person's name and the name of the individual must be entered in the spaces provided as applicable.
- (f) The common law employer understands that a qualified back-up DCW/SSW cannot be paid until the common law employer completes and returns the New Hire Packet to the VF/EA.

Signatures:

The back-up DCW/SSW or natural support staff person must sign and date at the bottom of the form. By signing and dating the *Qualified Back-up Direct Care Worker (DCW)/ Support Service Worker (SSW) and Natural Support¹ Staff Designation Form*, the staff person is agreeing to the terms and conditions of being the back-up DCW/SSW or natural support staff as applicable.

The common law employer must also sign and date at the bottom of the form.

Next steps:

It is the common law employer's responsibility to provide copies of all completed *Qualified Back-up Direct Care Worker (DCW)/Support Service Worker (SSW) and Natural Support¹ Staff Designation* forms and the individual's back-up plan to the following people/entities:

- The back-up DCW/SSW or natural support staff.
- The individual's Care Manager/Service Coordinator/Supports Coordinator.
- The VF/EA FMS organization.
- The Administrative Entity (AE).

¹ Natural supports are non-paid supports provided to the individual by friends, family and others.

Please verify the following qualifications for the person or entity that provides the following services: supports broker, companion, transitional work, supported employment, home finding, homemaker/chore, transportation, unlicensed home and community habilitation or unlicensed in-home respite.

Qualification validated	Qualification Requirement
	At least 18 years of age
	Completion of pre-training or in-service training necessary to carry out the individual's Individual Support Plan (ISP)
	Agreement to carry out the service responsibilities outlined in the individual's ISP
	*Federal Bureau of Investigation (FBI) Clearance [35 P.S. § 10225.502(a)(2)] (When the applicant is not and for two years immediately preceding the date of application has not been a resident of this commonwealth, administration shall require an FBI history.)
	*Older Adult Protective Services Act (OAPSA) Clearance [35 P.S. § 10225.101 et. seq., Title 6 Pa. Code Chapter 15]
	*Child Protective Services Law (CPSL) [23 Pa. C.S. Chapter 63] (When the individual receiving service is under 18 years of age.)
	Valid driver's license (If transportation is provided as part of the service.)
	Automobile insurance for all automobiles used as part of the service (If transportation is provided as part of the service.)
	Current state motor vehicle registration (If transportation is provided as part of the service.)
	Nursing license or degree when required as part of the service being rendered (only needed if required as part of unlicensed home and community habilitation or unlicensed in-home respite)

VF/EA FMS participant information:

Name of individual: (Print/type) _____

Name of common law employer: (Print/type) _____

Common law employer's address: _____
(Number) (Street) (Unit/apt)

_____ (City) (State) (Zip code)

Common law employer's phone number: () _____

Common law employer attestation:

By signing this form, I, _____, do verify, that
(Print name of common law employer)

I have read and/or have had the requirements in Appendix C and E of the applicable waiver read to me, and I understand these requirements.

I also verify that I am in compliance with the waiver requirements. I attest that I shall report a change in my SSW's qualification status, by submitting a new *Direct Care Worker (DCW)/Support Service Worker (SSW) Qualification* to the VF/EA FMS organization within 5 business days of being notified of the change.

Signature of common law employer: _____

Social security number of common law employer: _____

Date form completed by common law employer: _____

Receipt verification by VF/EA FMS:

Signature of VF/EA FMS representative: _____

Date form received by VF/EA FMS: _____

Vendor Fiscal/Employer Agent (VF/EA) Financial Management Services (FMS)

Direct Care Worker (DCW)/ Support Service Worker (SSW), Backup DCW/SSW, Qualification Form

Instructions

Sections 1 through 6 of this form are to be completed by the common law employer. The common law employer is to then submit the form to the VF/EA FMS organization when the common law employer is qualifying a person, both initially and annually thereafter. Section 7 is to be completed by the VF/EA FMS organization.

1. Person or entity being qualified:

Check the appropriate box for the person or being qualified.

2. DCW/SSW or Backup DCW/SSW information and attestation:

If you are qualifying a DCW/SSW or a backup DCW/SSW, complete all information in this section.

3. Type of qualification:

Please verify the qualification criteria for the person that provides one or more of the Participant Directed Services (PDS) for the individual. Once verified, the common law employer must initial each box in the table to indicate that the common law employer has verified the person meets each qualification criteria to provide the appropriate PDS to the individual.

It is the common law employer's responsibility to maintain copies of documentation which supports/proves the person has met the qualification criteria. For example, the common law employer is responsible to maintain current copies of the driver's license, registration and auto insurance card for a person providing a service which includes transportation as part of the service.

4. VF/EA FMS participant information:

Enter the individual's name who is receiving PDS. Enter the common law employer's name and contact information as requested.

5. Common law employer attestation:

The common law employer must enter their name in the space provided and read the attestation. By signing where applicable, the common law employer is stating they understand the common law employer responsibilities and they agree to maintain their compliance with what is written in this section.

The common law employer must also enter their social security number and the date the attestation was signed.

6. Receipt verification by VF/EA FMS:

This section is to be completed by the VF/EA FMS organization. A representative of the VF/EA FMS organization must sign that the form was received, and enter what date the form was received.

DRAFT

Vendor Fiscal/Employer Agent (VF/EA) Financial Management Services (FMS)

Monthly Progress Notes

Name of individual receiving services *(Print/type)*: _____

Month/year: _____

Outcome statement: _____

Describe the services provided and progress or skills maintained toward the above outcome. _____

Dates services were provided _____

Name of qualified DCW/SSW/natural support staff: _____

Name of vendor/SUP, as applicable: _____

Describe any issues, problems, or barriers related to provision of services. _____

Did the individual progress or maintain skills in the above outcome *(check one box)*?

Yes No

If response above is "No", please describe recommendations for changes to the service or outcome.

Signature of person completing the form

Date

Signature of common law employer (if different from above)

Date

Vendor Fiscal/Employer Agent (VF/EA) Financial Management Services (FMS)

Monthly Progress Notes Instructions

The monthly progress notes should be completed by either the common law employer, or by a Direct Care Worker (DCW)/Support Service Worker (SSW) or natural support staff. The common law employer is responsible to train the SSW or natural support staff in completing the form, prior to that person completing the form independently.

- An outcome statement is to be copied from the individual's Individual Support Plan (ISP) and entered on the form.
- Summarize the services provided to progress towards obtaining the outcome or the services provided to maintain the skills of the outcome.
- Enter the date(s) during the month when the services were provided which support the individual to progress or maintain skills related to the outcome.
- If the service was provided by a vendor or small-unlicensed provider (SUP), skip to letter (e).
Enter the name of the DCW/SSW or natural support staff that provided the service during the month. If more than one DCW/SSW or natural support staff provided service during the month related to the outcome, please indicate which dates were provided by which person.
- If the service was provided by an DCW/SSW or natural support staff, enter that information in letter (d).
Enter the name of the vendor or small-unlicensed provider (SUP) that provided the service during the month.
- Enter issues, problems or barriers experienced by the individual, DCW/SSW, natural support staff, vendor or SUP related to providing the service.
- Check one box only in response to the question: Did the individual progress or maintain skills in the above outcome?
If "no" box is checked, enter recommendations for changes to the service or outcome.

If you have further questions regarding completing the monthly progress notes, please contact the individual's supports coordinator.

Vendor Fiscal/Employer Agent (VF/EA) Financial Management Services (FMS)

**Qualified Direct Care Worker (DCW)/Support Service Worker (SSW)
Information Change/Termination Form**

I. UPDATE QUALIFIED DCW INFORMATION

(Complete this section when there is a change in your qualified DCW's information.)

Check All Boxes That Apply:

Change in Name Change in Address Change in Phone Number

Qualified DCW/SSW Name: _____

Address: _____

Township/Borough/School District: _____

Phone Number: _____

**Qualified DCW/SSW
Signature:** _____ **Date:** _____

II. QUALIFIED DCW/SSW TERMINATION NOTICE

(Complete this section when a qualified DCW voluntarily stops working for you or you terminate a qualified DCW who works for you.)

Check One: Voluntary Termination Involuntary Termination

Qualified DCW/SSW Name: _____

Forwarding Address: _____

Termination Date: _____

Reason for Termination: _____

Instructions for Last Pay Check: _____

Common Law Employer Name (Please print or type): _____

Common Law Employer's Signature: _____ **Date:** _____

**Vendor Fiscal/Employer Agent (VF/EA) Financial Management Services (FMS)
Qualified Direct Care Worker (DCW) Support Service Worker (SSW)
Information Change/Termination Form**

INSTRUCTIONS

The common law employer must complete and submit the *Qualified DCW/SSW Information Change/Termination Form*, to the VF/EA FMS organization when (1) a qualified DCW/SSW's name and/or contact information has changed or (2) if a qualified DCW/SSW stops working for the common law employer voluntarily or is terminated by the common law employer.

For assistance with completing this form, please contact the VF/EA FMS organization.

I. UPDATE QUALIFIED DCW/SSW INFORMATION

1. **Type of Information Changed:** Check the boxes that describe the change in a qualified DCW/SSW's name, address or both.
2. **Qualified DCW/SSW Name:** Print or type the name of the qualified DCW/SSW in the spaces provided.
3. **Qualified DCW/SSW's Address:** Print or type the address of the qualified DCW/SSW in the space provided.
4. **Qualified DCW/SSW's Township/Borough/School District:** Print or type the township, borough, or school district in the space provided.
5. **Qualified DCW/SSW's Phone Number:** Print or type the phone number of the qualified DCW/SSW in the space provided.
6. **Qualified DCW/SSW Signature and Date:** The qualified DCW/SSW whose information has changed must verify the new information reported on the form by signing and dating the form in the space provided.

II. QUALIFIED DCW/SSW TERMINATION NOTICE

1. **Type of Termination:** Check the box that indicates whether the qualified DCW/SSW voluntarily stopped working for the common law employer or was involuntarily terminated by the common law employer.
2. **Qualified DCW/SSW Name:** Print or type the name of the qualified DCW/SSW in the spaces provided.

3. **Termination Date:** Report the date the qualified DCW/SSW was terminated in the space provided.
4. **Reason for Termination:** Please describe the reason for termination in the space provided.
5. **Qualified DCW/SSW's Forwarding Address:** Please print or type the qualified DCW/SSW's forwarding address in the space provided.
6. **Instructions for Last Paycheck:** Please describe any instructions provided by the qualified DCW/SSW regarding the processing and distribution of his/her last paycheck in the space provided.
7. **Common Law Employer's Name:** Please print or type the common law employer's name in the space provided.
8. **Common Law Employer's Signature and Date:** The common law employer must sign and date the form in the space provided.

Next Steps:

Once the common law employer has completed the form, and either the qualified DCW/SSW or the common law employer has signed and dated the form, as appropriate, it should be submitted to the VF/EA FMS organization within two (2) business day of the common law employer being informed of any changes in the qualified DCW/SSW's information or of the qualified DCW/SSW's termination.

PARTICIPANT TERMINATION NOTICE

Person submitting this form:

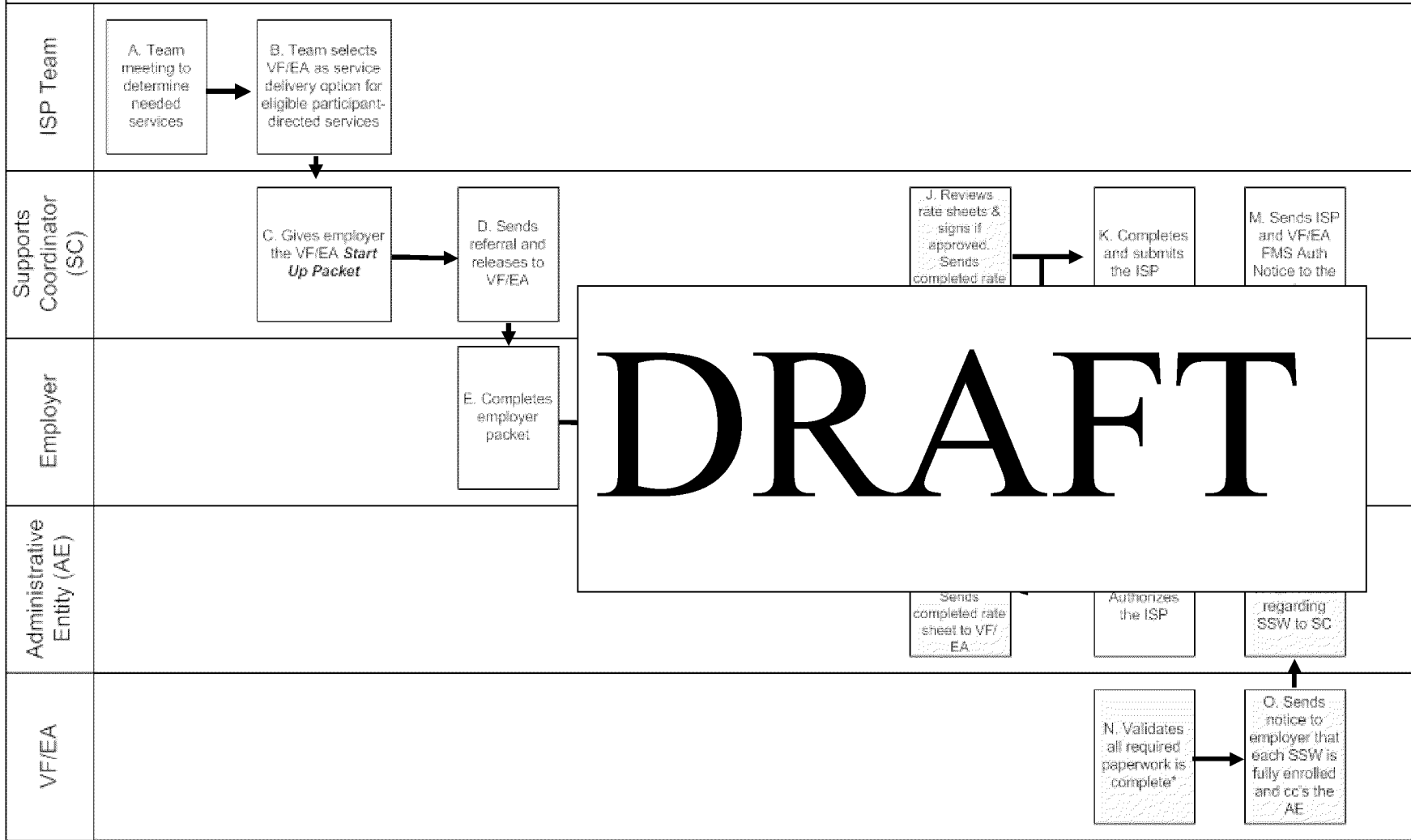
- Participant**
- Supports Coordinator/Service Coordinator/Care Manager**
- State Representative**

Complete this section when terminating enrollment from participant directed services	
PARTICIPANT NAME:	
DATE OF TERMINATION:	CHECK ONE VOLUNTARY <input type="checkbox"/> INVOLUNTARY <input type="checkbox"/>
REASON FOR TERMINATION:	
NAME AND TITLE OF PERSON AUTHORIZING TERMINATION:	PHONE:
SIGNATURE:	DATE:

PLEASE FAX OR MAIL COMPLETED AND SIGNED FORM TO THE VF/EA:

Address and Fax number of the VF/EA to be included here.

Good to Go Process Flow for VF/EA FMS



* If paperwork is not complete, VF/EA will contact the employer to inform them what is still needed.

Shaded regions (steps F-J and N-Q) indicate steps that are required for each Support Service Worker (SSW). Other steps may be needed depending on individual circumstances.

SUP = Small Unlicensed Provider

Services must be delivered in accordance with the Waivers and the approved/authorized Individual Support Plan (ISP).

Good to Go Process Flow for VF/EA FMS

- A. The individual's ISP team meets to determine what services are needed (typically at the annual ISP meeting).
- B. The team selects a service delivery option for services that are eligible to participant direct, in this case Vendor Fiscal/Employer Agent FMS.
- C. The Supports Coordinator gives the individual or their family or surrogate the *Start-Up Packet*.
- D. The Supports Coordinator sends a referral and the required releases to the VF/EA.
- E. The Employer (either the individual or their surrogate) completes the employer packet within the *Start-Up Packet*.
- F. [Mandatory for each support service worker (SSW)] The Employer finds support service workers (SSWs), small unlicensed providers (SUPs) or vendors (as appropriate) to provide the services that the team determined were necessary in step 1.
- G. [Mandatory for each SSW] The Employer completes the support service worker packet with each of their SSWs.
- H. [Mandatory for each SSW] The Employer submits the rate sheet for each of their employers either to the Administrative Entity (AE) or their Supports Coordinator (please see your supports coordinator to determine to whom the form should be submitted).
- I. [Mandatory for each SSW] The Employer submits all other required forms from the *Start-Up Packet* as well as other needed documents to VF/EA.
- J. [Mandatory for each SSW] Either the Supports Coordinator or the Administrative Entity reviews the rate sheet and, if approved, signs it and submits it to the VF/EA. This is shown in both places on the reverse side as it is dependent on your AE. Please check with your SC for direction on submission of rate sheets.
- K. The Supports Coordinator completes the ISP and submits it for approval/authorization.
- L. The Administrative Entity will approve/authorize the ISP.
- M. The Supports Coordinator sends the ISP to the Employer along with the *VF/EA FMS Authorization Notice*.
- N. [Mandatory for each SSW] The VF/EA will validate that all required paperwork is completed and that all necessary supplemental documentation has been received. This includes paperwork in the *Start-Up Packet*, required clearances, etc. (Please note: if any paperwork is not correct or complete the VF/EA will contact the employer to obtain anything that is still outstanding.)
- O. [Mandatory for each SSW] Once all required information is received and complete the VF/EA sends a *Letter of Notification* to the employer for each SSW indicating that they are fully enrolled with the VF/EA. "Fully enrolled" means that all necessary paperwork and documentation for the individual, employer and support service worker have been received and the individual has an approved/authorized ISP. If more than one support service worker is fully enrolled at the same time there will be more than one name listed on the *Letter of Notification* that the VF/EA sends. A copy of this letter will be sent to the Administrative Entity, as well.
- P. The Administrative Entity provides a copy of the *Letter of Notification* to the Supports Coordinator.
- Q. The Employer allows services to be provided (after receipt of both the *Letter of Notification* and the *VF/EA Authorization Notice* from the Supports Coordinator).

There are some steps in this process that can occur simultaneously. For example, if an employer plans to recruit three SSWs but has only found one they can go through the steps for that SSW while still recruiting the other two.

Additionally, depending upon the circumstances some of the above steps might be needed for new SSWs which are not marked above. For example, an ISP might need to be revised, approved/authorized and the updated ISP and *VF/EA FMS Authorization Notice* sent to the employer prior to services being rendered by the new SSW.

Direct Care Worker (DCW)/Support Service Worker (SSW) Rate Sheet

Complete this form for each new DCW/SSW and service procedure code or when there is a change to an existing DCW/SSW rate or service procedure code. The effective date must be the date of the beginning of a payroll cycle. This form must be received prior to the payroll cycle beginning.

DCW/SSW Name (please print): _____

Address: _____

Township/Borough/School District: _____

DCW/SSW Social Security Number: _____

New Service Change of Existing Service New Rate Change of Existing Rate

Service Procedure Code: _____ DCW/SSW Rate per Hour: _____

Service Procedure Code: _____ DCW/SSW Rate per Hour: _____

Service Procedure Code: _____ DCW/SSW Rate per Hour: _____

Service Procedure Code: _____ DCW/SSW Rate per Hour: _____

Effective Date: _____

Common Law Employer Name (please print): _____

Common Law Employer Signature: _____ Date: _____

Participant's Name (if different from Common law Employer): _____

Service Coordinator/Care Manager/Supports Coordinator/Administrative Entity Information:

Name: _____

Signature: _____ Date: _____

Vendor Fiscal/Employer Agent (VF/EA) Financial Management Services (FMS)

**DIRECT CARE WORKER (DCW)/SUPPORT SERVICE WORKER (SSW)
AGREEMENT**

Name of Participant: _____

Name of DCW/SSW: _____

Address: _____

County Name: _____

School District Name and #: _____

Phone: _____

Email: _____

I have lived in the state of PA for the past 2 years? Yes No

The person I will be providing services to is at least 18 years of age? Yes No

Are you the spouse of the employer, parent of the employer, child of the employer under the age of twenty-one (21), and/or under the age of eighteen (18)? Yes No

I recognize that my employment is contingent upon the Participant's enrollment in the Participant Directed Services Program (PDS). If the Participant is no longer in the waiver or the PDS program, I may no longer be employed. In order to acknowledge the terms of my employment, I agree to the following:

1. To provide the supports as identified and authorized in the Individual Service/Support Plan (ISP) in accordance with the outcomes and health and safety requirements identified.
2. To complete the required training and meet all necessary qualifications as required and identified in the ISP and ODP and OLTL policies and procedures.
3. To maintain the necessary documentation and records as required by the PDS program and by my employer. All records I may have or assist in maintaining will be kept confidential.
4. I agree to complete incident reports, including suspected abuse, neglect, exploitation or any event involving error in service/support implementation, critical events involving personal injury, illness, medical emergency or any event determined to be atypical as required by ODP, OLTL, or my employer.
5. I agree to take part in any meetings if requested by and/or regarding the Participant.
6. I agree to abide by all applicable rules, regulation and policies pertaining to providing support services through the PDS program.

7. I hereby acknowledge that I have received, read, and understand all of the following information:
 - a. ODP and OLTL program policies and procedures regarding PDS
 - b. The Individual Service/Support Plan (ISP)
 - c. ODP PA Guide to Participant Directed Services, if applicable
8. I agree to review any/all programmatic updates made available to me by my employer.
9. I understand that in consideration of the above stated agreement, I shall be compensated through this program for only those services approved by my employer and authorized in the ISP.
10. I understand and acknowledge that the VF/EA is not my employer.
11. I understand that the participant or their appointed surrogate/representative is my employer. My employer is not the VF/EA, ODP, OLTL, or any other entity involved with the PDS program.
12. I understand that my paychecks will be processed by the Vendor Fiscal/Employer Agent (VF/EA). The VF/EA is considered a Financial Management Service (FMS) Organization. I understand that the VF/EA is not authorized to pay for any service not approved and authorized in the ISP or any request that exceeds the participant's budget and funds for the PDS program as stated in the ISP.
13. I understand and consent to having State Police criminal background checks, Child abuse clearances (when required), and Federal criminal history records (when required) completed on me and that my employment is contingent upon the results.
14. I understand that the results of my background checks will be made available to my prospective employer and other program administrators as necessary and/or required.
15. I understand that I cannot begin providing services in this program before I have successfully cleared the background checks.
16. I agree to correctly complete all required paperwork and be approved prior to providing any services under this participant-directed service program.
17. I understand and acknowledge that any untruthful submission of services provided in an attempt to obtain improper payment is subject to investigation as Medicaid Fraud. Medicaid Fraud is a felony and can lead to substantial penalties and/or Imprisonment.

By signing below, I attest that I have read this agreement in its entirety. I understand I must sign and return this form as a condition of employment in this program, and that I cannot begin working until this form is completed and returned to the VF/EA. I further attest by signing below, that I understand what is being requested of me, and I agree to abide these terms and conditions. I further understand and agree that violation of any of the terms and/or conditions of this agreement may result in termination of this agreement and payment for employment to any Medicaid Recipient of this program.

DCW/SSW Employee Signature

Date

Common Law Employer Signature

Date

Request for Vendor Payment

Participant Name (please print): _____

Participant ID: _____ Date: _____

Payment Instructions: _____

Make Check payable to: _____

Vendor FEIN or SS#: _____

Name: _____

Address: _____

City/State/Zip: _____

Mail Check to (if different): _____

Name: _____

Address: _____

City/State/Zip: _____

Reminder: Please attach a copy of the purchase order/invoice/vendor quote.

Date	Service Procedure Code	Description	Total Amount
Total Check Amount			

By signing this form, I attest that the vendor is qualified to render this service. I also attest that services were delivered and received consistent with the Individual Support Plan. I understand that Medicaid is the payer of last resort. I have confirmed that the vendor/small unlicensed provider/independent contractor have met the wavier qualification criteria that is outlined in the current approved waiver.

Common Law Employer's Signature: _____ Date: _____



**COMMONWEALTH OF PENNSYLVANIA
DEPARTMENT OF PUBLIC WELFARE**

**Division of Procurement
Room 525, Health & Welfare Building
625 Forster Street
PO Box 2675
Harrisburg, PA 17120**

**Daniel R. Boyd
Director**

**Telephone 717-783-3767
Fax 717-787-3560**

January 9, 2012

FLYER 1

SUBJECT: RFA NO. 22-11 Vendor Fiscal/Employer Agent Financial Management

Dear Prospective Offeror:

The attached package represents a formal issuance of materials related to the Commonwealth of Pennsylvania, Department of Public Welfare Request for Application (RFA) 22-11 Vendor Fiscal/Employer Agent Financial Management services.

Addendum 1, Part III, Section III-4 is amended as attached.

All proposals must be received by March 30, 2012, at or before 2:00 p.m., by the Department of Public Welfare, Procurement Section, Room 525, Health and Welfare Bldg, 625 Forster Street, Harrisburg, Pennsylvania 17120.

Sincerely,

A handwritten signature in cursive script, appearing to read "Daniel R. Boyd".

Daniel R. Boyd, Director
DPW Division of Procurement

Attachment

Amendment to Addendum 1, Part III, Section III-4

III-4. Evaluation Criteria. The following criteria will be used in evaluating each proposal:

- **Technical – 60%**
- **Cost – 40%**
- **Domestic Workforce Utilization – Up to 3% in Bonus Points**

a. **Technical:** The Issuing Office has established the weight for the Technical criterion for this RFA as **60%** of the total points. Evaluation will be based upon the following in order of importance:

- Soundness of Approach. This refers to the Offeror's approach to manage specified tasks, sequence and relationship of major steps, techniques for collecting and analyzing data, understanding state of the art and industry practice in the areas covered by the RFA
- Offeror Qualifications. This refers to the ability of the Offeror to meet the terms of the RFA, especially the time constraint and the quality, relevancy, and recent studies and projects completed by Offeror.
- Understanding the Problem
This refers to the Offeror's understanding of the needs that generated the RFA, of DPW's objectives in asking for the services or undertaking the study, and of the nature and scope of the work involved.
- Personnel Qualifications
This refers to the competence of professional personnel who are assigned to the project. Qualifications of professional personnel will be measured by experience and education, with particular reference to experience on studies/services similar to that describe in the RFA. Particular emphasis is place on the qualifications of the Program Manager and lead clinical staff.
- Available Facilities. This refers to the Offeror's availability of adequate physical facilities for staff to accomplish the task, as well as the administrative and logistical support requirements.

b. **Cost:** The Commonwealth has established the weight for the Cost criterion for this RFA as **40%** of the total points. The Commonwealth is seeking to achieve cost savings and efficiencies through the regionalization of the VF/EA FMS Services while enhancing services to its consumers.



**COMMONWEALTH OF PENNSYLVANIA
DEPARTMENT OF PUBLIC WELFARE**

**Division of Procurement
Room 525, Health & Welfare Building
625 Forster Street
PO Box 2675
Harrisburg, PA 17120**

**Daniel R. Boyd
Director**

**Telephone 717-783-3767
Fax 717-787-3560**

January 19, 2012

FLYER 2

SUBJECT: RFA NO. 22-11 Vendor Fiscal/Employer Agent Financial Management

Dear Prospective Offeror:

The attached package represents a formal issuance of materials related to the Commonwealth of Pennsylvania, Department of Public Welfare Request for Application (RFA) 22-11 Vendor Fiscal/Employer Agent Financial Management services.

Clarification regarding questions submitted by email to Project Officer is attached.

All proposals must be received by March 30, 2012, at or before 2:00 p.m., by the Department of Public Welfare, Procurement Section, Room 525, Health and Welfare Bldg, 625 Forster Street, Harrisburg, Pennsylvania 17120.

Sincerely,

A handwritten signature in black ink, appearing to read "Daniel R. Boyd".

Daniel R. Boyd, Director
DPW Division of Procurement

Attachment

RFA 22-11
Vendor Fiscal/Employer Agent Financial Management Services
Clarification

The Department of Public Welfare (DPW) is providing the following clarification regarding questions that are submitted by email to the Project Officer:

In accordance with the terms of RFA 22-11, the Project Officer will not respond directly to questions submitted to the RFA Project Offeror. During the pre-proposal conference on January 25, 2012, DPW will provide verbal responses to written questions submitted in advance of the conference and questions submitted during the conference. Any answers furnished during the conference will not be official until they have been verified, in writing, by the Issuing Office. On February 1, 2012, final answers to all potential offeror questions will be posted on the DGS website.

The following question was submitted via email. Since it pertains to submitting questions, DPW will respond to this question in advance of the pre-proposal conference:

Question: May my association submit questions on behalf of its collective membership on the FMS RFA? The purpose is to avoid duplication.

Response: DPW prefers that questions be submitted by potential offerors only as prescribed by the RFA. However, DPW will allow associations to submit questions on behalf of its members so long as the member is a potential offeror and the member asking each specific question is identified.



COMMONWEALTH OF PENNSYLVANIA
DEPARTMENT OF PUBLIC WELFARE
Division of Procurement
Room 525, Health & Welfare Building
625 Forster Street
Harrisburg, PA 17120

Daniel R. Boyd
Director

Telephone 717-783-3767
Fax 717-787-3560

January 31, 2012

FLYER 3

SUBJECT: RFA NO. 22-11 Vendor Fiscal/Employer Agent Financial Management

Dear Prospective Offeror:

The attached package represents a formal issuance of materials related to the Commonwealth of Pennsylvania, Department of Public Welfare Request for Application (RFA) 22-11 Vendor Fiscal/Employer Agent Financial Management services. The following material is being sent to all entities that were mailed the original RFP package:

- **Due to the large number of questions submitted for RFA 22-11, posting of the questions and answers will be delayed. It is anticipated that questions and answers will be posted by close of business, Wednesday, February 8, 2012.**

All proposals must be received by March 30, 2012, at or before 2:00 p.m., by the Department of Public Welfare, Division of Procurement, Room 525, Health and Welfare Bldg, 625 Forster Street, Harrisburg, Pennsylvania 17120.

Sincerely,

A handwritten signature in cursive script, appearing to read "Daniel R. Boyd".

Daniel R. Boyd, Director
DPW Division of Procurement



**COMMONWEALTH OF PENNSYLVANIA
DEPARTMENT OF PUBLIC WELFARE**

**Division of Procurement
Room 525, Health & Welfare Building
625 Forster Street
Harrisburg, PA 17120**

**Daniel R. Boyd
Director**

**Telephone 717-783-3767
Fax 717-787-3560**

February 2, 2012

FLYER 4

SUBJECT: RFA NO. 22-11 Vendor Fiscal/Employer Agent Financial Management

Dear Prospective Offeror:

The attached package represents a formal issuance of materials related to the Commonwealth of Pennsylvania, Department of Public Welfare Request for Application (RFA) 22-11 Vendor Fiscal/Employer Agent Financial Management services.

Appendix I Pricing Worksheet revised as attached.

All proposals must be received by March 30, 2012, at or before 2:00 p.m., by the Department of Public Welfare, Division of Procurement, Room 525, Health and Welfare Bldg, 625 Forster Street, Harrisburg, Pennsylvania 17120.

Sincerely,

A handwritten signature in cursive script, appearing to read "Daniel R. Boyd".

Daniel R. Boyd, Director
DPW Division of Procurement

Attachment



**COMMONWEALTH OF PENNSYLVANIA
DEPARTMENT OF PUBLIC WELFARE**

**Division of Procurement
Room 525, Health & Welfare Building
625 Forster Street
Harrisburg, PA 17120**

**Daniel R. Boyd
Director**

**Telephone 717-783-3767
Fax 717-787-3560**

February 8, 2012

FLYER 5

SUBJECT: RFA NO. 22-11 Vendor Fiscal/Employer Agent Financial Management

Dear Prospective Offeror:

The attached package represents a formal issuance of materials related to the Commonwealth of Pennsylvania, Department of Public Welfare Request for Application (RFA) 22-11 Vendor Fiscal/Employer Agent Financial Management services

1. Pre-proposal Conference Presentation
2. Pre-proposal Conference Sign-in Sheets
3. RFA Questions and Answers

Additionally, Section II-5, and Section IV-3 of the RFA have been revised. Please replace with attached version.

NO ADDITIONAL QUESTIONS REGARDING RFA 22-11 WILL BE ACCEPTED OR ANSWERED EITHER VERBALLY OR IN WRITING.

All proposals must be received by March 30, 2012, at or before 2:00 p.m., by the Department of Public Welfare, Division of Procurement, Room 525, Health and Welfare Bldg, 625 Forster Street, Harrisburg, Pennsylvania 17120.

Sincerely,

A handwritten signature in black ink, appearing to read "Daniel R. Boyd".

Daniel R. Boyd, Director
DPW Division of Procurement

Attachment

Vendor Fiscal/Employer Agent Financial Management
Services (FMS)
Request for Applications (RFA) #22–11

Pre-proposal Conference

January 25, 2012

Housekeeping

- ▼ Sign-In Sheets
- ▼ Emergency Exits
- ▼ Restrooms



Purpose

- ▼ Review important points in the RFA
- ▼ Allow potential Offerors to submit questions that have a direct impact on their ability to develop an application for this RFA.
- ▼ All questions must be in writing

Questions

- ▼ DPW has received written questions by email.
- ▼ We will answer some of these written questions prior to the break.
- ▼ You may submit additional questions today on the forms provided.
- ▼ Some questions submitted today will be read and a response will be provided after the break.

Questions

- We will not answer any question not provided in writing
- We will not answer questions today that do not have a direct impact on a prospective Offeror's ability to develop an application for this RFA.
- No answer is official until it is answered in writing
- Answers will be posted to the DGS website as an addendum to the RFA

Critical Points

- ▼ Each proposal must have 2 separately sealed submittals:
 - ▼ Technical
 - ▼ Cost
- ▼ Bidders must provide:
 - ▼ Original
 - ▼ 10 paper copies of the Technical Portion
 - ▼ 2 paper copies of the Cost
 - ▼ 2 copies of the entire proposal (Technical and Cost) on CD Rom or Flash Drive.

Critical Points/Selection Criteria

- ▼ Technical Portion = 60% of total points
- ▼ Cost Portion = 40% of total points
- ▼ Bonus points may be awarded for:
 - ▼ Domestic Workforce Utilization = 3%

Method of Award

- ▼ Lot 1 Western Region – OLTL
- ▼ Lot 2 Central Region – OLTL and Statewide ODP
- ▼ Lot 3 Eastern Region – OLTL
- ▼ Offerors may propose on one, all, or any combination of the three (3) Lots
- ▼ Submit each lot as a separate proposal



Clarifications

- ▼ All proposals must follow the time periods specified in the RFA
- ▼ Proposals that include any assumptions in the cost submittal may be rejected
- ▼ Proposals that are contingent on negotiation of Offeror terms and conditions may be rejected
- ▼ Proposals must be received by 2:00 P.M. on March 30, 2012

Technical Submittal

- ▼ Shall be comprised of the following:
 - ▼ Statement of the Problem
 - ▼ Management Summary
 - ▼ Work Plan and Project Management
 - ▼ Prior Experience
 - ▼ Personnel
 - ▼ Training
 - ▼ Financial Capability; and
 - ▼ Objections and Additions to the Standard Grant Terms and Conditions



Technical Submittal

- ▼ All proposals will be evaluated on the following in order of importance:
 - ▼ Soundness of Approach
 - ▼ Offeror Qualifications
 - ▼ Understanding the Problem
 - ▼ Personnel Qualifications; and
 - ▼ Available Facilities



Work Statement

- ▼ Offerors must respond to all areas of the work statement
- ▼ Offerors must describe how they will meet all deliverables in the work statement



Questions

- ▼ Now we will read and answer some of the questions that were submitted by email



Questions

- ▶ Please use the next few minutes to finalize your questions
- ▶ We will then take a short break so we may review your questions
- ▶ Following the break, we will provide a response to some of your questions
- ▶ As a reminder, no answer is official until it is answered in writing



RFA #22-11

This concludes the pre-proposal conference

Answers to all questions posed will be posted to the DGS website at

(<http://www.dgsweb.state.pa.us/RTA/Search.aspx>)

by close of business February 1, 2012

No further questions will be entertained or answered



RFA 22-11
 Vendor Fiscal/Employer Agent Financial Management Services
 Pre-Proposal Conference
 January 25, 2012

Print Name	Print Agency Name
Gregory L. Coleman	Homemaker Service
Dennis Troy	UCP
Michelle Herring	DPW
/K	DPW
JOYCE REAMERSKI	UCP / CLASS
Tracy Hunt	Allied Services
Conny Christian	Christian Financial Management
Kelly Cole	NEPA Center for Ind. Living
Wendy Sheaffer	Cumberland County Aging & CS
Bill Weber	PITMC
JOAN W. MARTIN	UCP of PA
Lill Satter	Helpmates Payroll Services
Dawn Foy	Helpmates P.S.
Regina Stewart	Abilities In Motion
Joseph Sreks	Family Health Council of Central PA
Brianna Albert	DPW
Chrisk ENA	LIFE

RFA 22-11
 Vendor Fiscal/Employer Agent Financial Management Services
 Pre-Proposal Conference
 January 25, 2012

Print Name	Print Agency Name
Debbie Zielinski	The Advocacy Alliance
Krista Beer	Guardian
Lenny McKinnon	Guardian
J. MATTHEW DICKEY	AT HOME FMS LLC.
Deb Snyder	DPU
Kay Nikalic	Acumen
TIM CARMICHAEL	GT INDEPENDENCE
John Carmichael	GT Independence
Monan Baldini	JEVS Human Services
MIKE SMITH	LRI
Terri Reeser	United Disabilities Services
Justin Shilliday	Resources for Living Independently
CAROL HARRIS	PA Home & Community Services of PA
Gary Brandt	UCP CENTRAL PA
Muzny, Jody	HEPA
Jody Salkin	LRI
Stacey Collins	Home and Community Services, Inc.
Jesselle Grant Sumner	TRIPID
Meghan Patchford	UCP
In Ja Choi	Peoni Asia Senior Services
DUANE SOBEL	ACCESS
KEN KAUFHOLD	HOMECARE SYSTEMS

RFA 22-11
 Vendor Fiscal/Employer Agent Financial Management Services
 Pre-Proposal Conference
 January 25, 2012

Print Name	Print Agency Name
JEN Buggan	The Advocacy Alliance
TONY Hewitt	BABS, INC
Annette Stewart	CLCP
Jim Fetzer	@Home
Michael Auer	CLCP.
Deborah Bacon	Resources for Living Independently
Gloria Wilbur	DPW
Colleen Fox	Public Partnerships, LLC
Joan Hardaway	Homemaker Service
MaryLou Knabel	Allied-Services
MARYANN LUDWIG	JEVS HUMAN SERVICES
DAN LOFTIS	ACCESS - PA
Shona Eakin	Voices for Independence
Felicia Kmetz	UCP/CLASS
STEFAN MAJZ	TRIAL SERVICES.
Brian Bell	Morianty Consultants Inc
PAT Young	FAKCP
Lisa Feiten	Penn Asian Senior Services
COURTNEY WALKER	MORIANITY CONSULTANTS, INC
Theo Brady	CLCP

**Questions Submitted for RFA 22-11
Vendor Fiscal/Employer Agent Financial Management Services
as of February 8, 2012**

Questions regarding Part I - General Information

1. How does the Department feel that regionalization of FMS service will enhance services to eligible consumers, as stated on p. 2?

As stated in the RFA, the Commonwealth seeks to ensure that FMS is provided consistently across all Home and Community-Based Services waivers and certain state-funded programs.

2. On page 2 under "Rejection of Proposal" the RFA reads "The Commonwealth may...reject any proposal...if it is deemed to be in the Commonwealth's best interests." Please define "best interests".

There is no standard definition of "best interests". The decision to reject a proposal will be made on an individual basis.

3. Why was the comment made in section 1-20 related to news releases?

This is standard language included in every RFP and RFA issued by the Department.

4. Page 6 of the RFA states "Offerors shall not issue news releases, Internet postings... pertaining to this Project...". Does this include correspondence to consumers, board members, staff and other stakeholders? Please clarify these restrictions.

Once an offeror submits a proposal in response to the RFA it is prohibited from issuing any "public" communications pertaining to the RFA unless permission to do so is granted by the Issuing Office. Discussions with existing staff and board members are permitted.

5. Will the issuance of "all services and supplies" necessary to complete the identified work include: gloves for attendance; priority backup attendants; emergency response services?

No, the services and supplies referenced in I-22 are specific to what is needed by the VF/EA to provide FMS.

6. The RFA requires that the technical and cost submission be submitted separately. Is the Commonwealth requiring two CD for the technical and cost?

Paper copies of the Technical and Cost proposals must be submitted separately. However, a complete and exact copy of both the Technical and Cost proposals should be submitted on the same disc. Please provide 2 copies of the disk containing both proposals.

7. The RFP requires an original and copies. How is the offeror expected to provide copies of the sealed corporate reference(s)?

Copies of the sealed Corporate Reference Questionnaire are not required.

8. On page 7, Section I-22, Issuing Office Participation, states: *Offerors shall provide all services, facilities, and other support necessary to complete the identified work, except as otherwise provided in this Part I, Section I-22.* Please clarify this statement.

Offerors should disregard the last part of the sentence. The sentence should read as follows: Offerors shall provide all services, facilities, and other support necessary to complete the identified work.

9. What is the policy rationale and the legal justification for the admonishment in "Part 1-20. News Releases" (p. 6) that offerors "shall not issue releases . . . or any other public communications pertaining to the Project without prior written approval of the Issuing Office, and then only in coordination with the Issuing Office?"

This is standard language included in all Commonwealth-issued RFPs and RFAs.

10. Due to language in RFA on page 6 - referring to not being able to publically distribute info on the RFA: Can a provider share that there is an RFA for FMS with their consumers, such as in private letters mailed directly to consumers - or would that disqualify them based on the language in the FMS RFA ?

Once an offeror submits a proposal in response to the RFA it is prohibited from issuing any "public" communications pertaining to the RFA unless permission to do so is granted by the Issuing Office. If an offeror is unsure as to whether a communication falls within this section, the offeror should request permission, in writing, from the RFA Project Officer

11. How does the commonwealth see that the regionalization of the program and the combination of the model will reduce the employer related tax burden as noted in section I-5 Problem Statement on page 2?

This question does not have a direct impact on a prospective Offeror's ability to develop an application for this RFA.

12. Can we provide alternate options and pricing to offer the commonwealth cost savings or is this excluded by the alternate proposals clause in section I-15 Alternate Proposal on page 4?

Offerors must propose their best solution for meeting the RFA requirements. DPW will not accept alternate proposals.

13. Page 1, Part I, 1-4. Request for Application Standards. It is our understanding that a state may elect from two structures, a structure which provides free choice of FMS providers and a structure which does not. What is the CMS approved structure for this plan?

This question does not have a direct impact on a prospective Offeror's ability to develop an application for this RFA. The Department has identified the requirements for this RFA.

14. If an offeror submits multiple applications, will these applications be evaluated separately? Will the fact that a bidder has submitted multiple bids in any way influence the bids either positively or negatively?

Offerors must propose their best solution for meeting the RFA requirements. DPW will not accept alternate proposals.

Questions regarding Part II – Proposal Requirements

15. Page 14: Staffing Requirements for key personnel. Can FMS job experience replace or be substituted for Bachelor degree requirements in FMS RFA?

No. Offerors must follow the staffing requirements as stated in the RFA.

16. Can a provider collaborate with 1 or more other organizations to jointly respond to the RFA?

Only one entity may submit a proposal and enter into an agreement with the Department. However, other vendors may participate as subcontractors so long as all of the RFA requirements are met

17. On page 13 of the RFA it says "...Selected Offeror(s) must provide...reference from organizations to which it has provided similar services during the past five (5) years." If a provider has only provided services to individual consumers, will OLTL be that reference for such providers?

The Department will only permit its employees to verify factual information provided in submitted references. Department employees may not offer opinions regarding the quality of an offerors past performance as part of the reference.

18. Is there any conflict of interest which would preclude the issuance of references from OLTL, Area Agencies on Aging county offices, Office of Developmental Programs, County Office of Developmental Programs, Department of Aging?

The Department will only permit its employees to verify factual information provided in submitted references. Department employees may not offer opinions regarding the quality of an offerors past performance as part of the reference.

19. On page 11, section II-3 the RFA references "key staff". Does this mean personnel already in place or personnel expected to be hired and/or in place if the provider is awarded the contract?

"Key staff" refers to the individuals the offeror would expect to have in place to complete all of the required tasks should they be the Selected Offeror. This could include current staff and/or staff that the offeror plans to hire if selected.

20. Page 11 outlines the requirement for a detailed work plan and a PERT/Gantt or Bar Chart. Both items must include tasks, key staff, and time. What is the difference between the work plan and the chart?

Work Plan - A work plan describes what is to be accomplished and outlines how it will be done. The overall work plan is divided into a logical sequence of tasks including time for completion of each task as well as the overall completion of the work plan, who does what and when.

PERT/Gantt or Bar Chart – These are charts that show the workflow of the work plan.

21. Would the experience of current provider organization and/or personnel qualify a newly established corporation which would not be affiliated with a provider of Home and Community Based services? The new corporation would have separate board of directors, separate audits, and no common management.

All offerors must be free of any conflict of interest with any existing or future waiver/program providers and demonstrate compliance with the requirements of RFA section IV-3. Please also see the response to Question 68b.

22. It appears to us that the wording of the requirements for minimum years of previous experience, reference from a contractor with one year of experience receiving similar services, and conflict free management render most current providers of OLTL funded services barely eligible to bid, if eligible at all. If this is true, why did the Department choose to exclude current providers? If not true, please comment on where this is made clear.

Current providers are not barred from being an offeror. However, they must demonstrate in their application how they are going to meet the experience requirements in the RFA and are going to be conflict-free.

23. Based on questions and concerns, will OLTL consider changing or adjusting the restrictive provisos of this RFA, to allow any current FMS provider to bid?

The Department does not intend to change any requirements. Current providers are not barred from being an offeror. However, they must demonstrate in their application how they are going to meet the experience requirements in the RFA and are going to be conflict-free.

24. Will the chosen offeror have to meet the requirements for providing three years similar service, staffing requirements, conflict-free corporate structure by
- Offer due date
 - Effective Date of Agreement
 - First Date of Service
 - Other date

Post- selection but in advance of the transition of common law employers to the selected offeror. The selected offeror(s) will not be permitted to begin serving OLTL/PDA/ODP waiver participants if it does not show acceptable evidence of readiness for each requirement.

25. Why hasn't OLTL considered a prime contractor approach, with subcontractors providing services that would lessen or eliminate confusion or stress for consumers?

The RFA allows qualified offerors to propose the use of subcontractors so long as the subcontractors meet the relevant eligibility requirements.

26. Can a newly formed entity use the audits, references and staff experience of the existing FMS entities that comprise it?

Potential Offerors must demonstrate that they meet the requirements in Part II-4 and II-5

27. In Section II-4(b)(i), please describe "similar services"

There is no precise definition. This language refers to services that are similar to those required by the RFA.

28. The RFA requires the selected offeror have at least three years' prior experience successfully providing similar services. How was this particular time period decided?

DPW seeks to ensure that any selected vendor has adequate previous experience providing similar services.

29. The RFA requires the selected offeror provide at least one reference from organizations which it has provided similar services during the past five years. How was this particular time period decided?

DPW seeks to ensure that any selected vendor has adequate previous experience providing similar services.

30. On pages 13-14, Section II-4, letter c, the paragraph under vii states: *The Offeror must submit Appendix D, Corporate Reference Questionnaire, directly to the contacts listed. The references should return completed questionnaires in sealed envelopes to the Offeror. The Offeror must include these sealed references with its proposal.* Does the Offeror need to include several copies of the sealed references and an electronic copy of the sealed references on the flash drive/CD ROM with the proposal submissions? Please clarify how the Corporate Reference Questionnaire should be submitted with the proposal.

Copies of the sealed reference are not required. References need to be in a sealed envelope only.

31. When will the offeror have to have the lines of credit in place?

All Offerors must submit the information required by Part II-7 in order for the Commonwealth to assess the offeror's ability to meet the RFA requirements. If an offeror does not possess one or more of the requested items, the offeror should include a statement as to why it does not. DPW may ask for additional information to assess an offeror's financial viability.

32. How would an offeror comply with 11-7 (i) if it is a newly formed entity?

All Offerors must submit the information required by Part II-7 in order for the Commonwealth to assess the offeror's ability to meet the RFA requirements. If an offeror does not possess one or more of the requested items, the offeror should include a statement as to why it does not. DPW may ask for additional information to assess an offeror's financial viability.

33. If an offeror cannot meet 11-7, how does this adhere to laws that require nondiscriminatory practices?

All Offerors must submit the information required by Part II-7 in order for the Commonwealth to assess the offeror's ability to meet the RFA requirements. If an offeror does not possess one or more of the requested items, the offeror should include a statement as to why it does not. DPW may ask for additional information to assess an offeror's financial viability.

34. For what activities or functions could an offeror use a subcontracting arrangement?

Offerors must make their own determinations about how they will use subcontractors. The subcontractors would be required to meet the same requirements as the selected offeror.

35. II-4(b)iv. Where the requirements of OLTL Bulletin 54-5411-03 and ODP Bulletin 00-08-14 conflict with one another, which bulletin will be applied?

The Selected Offeror is required to follow all program office policies and procedures.

36. II-7(a-c) If the intent of the bidder is to separate from other corporate entities in an effort to be conflict free, must it provide detailed information on the corporate entities which it is currently associated with?

If an offeror is not currently conflict free, they must demonstrate in their application how they are going to meet the experience requirements in the RFA and are going to be conflict-free. This would likely include information about corporate entities they are currently associated with.

37. If the potential offeror is not currently eligible, is there a process for becoming eligible by September 2012? Are potential offerors that are in the processing of becoming eligible permitted to submit an application to DPW?

If an offeror is not currently conflict free, they must demonstrate in their application how they are going to meet the experience requirements in the RFA and are going to be conflict-free.

38. Page 13, II-4., c. References: Please clarify the number of references required.

The Corporate Experience reference should be for services similar to VF/EA FMS provided during the last 5 years. The reference in Section II-4(c) should be specific to at least 1 relevant agreement/contract the offeror has had during the last 3 years. If applicable, an Offeror may use the same reference to satisfy this requirement or the Offeror may submit 2 separate references to satisfy this requirement.

39. Pg 14, II-5. Personnel 1.c. Is it required that the payroll and invoice payment processes be supervised by the same manager?

Offerors must make their own determinations about their proposed management structure. Please refer to Section II-5 (1)(c)(iii)

40. Page 16, II-6, Training: Please clarify what "recommended" training of agency personnel means.

This refers to the training, if any, that the Offeror may recommend for Commonwealth personnel, or its own staff that may provide services if awarded a contract.

41. Our agency has received an email to consolidate FMS services. We are already FMS providers. I wanted to know what steps should be taken for the consolidation. Do we need to provide a portfolio?

This question is unclear.

42. According to the staffing requirements for key personnel (pages 14-16) list several positions. A current job description and resume must be provided for the Enrollment Services Manager, the Payroll and Invoice Payment Manager, and the Medicaid Billing Manager; however, only a resume must be provided for the VF/EA FMS Program Manager. Is this correct? Why is this the case?

Offerors should also include a job description for the VF/EA FMS Program Manager.

43. Please further clarify RFA Page 17 Section 11-6 ii.

This section does not appear in the RFA.

44. If you were a Home and Community Based Service Provider, does this qualify in some capacity as having prior experience providing similar type of services since the company did the employing for services as opposed to the participant being the employer in the FEA FMS model?

Offerors must make their own determinations about whether they meet the experience requirements in the RFA. Offerors should include any information related to experience that they feel is relevant to the services required by the RFA.

45. Is the Offeror required to have worked with the references in the past 3 years or within the past 5 years?

This depends on the type of reference. The Corporate Experience reference should be for services similar to VF/EA FMS provided during the last 5 years. The reference in Section II-4(c) should be specific to at least 1 relevant agreement/contract the offeror has had during the last 3 years. If applicable, an Offeror may use the same reference to satisfy this requirement.

46. If the Offeror is bidding on all three regions, may the Offeror use the same references for all three lots?

Yes.

47. If so, would the organizations providing the references be required to complete three separate Corporate Reference Questionnaires?

No, the same Corporate Reference Questionnaire could be used for all three; however the organizations providing the references would need to make copies and provide 3 sealed envelopes containing copies of the completed questionnaire to the Offeror for each lot.

Questions regarding the Cost Submittal

48. If awardee becomes a collective bargaining union shop AFTER this award, will the PPM be adjusted to reflect the potential additional costs that would be associated with collective bargaining?

No, the PMPM will not be adjusted

49. On the cost submittal spreadsheets, Tab 2, 3 and 4, Instruction 3 states: "A one-time initial start-up fee of \$277 will be paid for all new distinct consumers enrolling in VF/EA FMS Services". Since the Offeror is required to show cost data, how many NEW participants are DPW forecasting for each lot or region for accurate estimation?

It is impossible to accurately predict the growth of these programs. Therefore, solely for the purpose of developing cost data, offerors should assume that the number of consumers will remain the same for each contract year.

50. If this RFA is a PPM (Per Participant Per Month), why is there a budget needed?

The Cost Verification is for internal DPW use to ascertain the appropriateness of costs for services

51. Will the cost of the brokered Workman's Compensation be a factor in the cost review?

For evaluation purposes, only the monthly FMS administrative fee will be evaluated. Workman's Compensation is not included in this fee.

52. In an effort to offer a lower PMPM fee can a request be made for a 1 time start up fee in addition to the enrollment costs?

No, there will not be a onetime start up fee.

53. Page 18, II-9. Cost Submittal: The Offeror is not permitted to include assumptions in their cost submittals. Please provide clarification as to what consumer rendered services are expected to be delivered. Include in that

clarification, the number of consumer by model, services my way, ODP budget authority, fiscal/employer agent only, payment agent only. Please specify this information by lot/region?

The VF/EA FMS is expected to only deliver the FMS per member per month administrative service.

LOT 1 WESTERN REGION – OLTL and PDA programs

(approximately 7,126 consumers)

LOT 2 CENTRAL REGION OLTL, PDA, AND STATEWIDE ODP programs (approximately 3,802 consumers for OLTL and PDA programs, and approximately 850 consumers for ODP programs)

LOT 3 EASTERN REGION- OLTL and PDA programs (approximately 10,106 consumers)

54. Pg 18 Section II-9. Cost Submittal. If a consumer is served part of the month by one provider and then the rest of the month by another provider, who gets the PM/PM fee?

Since the RFA is structured to make regional awards, it is unlikely that two selected offerors would provide services to the same consumer within the same month following the transition period.

55. Page 18, II-10. Administrative Fee, paragraph 3, “transition process”. Is it the Department’s expectation that providers will transfer participants mid month and or between September and December?

DPW considers the transition period for existing participants to be 9/1/2012 through 12/31/2012. It is possible that some consumers could be transitioned mid-month.

Questions regarding Part III – Criteria for Selection

56. Please further clarify the domestic workforce utilization Page 20 Section 11-10.

The Domestic Workforce Utilization Certification is an evaluation criterion which affords the applicant the opportunity to receive bonus points for its commitment to use the domestic workforce in the fulfillment of the grant. As noted in Appendix D, Maximum consideration will be given to those offerors who will perform the contracted direct labor exclusively within the geographical boundaries of the United States or within the geographical boundaries of a country that is a party to the World Trade Organization Government Procurement Agreement.

Questions Regarding Part IV – Work Statement

Questions Regarding the Performance Bond

57. The RFA mentions an executed performance bond for six months on page 30 section d and a surety bond for one month on page 34 section 8. Please clarify if the Commonwealth is requesting six or one month bonds or both?

DPW is modifying this timeframe and will require the Selected Offeror to secure a bond for 3 months to cover VF/EA FMS and related services. A flyer will be issued to amend the RFA.

58. Please clarify the performance and payment bond requirements. Page 30, Section IV-3., item 1.d. requires executed performance and payment bonds both in the sum of six months of the annual agreement amount. Would the amount only include the FMS amount for the six month period or would the amount also include the projected direct services for the six month period? In contrast, page 34, item 8, requires a surety bond which is at least equal to the total cost of the FMS and related services for only one month. Please clarify the differences in the requirements.

DPW is modifying this timeframe and will require the Selected Offeror to secure a bond for 3 months to cover VF/EA FMS and related services. A flyer will be issued to amend the RFA.

59. On page 30 under Section IV-3, #1, letter d., Performance and Payment Bonds, the first sentence states: *The Agreement will require the Selected Offeror(s) to deliver to the Commonwealth executed performance and payment bonds, each in the sum of six months of estimated Agreement amount, with the Commonwealth as the obligee.* On page 34, #8, Financial Viability, the only sentence states: *Secure a surety bond equal to or greater than the total cost of VF/EA FMS and related services for the VF/EA for one month.* To what type of bond does this section refer? Are additional bonds required? Please clarify the timelines for each of these bonds.

DPW is modifying this timeframe and will require the Selected Offeror to secure a Performance and Payment bond for 3 months to cover VF/EA FMS and related services. A flyer will be issued to amend the RFA.

60. Will the surety bond have to be in place at the time the application is submitted?

No, only the Selected Offeror(s) is required to secure the bond.

61. There is inconsistency in regards to the requirement for the performance and payment surety bond in the bid material. Could you please clarify one or both

are needed or if both are needed only if financial performance of the offeror suggests it prudent to do so?

DPW is modifying this timeframe and will require the Selected Offeror to secure a bond for 3 months to cover VF/EA FMS and related services. A flyer will be issued to amend the RFA. The bond is a requirement, regardless of the financial performance of the Selected Offeror.

62. Assuming that funds are funded into the neutral bank (or bank account) by the contractor in advance for services, would the bond, if applicable, be securing six months less the amount of the pre-paid contractor funds? Phrased otherwise, how is the bond to be acquired to avoid the contractor bonding his own asset for required timeframe?

DPW is modifying this timeframe and will require the Selected Offeror to secure a bond for 3 months to cover VF/EA FMS and related services. A flyer will be issued to amend the RFA. The bond must cover 3 months of the VF/EA FMS administrative fee and 3 months of related services notes in Section IV-3(d).

63. What is the formulary being used for the calculation of the performance and payment bonds referenced in section IV-3 1.d.?

DPW is modifying this timeframe and will require the Selected Offeror to secure a bond for 3 months to cover VF/EA FMS and related services. The bond should include 3 months of the VF/EA FMS administrative fee, plus 3 months of related services such as delinquent payments to qualified DCWs, vendors and small unlicensed providers, and federal, state, and local tax and worker's compensation insurance premium payments

64. Page 30 states that the Selected Offerors must provide a bond equal to six months of the estimated agreement amount. Page 34 states that the financial viability metric is a surety bond equal to one month (not six months) of operations. Which statement is accurate?

DPW is modifying this timeframe and will require the Selected Offeror to secure a bond for 3 months to cover VF/EA FMS and related services. A flyer will be issued to amend the RFA.

65. How will the offerer obtain this wage information to determine the size of the line of credit and surety bond that will be required?

DPW will determine the size of the surety bond once it has selected offerors.

Questions on the Conflict Free Requirements

66. Why are Home and Community Based Service providers unable to apply even if they have the required experience in FMS?

Any entity that meets the requirements set forth in the RFA including, but not limited to, the requirements of Section IV-3, is encouraged to submit a proposal.

67. Conflict Free as stated on page 31 states that an Offeror be free of any conflicts with any existing waiver /program provider. Does this statement bar present FMS Providers who are also waiver providers from being an Offeror if they state in their response to the RFA that they are willing to remove themselves as a waiver provider if selected?

No, this statement does not bar present FMS Providers who are also waiver providers from submitting a proposal. However, FMS Providers who are also waiver providers must demonstrate in their application how they are going meet the conflict-free requirements of the RFA.

68. Page 31: The Selected Offeror(s) and its subcontractors may not be a part of or affiliated and must remain independent from any provider of home and community based waiver services. Neither the governing body of the Selected Offeror(s) nor individual members of the governing body may be affiliated with any provider of home and community based waiver services. Nor may the Selected Offeror(s) or its subcontractors be affiliated with or a subsidiary of any existing provider of home and community based waiver services.

a. Specifically, define which home and community based services you are referring to.

Included are all home and community-based services in OLTL/PDA and ODP programs listed in Part IV of the RFA. All waivers and programs can be referenced on the DPW website www.dpw.state.pa.us

b. Specifically, define 'affiliated'.

Affiliate - A party that, directly or indirectly through one or more intermediaries, controls, is controlled by, or is under common control with an enterprise.

Control - The possession, direct or indirect, of the power to direct or cause the direction of the management and policies of an

enterprise through ownership, by contract, or otherwise.

c. Please describe how a conflict could exist between HCBS providers if the participants have NO choice of their VF/EA and the SC/CM agency is determined during intake with the 'Independent Enrollment Broker'. There is NO apparent financial gain in the above possible interactions.

All offerors must be free of any conflict of interest with any existing or future waiver/program providers and demonstrate compliance with the requirements of RFA section IV-3.

d. IF an individual of the governing body is a participant receiving Home and Community Based Services in PA (as further defined above), will an exemption clause exist or will a disclosure of relationship satisfy this requirement?

As is stated in the RFA, individual members of an Offeror's governing body may not be affiliated with any provider of home and community based waiver services. Please see definition of "affiliated" provided above.

69. Page 31, IV-3. Requirements. 2, a., ii: Please clarify what this means in terms of an applicant which currently provides other services beyond the scope of those mentioned by this RFA. For example, could an individual employed by the FMS work in the evening as a CLA Care manager or provide Life Sharing services for an individual in their home?

Each Offeror will need to determine whether or not the services they are currently providing fall under the scope of home and community-based waiver services in Pennsylvania. They must demonstrate in their application how they are going to meet the requirements in the RFA and are going to be conflict-free.

70. Page 31, IV-3. Requirements 2. Conflict free requirement: i, ii, iii Please clarify conflicting requirements. What is meant by the term "affiliated" and what is meant by the term "subsidiary of"?

Please refer to the response to 68b.

The term "subsidiary of" means a company wholly controlled by another.

71. Pages 31, IV-3 Requirements 2. Can an organization establish a new FMS corporation segregating the FMS Corporation? If so, does each corporation need a separate board and no shared members?

Please refer to the response to 68b.

72. Page 31, IV-3, Requirements i & iii. Are developmental disabilities services included as HCBS services under the same 1915(c) federal guidelines?

Yes.

73. Page 31, IV-3, Requirements ii. Regarding employees, is this intended to mean that an employee, of the FMS for example, could not be a life sharing provider under the ODP program? Also, is this section to mean an employee of a service provider could not be also hired part time by the FMS, say to assist in consumer enrollments?

Yes, if the life sharing provider is paid through home and community-based waiver funds.

Yes, an employee of a service provider for home community-based waiver services and state funded program covered in the RFA cannot also be hired by the FMS.

74. When the ODP FMS bid was issued in 2007, separating the organization at the corporate level was acceptable if two boards were established and the services were segregated from the FMS. Is this structure permitted in this project?

Please see the response to Question 68b.

75. The RFA speaks about related parties and affiliations. Please define what that means in terms of corporate structure and board composition?

Please see the response to Question 68b.

76. Can the FMS organization sell its capacity to perform work to other organizations? For example, can it provide billing or payroll services for an HCBS corporation?

This scenario does not appear to meet the conflict-free requirements.

77. The FMS currently rents space in a building where another corporation provides services. Some of the services of the other corporation may be HCBS/OLTL or ODP. That is unknown. Is this a co-location concern?

This scenario does not appear to meet the conflict-free requirements.

78. For co-location, please define the extent to which this must be done? Example, can an offeror have an office on a different floor in an office building?

Co-located means sharing the same office space.

79. If a consumer using OLTL or ODP services is on the Board of Directors, can they continue as a board member if that organization is offered the FMS RFA contract?

Please refer to the definition of "affiliated" in response to Question 68b.

80. What specific provider types cannot be a part of or affiliated with and/or must remain independent of a Type 54 provider (one who provides FMS services)?

The Selected Offeror (provider Type 54, Specialty 541) cannot be part of or affiliated with any other provider of home and community-based waiver services.

81. Can you (the bidder) provide the following services if awarded the bid?

- Service Coordination
- Agency Services
- Nursing Home Transitions
- Agency with choice services
- OHCDS

Each Offeror will need to determine whether or not the services they are currently providing fall under the scope of OLTL and ODP home and community-based (HCBS) waiver and state funded programs. For a listing of individual services provided under OLTL and ODP HCBS waivers and state funded programs, refer to the RFA, Section IV-2

82. If our organization provides Agency w/Choice for ODP and plans to continue, does that disqualify us under conflict free language in RFA?

The offeror should ensure that they are conflict free.

83. Can an organization that is currently not structured to be conflict-free still submit a bid provided the work plan for that organization will ensure it is conflict-free at the time the contract is implemented (if successful bidder)?

Yes. Potential Offerors that do not currently meet the conflict-free requirements must demonstrate in their application how they are going to be conflict-free.

84. Can a provider who wishes to submit a bid also provide Early Intervention services (through OCDEL as a Provider Type 17)?

Each Offeror will need to determine whether or not the services they are currently providing fall under the scope of OLTL and ODP home and community-based (HCBS) waiver and state funded programs. For a listing of individual services provided under OLTL and ODP HCBS waivers and state funded programs, refer to the RFA Section IV-2

85. Page 32 of the RFA, #3 says "...The physical site...cannot be co-located with any existing provider." What does "existing provider" mean?

This language refers to an existing provider of home and community-based waiver services.

86. Please clarify the term "affiliated with" for purposes of the RFA. Page 31, items 2.a.i. through item 2.a.iii. appear to have different interpretations of this term.

See the response to Question 68b

87. Would two or more organizations which have entirely separate board of directors and separate audits be considered affiliated if a cost sharing agreement existed for management and facility service costs? The organizations are not required to have consolidated audits because there is no direct control which is demonstrated by the separate board of directors. However, related party notes are required due to the cost sharing agreement.

See the response to Question 68b

88. Would two or more organizations which utilize a common management organization be considered affiliated if the management organization assigned different staff to the different organizations?

See the response to Question 68b

89. To what extent do subcontractors have to be non-affiliated with an existing provider of HCBS?

The subcontractors would be required to meet the same requirements as the selected offeror.

90. How do you define “subcontractor”?

An individual or business firm contracting with a selected offeror to perform part or all of the services required by the RFA

91. If an offeror plans to restructure its services in order to comply with conflict free qualifications, what financial records are required?

All Offerors must submit the information required by Part II-7 in order for the Commonwealth to assess the offeror’s ability to meet the RFA requirements. If an offeror does not possess one or more of the requested items, the offeror should include a statement as to why it does not. DPW may ask for additional information to assess an offeror’s financial viability.

92. Currently we provide both FMS and Service Coordination services to counties within the Central Region. If we would submit a proposal for the entire Central Region – could we continue to provide service coordination services as well?

This does not appear to meet the conflict free requirements in the RFA.

93. What is the definition of “affiliated organization” for the purposes of this RFA?

See the response to Question 68b

94. What is OLTL referencing in the RFA when it says “developmental disabilities”? What provider type(s) does this refer to?

DPW uses the term “developmental disabilities” to describe service providers for programs funded by ODP; this includes Provider types 51 and 52.

95. What services are considered services under Developmental Disabilities?

Below is a chart containing the participant-directed services and vendor services eligible for payment through the Office of Developmental Programs' (ODPs) Financial Management Services (FMS) model. For more information about these services, please reference the ODP Bulletin 00-11-02 titled, Service Definitions for the Pennsylvania Mental Retardation Program, Reissued.

PDS Service Names
Home and community habilitation
Companion Services
Supports Broker Services
Supported Employment Services
Transitional Work Services
Home Finding
Respite – In-home, 24 hours
Respite – In-home, 15min
Respite – Unlicensed Out-of-home, 24 hours
Respite – Unlicensed Out-of-home, 15 min
Homemaker/Chore
Vendor Services
Home Accessibility Adaptations
Vehicle Accessibility Adaptations
Specialized Supplies
Homemaker/Chore
Education Support Services
Assistive Technology (medical)
Assistive Technology (non-medical)
Transportation (Mile)
Transportation (Trip)
Transportation (Per Diem)
Transportation (Public)
Respite – Overnight Camp
Respite – Day Camp

96. On page 31, Section IV-3, #2, number iii, the first sentence states: *The Selected Offeror(s) cannot be a developmental disabilities service provider within the Commonwealth.* What is the definition of a developmental disabilities service provider and what developmental disabilities services are included under this definition?

A developmental disabilities service provider is an entity that provides services to individuals funded through the DPW Office of Developmental Programs (ODP). For a list of services see the response to Question 95

97. Given the Problem Statement and understanding that a selected offeror is to be “independent” from a HCBS provider, what is the policy rationale and legal justification for prohibiting any affiliation between a selector vendor and an HCBS provider? (See IV-3.2. at p. 31).

This question that does not have a direct impact on a prospective Offeror’s ability to develop an application for this RFA. All offerors must demonstrate how they will meet the RFA requirements.

98. If an affiliated vendor and HCBS provider can demonstrate that the books and records of the vendor and of the HCBS are maintained separately and independently, are subject to separate and independent audit, and that each entity has separate and independent managers, why is the Commonwealth seeking to narrow the number of knowledgeable and experienced entities that can submit a bid and be considered for an award by precluding an otherwise qualified vendor that is affiliated with an HCBS provider from consideration for an award?

Current providers are not barred from being an offeror. However, they must demonstrate in their application how they are going to meet the experience requirements in the RFA and are going to be conflict-free.

99. Is there a specific state or federal statute or regulation that prohibits any affiliation between a selected offeror and an HCBS provider?

DPW is unaware of any such regulation or statute.

100. Is there a specific state or federal statute or regulation that prohibits any affiliation between a selected offeror and an HCBS provider where the two entities, although affiliated, have separate and independent management and accounting units?

DPW is unaware of any such regulation or statute

101. In regards to conflict of interest. If a potential bidder provides the following service(s), can you state if it is a conflict of interest with the VF/EA services outlined in the contract?

1. Service Coordination
2. Attendant Care Agency Services

3. Nursing Home Transition
4. Home Modifications, non-PHFA funding
5. OHCDS
6. Agency with Choice, FMS ODP
7. Vendor Payer, for non-FMS participants

Each Offeror will need to determine whether or not the services they are currently providing fall under the scope of OLTL and ODP home and community-based (HCBS) waiver and state funded programs. For a listing of individual services provided under OLTL and ODP HCBS waivers and state funded programs, refer to the RFA, Section IV-2

102. Is it permitted for an offeror who currently provides services that are disallowed by this contract, to make its intention known that it will no longer provide disallowed services if awarded the bid, and still be in compliance with the bid procedures and process?

Current providers are not barred from being an Offeror. However, they must demonstrate in their application how they are going to meet the experience requirements in the RFA and are going to be conflict-free.

103. Where is the conflict between the provision of Agency and FMS services by the same entity?

This is a policy/program question that does not have a direct impact on a prospective Offeror's ability to develop an application for this RFA.

104. Will an offeror be permitted to provide FMS/FEA services to one lot (region) of the Commonwealth, while providing other waiver services in another area? (For instance, provide FMS to consumers in the Lot 1, while providing other HCBS services to consumers in other Lot(s). No consumer would receive FMS and HCBS from the same provider in this way).

No, the conflict free requirements in the RFA apply statewide not per region.

Questions Regarding VF/EA FMS Tasks

105. Can the offeror subcontract the function of the employer of record?

Offerors must make their own determinations about how they will use subcontractors. The subcontractors would be required to meet the same requirements as the selected Offeror.

106. Can the offeror subcontract the function of MA billing?

The Offeror must be the entity that bills PROMISE™.

107. If an offeror is considering subcontracting out portions of the work plan, will this be viewed negatively? Are there any limitations on the tasks that can and cannot be subcontracted?

DPW will evaluate the Offeror's overall plan to accomplish the task required by the RFA, including the experience and qualifications of subcontractors. Proposed subcontractors would be required to meet the same requirements as the selected Offeror and DPW will hold the selected Offeror accountable for subcontractor's performance.

The Offeror must be the entity that bills PROMISE™.

108. What types of benefits does the offeror have to provide? Worker's compensation is clearly required. Are health, dental, and life insurance also required?

Health, dental, and life insurance are not required.

109. Is the offeror required to provide an EIN for each waiver participant enrolled?

Yes, the selected Offeror must apply for (through the completion and submission of the IRS Form SS-4, Application for Employer Identification Number), and obtain a Federal Employer Identification Number (EIN) for each newly enrolled common law employer it represents as employer agent.

110. What is a reporting agent (p.30)?

As defined by the Internal Revenue Service a Reporting Agent is defined as an accounting service, franchiser, bank, service bureau or other entity authorized to perform one or more acts on behalf of an employer, including signing and filing IRS Forms 940 and 941 and making Federal tax deposits for the taxes reported on those forms. Page 30 IV-3 letter c means that the selected Offeror cannot contract with a reporting agent.

111. What is the difference between a subcontractor and a reporting agent?

*An individual or business firm contracting with a selected offeror to perform part or all of the services required by the RFA.
See response to Question 110, reporting agent*

112. Page 30, IV-3 Requirements – c. Subcontracting with a Reporting Agent. The Selected Offeror(s) may not subcontract with and delegate VF/EA FMS tasks to a reporting agent. What does this mean?

See response to Question 110, reporting agent

113. Page 26 #21 states that one office in the commonwealth in addition to the selected offerors headquarters is necessary so to clarify does this mean at least two offices are needed?

Only one office is required to be located in Pennsylvania.

114. Page 25, #7: Must the Offeror have federal and state authority to act as a VF/EA FMS org in order to bid or by contract start date? What is involved in getting approval?

The Selected Offeror must have federal and state authority to act as a Vendor Fiscal/Employer Agent by the contract start date.

115. Page 25, #10: Clarify what is meant by develop and maintain a current computer database' does this mean that the bidder must have a database in place or can it be developed if the contract is awarded?

The database can be developed if the contract is awarded and the database must be in place by the contract start date.

116. Page 37, #20: Indicates 'Selected Offeror' must provide a full implementation plan along with the bid; why would an agency undertake this significant task prior to being awarded?

The term "Selected Offeror" refers to an entity that has been "selected" as a result of this RFA. Only the Selected Offeror is required to submit a full implementation plan and this will only be required of the selected offeror during the readiness review.

117. Page 39, #23: Do IT systems need to be in place at time of response to RFA or by contract start?

IT systems must be in place by the contract start date.

118. Page 31 #2: Clarify whether these requirements disqualify agencies who are service providers and are currently providing financial management services?

Current providers are not barred from being an Offeror. However, they must demonstrate in their application how they are going to meet the experience requirements in the RFA and are going to be conflict-free.

119. Page 34 #9: Clarify “The Selected Offeror must be an enrolled provider in the Pennsylvania Medical Assistance Program.” Does this mean that in order to bid, an agency must be an MA provider or must enroll if selected? Is this in conflict with Page 31, #2 above?

If the Selected Offeror is not currently enrolled in the Pennsylvania Medical Assistance Program, then the Selected Offeror must enroll as a VF/EA prior to the contract start date.

120. When will the Organization Readiness Review Tool draft (and drafts of other documents such as the Good to Go Process Flow) be finalized?

The Readiness Review Tool will be finalized prior to the Readiness Review being conducted by DPW. The Readiness Review is tentatively expected to begin in early July 2012.

121. Will QMET monitorings and BFO audits be used as part of the Readiness Review?

DPW is still in the process of determining the details of the Readiness Review.

122. Page 32 of the RFA, #5 lists requirements for Regional Presence and says “...must establish a presence in each region and must have the capability to conduct meetings...in each region.” Does this mean in each region in which the offeror will operate if awarded the contract or in all regions of the state? (Page 33, requirements for Service Capacity is similar.)

The Selected Offeror(s) must have the capability to conduct meetings in the region or regions for which they are selected.

123. On page 38, #21 f. says “...current processes used by the Commonwealth...”. Is this referring to the FMS Standards as monitored by QMET?

Yes.

124. On page 39, #23 b. refers to HCSIS access. Will this access stay the same (total consumer budget only) for the provider(s) awarded the contract or will access be expanded to include pending revisions, etc.?

Access to HCSIS will be to a view-only role. The Selected Offeror will be able to view the individual's service details (the budget) and all revisions. The Selected Offeror will receive an alert notification through HCSIS when revisions to the services details are authorized.

125. What level of access will the Commonwealth give providers to HCSIS/SAMS and when during the transition will this occur?

The Selected Offeror will have read only access in HCSIS and SAMS after the contract start date.

126. In regards to the requirement that the offeror have a separate office in PA separate from its headquarters (pg. 26); can the offeror co-locate the office with our corporate headquarters if the headquarters is located in the appropriate Pennsylvania region?

Yes.

127. If an Offeror subcontracts to subcontractor will the Offeror bill and reimburse the subcontractor or do the subcontractor bill PROMISE?

The offeror must be the entity that bills PROMISE™.

128. How much time must Support Coordination Agencies be given notice when the Fiscal Agent does not pay the Timesheet?

Per PA Department of Labor and Industry law, common-law employers must pay all timesheets. It is the common-law employer's responsibility to ensure that all workers are paid according to PA Department of Labor and Industry regulations.

129. Is there a particular pay cycle required, or is it up to the individual FMS to dictate a bi-week or semi-monthly pay schedule?

The offeror should indicate in their response to the RFA how they will implement a pay cycle.

130. What if the above pay cycle requirement different regarding the ODP participants?

The Offeror must propose the pay cycle that they intend on using for all programs covered by the RFA.

131. Will the state (ODP/OLTL) standardize and develop ISPs to be used by the various SC/CM entities to ensure uniformity?

ODP and OLTL will continue to follow existing processes for ISPs.

132. Will the state (ODP/OLTL) standardize and develop reporting requirements and will these reports be submitted thru the HCSIS and SAMS systems or by some other means?

No. The selected offeror will be required to develop a reporting process as outlined in Section IV-7 of the RFA.

133. Please identify the systems and programs that will be utilized for participant's budgets / vendor payment / budget authority / Services My Way sharing of information between FMS, Service Coordinators and the Commonwealth?

The current systems include HCSIS, PROMISE™, SAMS and any systems that may be developed by the selected vendor for purposes of reporting.

134. On page 68, the RFA says that the quarterly report must include "The number of Education and Outreach activities performed"; what qualifies as Education and Outreach? Please give examples.

See Part IV-4, VF/EA FMS Tasks. Specifically, IV-4E and IV-4F.

135. On page 43, the RFA refers to paying overtime to direct care workers in the ODP programs. Why do those workers not fall under the same exemption from overtime as OLTL direct care workers?

This question does not have a direct impact on an Offeror's ability to develop an application for this RFA.

136. How will the processing of overtime payments for PDA and OLTL be handled?

Based on the domestic service worker exemption, direct care workers in OLTL's waivers and programs are not subject to overtime.

137. The RFA refers repeatedly to timesheet recording of hours worked by the DCW; is use of time and attendance collection software (such as HALO) permitted if a provider is awarded the contract(s)?

Offerors should describe their planned approach for recording the number of hours worked by the DCW, including plans for any specific software. Offerors should take into consideration the performance, efficiencies, and effectiveness of the approach.

138. What is the "...up-to-date information..." accessible to waiver participants and representative on the web site that is referred to in #10 on page 46?

"Up-to-date" means that any information on the website must be current.

139. The Offeror must comply with MA Bulletin 99-11-05 in respect to "Screening of Employees and Contractors for Exclusion...." Is this screening required only for FMS and subcontractors' employees or for each participant/employer's DCW?

The screening is required for FMS and subcontractors' employees and for each participant/employer's DCW.

140. Page 24, #5 refers to "Processing and paying invoices for ...goods and services...". Does this refer to ODP V/F and the Services My Way program only? (Question asked because payment for PERS, etc. has always been a service coordination function, not FMS.)

Yes, this refers to ODP V/F and the Services My Way program only.

141. Which provider will be expected to do the 2012 W-2 to workers? Will it be the transitioning provider or the provider that is awarded the contract?

The provider that delivers FMS services during 2012 is responsible for completing the W-2 for 2012.

142. On page 68 IV-7. the RFA says "...OLTL/PDA/ODP must have read only access to the accounting and information systems...". Does this mean on-site access only or does this include remote access?

This refers to both on-site and remote access.

143. Which FMS provider will be responsible for mailing 2012 W-2 forms to consumer employees, and how will this be coordinated between the winning bidder and current provider?

The provider that delivers FMS during 2012 is responsible for completing the W-2 for 2012.

144. What standards apply for an offerer who uses telephony for time and attendance capture?

DPW does not have separate standards for telephony. Offerors should describe their planned approach for recording the number of hours worked by the DCW, including plans for any specific software. Offerors should take into consideration the performance, efficiencies, and effectiveness of the approach.

145. What standards apply for an offerer who uses a Web-based portal for time and attendance capture?

DPW does not have separate standards for web-based technology. Offerors should describe their planned approach for recording the number of hours worked by the DCW, including plans for any specific software. Offerors should take into consideration the performance, efficiencies, and effectiveness of the approach.

146. What standards apply for an offerer who uses faxing of time-sheets for time and attendance capture?

DPW does not have separate standards for faxing of time sheets. Offerors should describe their planned approach for recording the number of hours worked by the DCW, including plans for any specific software. Offerors should take into consideration the performance, efficiencies, and effectiveness of the approach.

147. What standards apply for an offerer who uses mailed timesheets for time and attendance capture?

DPW does not have separate standards for mailed timesheets. Offerors should describe their planned approach for recording the number of hours worked by the DCW, including plans for any specific software. Offerors should take into consideration the performance, efficiencies, and effectiveness of the approach.

148. Must the offerer make more than one option available to participants for time and attendance submission?

There is no requirement that Offerors make more than one option available. Offerors must propose the options they will have available and will be evaluated on their planned approach.

149. Is the offerer required to manage each participant's direct service and related costs, e.g. worker's compensation or unemployment compensation, within that participant's budget?

Yes.

150. Will all participants have an individual spending plan?

No. Only the participants in Services My Way will have an individual spending plan.

151. Is it acceptable to have VFEA data stored on a remote serve (i.e., cloud computing)?

Offerors should describe their planned approach for storing data, including plans for any specific software. Offerors should take into consideration the performance, efficiencies, and effectiveness of the approach.

152. Does the call center have to be located in Pennsylvania?

No.

153. Can we put policies and procedures in place so as to minimize the necessity to bill the common law employer directly for services provided not in accordance with the individual's approved ISP or to bill directly because a service limit was exceeded, i.e. cap the number of hours of service to coincide with ISP?

The Selected Offeror may put additional procedures in place provided the procedures are in compliance with DPW policies and the PA Department of Labor regulations.

154. Is it your intent that the implementation of common law employer orientation and skills training be conducted on a one-on-one, in-home basis, or is the vendor able to utilize group training and other formats such as WebEx?

Offerors should describe their planned approach for providing common law employer orientation and skills training, including plans for any one-on-one, in-home, or other formats. Offerors should take into consideration the performance, efficiencies, and effectiveness of the approach.

155. What are the accessibility standards for submitting timesheets?

DPW has not established accessibility standards for submitting timesheets. Offerors should take into consideration the abilities of the participants they will be serving in developing a planned approach for timesheets.

156. Will the selected offeror be required to conduct face to face meetings for all new consumers electing to use participant directed services?

No.

157. What will be the responsibilities of the selected offeror to assure complete and accurate DCW records for those transitioned from current FMS providers?

The Selected Offeror must ensure that all necessary DCW records are transferred.

158. How will the selected offeror be reimbursed for DCW records update and verification?

This cost will be covered by the one-time \$45 transition fee for each participant.

159. Will the state require a consistent format for records transfer from the current FMS provider to the selected offeror?

DPW will require consistent content of the records but will not require a consistent format.

160. Are we expected to manage each individual consumer within their total approved budgets regardless of changes in the fixed expenses such as WC, UIC, local taxes etc?

Changes in the fixed expenses will need to be reflected in the individual's approved budget. This will be managed by the service coordinators, caremanagers, and supports coordinators.

161. Will provider be allowed telephony and web portal for timesheets? If so what standards apply?

DPW does not have separate standards for timesheets. Offerors should describe their planned approach for recording the number of hours worked by the DCW, including plans for any specific software. Offerors should take into consideration the performance, efficiencies, and effectiveness of the approach.

162. Please provide clarification with respect to timesheet use. Is the use of an electronic time and attendance system (telephony) acceptable?

DPW does not have separate standards for timesheets. Offerors should describe their planned approach for recording the number of hours worked by the DCW, including plans for any specific software. Offerors should take into consideration the performance, efficiencies, and effectiveness of the approach.

163. If offeror uses a payroll service, e.g. ADP or Paychex, does this violate the “no reporting agent restriction”?

Yes.

164. Will there be a reimbursement for attendant intake expenses?

This cost is covered in the per member, per month administrative fee.

165. Are enrollment and ongoing visits for setting up and training common law employers mandated to be face to face or is it one option made available by the VF/EA and chosen by the participant?

Enrollment and ongoing visits are not mandated to be face-to-face.

166. In general, several provisions of this service had been unique to the specific DPW Office of oversight. Should the bidder respond as if it is attempting to uniform the provision of this service for all programs and all waivers? For example, ODP requires records to be maintained for 6 years, OLTL, 4 years. Should the contractor plan to follow each program’s specific guidelines or is there general guidance of which mandate to follow? For example when modifying the VF/EA Procedure Manual, what guidance does the bidder assume when determining records will be kept 4 years or 6 years?

The Selected Offeror should plan to follow each program’s specific guidelines.

167. Will there be a single entry process by which care managers, service/supports coordinators send referrals or communicate updates/changes to service plans (i.e. such as through PASA)?

No. DPW does not have plans to develop a single entry process for communicating updates and changes to service plans.

168. A participant desires training for his DCW—is this an allowable expense in the participant’s funds?

This is an allowable expense in the participant's funds only in the Services My Way model.

169. Please clarify the following in regards to clearance checks:

- a. Are both the PA State Police Criminal Background **and** the child abuse clearance required for DCW's of the common law employer regardless of whether a child is currently in the home?

The PA State Police Criminal Background check is always required. The child abuse clearance is required only if there is a child in the home.

- b. Do all programs require that the results (listed offenses) be compared with the listing of prohibited offenses to determine if the DCW is permitted to perform the service? And can the common law employer override the conclusion of this provision and hire their DCW if the DCW has a prohibited offense?

Currently ODP programs require that the results (listed offenses) be compared with the listing of prohibited offenses. OLTL programs do not follow this policy; however there are plans to amend the policy in line with ODP requirements. In the ODP programs, the common-law employer may not override the conclusion of this provision.

- c. Is there a limit to the number of employees a common law employer can hire?

No.

- d. Is there **no** conditional employment pending the results of the clearances, including FBI Clearance, if applicable?

Yes, this is correct.

170. Required checks for exclusion of prohibited providers outlined in MA Bulletin 99-11-05 (or any other program mandated checks) are done by the VF/EA prior to service delivery, correct?

Yes

171. Who is responsible for processing, payment and tracking/reporting results of criminal background checks for individuals or surrogates intending to act as the common law employer?

The VF/EA

172. Does Appendix N (page 6) apply to all individual program participants intending to act as the common law employer?

Yes

173. What is the current process for the common law employers to indicate their choice to hire a DCW with a criminal history?

Currently ODP programs require that the results (listed offenses) be compared with the listing of prohibited offenses. OLTL programs do not follow this policy; however there are plans to amend the policy in line with ODP requirements. In the ODP programs, the common-law employer may not override the conclusion of this provision.

174. Are there any exclusionary convictions or barrier crimes that would prohibit a common law employer from hiring a DCW?

Currently ODP programs require that the results (listed offenses) be compared with the listing of prohibited offenses. OLTL programs do not follow this policy; however there are plans to amend the policy in line with ODP requirements. In the ODP programs, the common-law employer may not override the conclusion of this provision.

175. Will it be the responsibility of the VF/EA to educate CM's and SC's as to changes outlined in this bid that are not currently in place or being practiced in the current service delivery system? (Examples: pre-qualifying all service providers for prohibited offenses prior to start or delaying vendor performance of a service until checks are performed by VF/EA and not the SC.

No, per the RFA, the Selected Offeror will be responsible to provide orientation and training regarding the role and responsibility of the VF/EA FMS organization.

176. Are vendor and small licensed provider payments made only to participants who are receiving FMS services for which the administrative fee is already provided? And if not, how is the fee for non-FMS participants determined?

Yes.

177. Currently financial reports are issued to participants (or Representative, when applicable) who receive services that allow **both** employer and budget authority as in Services My Way and under ODP program requirements **and not** with employer-authority programs. Is this unchanged at this time?

Yes.

178. Please clarify that all consumers require a monthly budget report statement. Does this only apply for consumers in the Services My Way model?

Yes, all consumers require a monthly budget report.

179. If the IRS guidelines for paying in the aggregate are requiring more frequent payments than quarterly is this permissible?

Yes.

180. Will a receipt be required for the submission of an approved payment for goods and services? If yes, can a client be reimbursed or define what would constitute a receipt?

Yes, an invoice is required for the submission of an approved payment for goods and services. A client cannot be reimbursed.

181. For the Audit Clause B if providing a yellow book audit is it also required to submit an Attestation Report?

Audit Clause B is not applicable, as these are not "Subrecipient" services per OMB Circular A-133, Subpart B, Section 210. These are "vendor" type services. Also, the DPW will be requiring an annual SSAE-16, SOC1, Type 2 examination report on the IT system used for these services. Please note that these examinations can be costly when performed on large/complex IT systems. Given the vendor relationship and the SSAE-16 requirement, Audit Clause C will be used on this contract.

182. With regards to Audit Clause B For-Profit Organizations if a yellow book audit is the required method for auditing in the section Submission of Audit Report to the Commonwealth Section A are sections 1B, 1E and number 3 and 6 required?

Not applicable – see question #181.

183. Will there be a definitive and exclusive list of all costs that may be expensed against W1792?

DPW does not currently have an approved list.

184. Under the RFA, how will wage rates be determined for W1792 services?

The Selected Offeror should plan to follow each program's specific guidelines.

185. Will the state continue to use regional W1792 rates?

Yes, OLTL will continue to use regional W1792 rates.

186. Will there be a uniform rate and DCW wage methodology consistent across all waivers and programs?

The Selected Offeror should plan to follow each program's specific guidelines.

187. Page 48, IV-4., F., 5. g. To what does the "Participant Bill of Rights" refer? Is this the same as the "Disability Bill of Rights" as published on the OLTL website?

"Participant Bill of Rights" refers to the participant rights and responsibilities program document used by ODP and OLTL.

188. Page 48, IV-4., F., 5. h. What is the "VF/EA FMS Employer Handbook"?

See Appendix N of the RFA.

189. Page 49, IV-4., F., n.: What is the process required for reviewing work place safety issues? Does this require a home visit? What is the role of the FMS in this activity?

See Appendix N of the RFA.

190. Page 49, IV-4., F., 7: Who conducts this training? Please provide clarification.

The VF/EA FMS conducts the training.

191. Page 49, IV-4., F., 7: Regarding additional training for common law employers: please provide clarification regarding the training responsibilities of the FMS vs. the SC/CM training.

The VF/EA FMS is responsible to train to all information contained in the VF/EA FMS Employer Handbook.

192. Page 50, IV-4., G., k. Semi-completed Form 8821. Please provide clarification, as this form is no longer required by the IRS.

Although the form is no longer required by the IRS, the IRS has indicated that states could continue to require it if the form was determined to be beneficial. DPW still requires Vendor F/EA FMS organizations providing services in Pennsylvania to execute an IRS Form 8821 with each program participant.

193. Pages 45, 51, 53, 57-59: The RFA states that various documents must be maintained in each common law employer's file/each qualified direct care worker's file. Is it sufficient to provide proof of documentation instead of putting documentation in each consumer/DCW's file? The documentation requirements of maintaining all documents in an individual file for each employer/DCW are cost drivers. Has the Department considered requiring that the FMS must make records or scanned documents available on demand for the individual consumer and DCW?

Offerors should describe their planned approach for maintaining employer/DCW files. Offerors should take into consideration the performance, efficiencies, and effectiveness of the approach.

194. Page 55, IV-4, J. Processing and Distributing Qualified DCW Payroll and Related Taxes and Insurances. While we have a process to bill consumers for excess hours, we do not see a guideline in the FMS as to the expectation to pay, consequences if payment is not received, impact of payment on MA eligibility, extra cost to the FMS to segregate hours, produce IRS schedule H. Please clarify if it is acceptable for the FMS to establish individual contracts with consumers which specify the details necessary for consumers to pay for "unauthorized hours."

No.

195. Page 58, IV-4., J., 51 and 52, Are electronic forms of payment acceptable in lieu of paper checks?

Offerors should describe their planned approach for issuing payments. Offerors should take into consideration the performance, efficiencies, and effectiveness of the approach.

196. Page 58, IV-4., J., 53. In the event of reissuance of payment to a DCW as a result of no fault of the FMS, has the Department considered covering the cost of bank fees related to that bank transaction?

No.

197. Pages 68-71, IV-7. Reports and Project Control. This section in the RFA includes extensive reporting requirements not currently required by the Department. Given the Department's concern about cost containment, has the Department considered any ways in which it will streamline requirements with the Offerors in order to minimize reporting and reduce costs burdens?

Offerors should describe their planned approach for developing and submitting reports, including plans for any specific software. Offerors should take into consideration the performance, efficiencies, and effectiveness of the approach.

198. Pages 69-71, IV-7, b. Monthly Reports: These are extensive additional reporting requirements. The most costly are preparing and distributing monthly utilization reports to all the employers and the SC/CM entities. It would be more cost effective for the Department to make the data available on demand to external entities. Has the Department considered giving the FMS provider access to one shared data system to reduce cost and improve efficiency?

Offerors should describe their planned approach for developing and submitting reports, including plans for any specific software. Offerors should take into consideration the performance, efficiencies, and effectiveness of the approach.

199. Page 70, IV-7, b., vi. Is it required to process payroll semi-monthly or is bi-weekly acceptable? If semi-monthly is required, are authorizations going to be authorized semi-monthly as well?

The Offeror should indicate in their response to the RFA how they will implement a pay cycle.

200. Page 70, IV-7., b., vi. k. Monthly Reports: Please clarify what is meant by "pay type" of each DCW?

"Pay type" refers to method of payment to each DCW, i.e. direct deposit, paper check.

201. Page 71, IV-7., b., xvi. Please clarify the need to report outstanding payments or reimbursements to all stakeholders?

All stakeholders should be notified of outstanding payments or reimbursements because all stakeholders play a role in finding a solution to the problem.

202. Page 71, IV-7., b., xii. Requires that the VF/EA provide reports that include DCWs who have worked 16 hours or more in a single shift. Is it the Department's position that a worker can work as many hours during a shift as their employer wishes? Is payment for sleeping during their shift permitted?

VF/EAs are expected to follow federal and state labor laws. The PA Department of Labor and Industry law does not allow a worker to work more than 16 hours in a single shift.

203. As referenced in section IV-4 J 10. a, is the FMS required to front the payroll when an employer would be responsible for a portion of the payment because of over usage to their plan? Is yes, what are the ramifications if the employer does not follow through with payment to the FMS?

Yes. The ramifications may include termination from the self-directed model of service.

204. How will FMS receive service orders/authorizations to start and or updates services? Will the process be consistent from county/agency to county/agency?

HCSIS generates an automatic alert, notifying the FMS organization that an initial authorization or an updated authorization has been made to an ISP. The Area Agency on Aging generates an initial service order or an updated service order notifying the FMS organization a change has been made to an ISP.

205. Regarding credentialing direct care workers. CMS requires that workers whom the consumer wishes to employ must be screened against the LEIE exclusion list. This requirement does not appear in the RFA. Please clarify the status of this requirement in PA.

The List of Excluded Individuals/Entities (LEIE) requirement appears in the RFA. The Offeror must comply with MA Bulletin 99-11-05 titled "Provider Screening of Employees and Contractors for Exclusion from Participation and Federal Health Care Programs and the Effect of Exclusion on Participation."

206. Part IV page 23. Work Statement Summary. Are the ODP consumers included in lot 2/central region only, or spread throughout all lots/regions?

The ODP consumers are included in Lot 2/Central Region only.

207. Pg 23. Section IV. Work Statement, Objectives. A. Do current QMET standards apply to the contract and all service models within the contract? And

if so will the QMET standards be updated and/or revised based on previous revisions to include IRS regulations?

The Quality Management Efficiency teams will continue to monitor the FMS standards.

208. Currently FMS organizations must follow QMET standards. The RFA does not mention QMET. Will those standards no longer apply?

The Quality Management Efficiency teams will continue to monitor the FMS standards.

209. Page 23, IV-1., A., 4, Work Statement. Please clarify what entity will verify vendors and small unlicensed providers as eligible for payment. Will HCBS and ODP rules be followed, as well as those of OHCDs requirements?

Yes, the Selected Offeror should plan to follow each program's specific guidelines.

210. Pg. 24. Part IV Work Statement A, 7. Is the FMS restricted to monthly billing or may the FMS bill more frequently; specifically, for direct care worker wages and other goods and services through invoicing?

The language in Part IV-1 A-7 addresses the monthly administrative fee. Refer to Part IV-1 A-6 which addresses submitting claims for direct care worker wages and other goods and services; this may be billed more frequently than monthly.

211. The RFA speaks about monthly billing. Can the FMS bill more frequently? This may be beneficial given the volume of 1792 payments.

The language in Part IV-1 A-7 addresses the monthly administrative fee. Refer to Part IV-1 A-6 which addresses submitting claims for direct care worker wages and other goods and services; this may be billed more frequently than monthly.

212. Page 25, B. Specific Objectives. 2. What constitutes a "Certified Medicaid provider"?

This refers to an enrolled Medicaid Provider.

213. Page 26, IV-1., B. Specific Objectives 20. What are the call log specifications? Please clarify.

Offerors must make their own determinations about the specifications for the call log. Offerors must demonstrate in their

application how they are going to meet the requirement for a call log.

214. Page 32, IV-3 In-state Office Requirement "...any worksites cannot be co-located with any existing provider:" Does this mean that an FMS cannot occupy the same building as a service provider? In other words, to preclude a conflict, would the FMS need to be in a small enough facility to preclude an entity from also renting space who was a provider?

Co-located means sharing the same office space.

215. Page 32, IV-3, Regional Presence 5: Are "in-person" meetings required to conduct enrollment?

Enrollment and ongoing visits are not mandated to be face-to-face.

216. Page 32, IV-3., 5: Regional Presence: This section says that "the Selected Offeror(s) must establish regional teams which can provide expertise on local tax issues and other related topics." What does "other related topics" include?

Other related topics include topics related to the provision of VF/EA FMS and related services and questions/concerns proposed by common law employers.

217. Page 32, IV-3., 5. Regional Presence: The first sentence says "The selected Offeror(s) must establish presence in each region." Please clarify. Does this mean in each lot/region where an award is made? Does "presence" allow for telecommuting staff or is a brick and mortar office required in each parcel?

The Offeror must have the capability to conduct meetings in the region or regions for which they are selected. Offerors must make their own determinations about how they will establish a regional presence.

218. Page 43, IV-4., A., 19. Please clarify what can be charged to the restricted bank accounts. It has been discussed that a variety of costs were under consideration including but not limited to the costs of immunization of workers, consumer training, advertisement for workers, criminal records checks, Workers Compensation policy premiums, etc.

DPW does not currently have an approved list.

219. Will the selected VF/FEA FMS be responsible to provide information, assistance with documentation, and explanations for completing and

understanding documents and information to the consumers? (for instance, skills training, employer/employee issues and assistance)

The selected VF/EA will be responsible to provide information, assistance with documentation, and explanations for completing and understanding documents and information to the participant specific to their role as a common law employer.

220. Does the RFA allow for consumers to be dealing with a call center, or will they have a consistent representative to speak to regarding their payroll concerns? Is there a requirement for face to face encounters with the VF/FEA FMS?

Offerors should describe their planned approach for communicating with participants. Enrollment and ongoing visits are not mandated to be face-to-face.

221. Will the selected offeror be required to maintain the current hourly wages paid to the participants' employees?

Yes.

222. What is the current daily and monthly customer service call volume by region and by program?

This information is not readily available.

223. Under a consolidated FEA program, what is the projected call volume?

This information is not readily available.

224. Will the selected VF/FEA FMS have required documentation in HCSIS or will this be up to the service coordinators?

The Selected Offeror will have read only access in HCSIS and SAMS after the contract start date. It is the responsibility of the service coordinator to enter the required documentation into HCSIS.

225. Will the selected VF/FEA FMS be required to submit a plan for transition of consumers and if it is unlikely to be accomplished in the short time frame outlined in the RFA, will there be extensions granted?

The selected VF/EA will be required to submit a plan for transition that meets the requirements of the RFA.

226. Page 44 IV-4 B5 refers to a dedicated bank account to fund payments to DCW's and others. How will the account be funded? e.g. Will a portion of the individual's budget be deposited prior to disbursement of payment by the UF/EA FMS Provider?

The selected Offeror is required to finance payroll and accounts payable in the dedicated bank account. No, a portion of the individual's budget will not be deposited prior to billing for reimbursement.

227. What is the average annual individual budget per participant in FY 2012 for each program?

This information is currently not available.

228. What are the current claims submission deadlines?

180 days from the date of service

229. How promptly are successfully adjudicated claims reimbursed (i.e., payment schedule)?

Refer to Medical Assistance Bulletin 99-11-07 for information regarding payment of claims.

230. Is the VF/EA FMS required to finance payroll and accounts payable pending reimbursement?

Yes.

231. If so, what is the average monthly service claim total dollar amount adjudicated compared to the total dollar amount paid to the current VF/EAs?

This information is currently not available.

232. Where on the cost worksheet should the Offeror include the cost of capital financing of service claims?

All costs associated with the proposal must be included in the RFA Pricing Worksheets. Offerors may add itemized cost lines in the Summary Cost Verification worksheet. These costs should be itemized in the category selected by the Offeror.

233. What is the success rate of first-time claims submission among current FMS organizations?

There is a high success rate.

234. Is the VF/EA required to obtain a criminal background check for all direct care workers transitioning from existing FMS organizations or will the Commonwealth authorize and direct these organizations to transfer the records of DCWs, including criminal background check results, to the VF/EA?

The Commonwealth will authorize and direct these organizations to transfer the records of DCWs, including criminal background check results, to the VF/EA.

235. If the VF/EA is required to obtain a criminal background check for all direct care workers transitioning from existing FMS organizations prior to providing waiver services, how does the Commonwealth intend to prevent gaps and delays in services to transferring participants?

Please see the response to Question 234.

236. Is the VF/EA permitted to require the DCW to pay the application fee charged by the Pennsylvania State Police, or is the VF/EA expected to pay the application fee?

The VF/EA expected to pay the application fee.

237. What is the average number of criminal background checks conducted annually per common law employer?

This information is currently not available.

238. Is the Offeror required to submit the procedures manual along with the bid as part of the implementation plan or is it acceptable for the selected Offeror to submit the procedures manual during the readiness review?

Only the Selected Offeror is required to submit the Procedures Manual and this will occur during the Readiness Review.

239. Do the Individual Service Plans and Spending Plans comprise a complete and accurate service authorization against which the VF/EA is expected to process timesheets and invoices for payment?

Yes

240. If not, what is the current process of communicating service authorizations for each program to participating FMS organizations, and what additional steps if any, must be taken by the VF/EA to obtain and verify service authorizations?

N/A

241. What is the current process for FMS organizations to access Individual Service Plans from HCSIS?

FMS organizations are granted read only access to HCSIS.

242. What is the current process for FMS organizations to access Individual Service Plans from SAMS?

The Area Agency on Aging sends a service order to the FMS organization.

243. What is the current process for CM/SC entities to transmit spending plans to FMS organizations?

CM/SC entities transmit spending plans by email and fax.

244. Please describe the process by which participant referrals will be communicated to the VF/EA.

A referral letter will be sent from the CM/SC to the VF/EA.

245. How will the VF/EA access participant demographic and eligibility information via PROMISe, HCSIS and SAMS? Must the VF/EA query these databases or will the VF/EA be able to receive electronic files via electronic data file transfers to a secure website?

The VF/EA will obtain eligibility information electronically by using the Electronic Eligibility Verification System (EVS). The participant demographic information will be provided in the referral letter from the CM/SC.

246. Does Part IV-Section IV-4-A apply to all goods and services or only to services provided by DCWs?

This applies to services provided to DCWs.

247. Is the VF/EA responsible for billing the common law employer directly for all services in excess of the plan/budget, or is the V/FEA expected to deny some services that exceed the plan/budget?

The VF/EA is responsible for billing the common law employer directly for all services in excess of the plan/budget.

248. What is the current process for FMS organizations to know which services should be denied and which services are authorized to bill directly to the common law employer and what is the role of the CM/SC in this process?

If a claim is denied by PROMISE due to insufficient units or dollars, the VF/EA would follow the process in Section IV-4(J)(10).

249. What is the current process for FMS organizations to bill common law employers for services not in accordance with the individual's approved ISP or when any established service limit is exceeded and what is the role of the CM/SC in this process?

If a claim is denied by PROMISE due to insufficient units or dollars, the VF/EA would follow the process in Section IV-4(J)(10).

250. Are the DCWs required to report time-in and time-out on the timesheet for each program or is total hours per day adequate?

Time-in and time-out must be reported.

251. Is the VF/EA required to collect and maintain additional documentation of activities (i.e., tasks accomplished or duties performed) in support of the timesheet for each program or is the timesheet the only service documentation required to be maintained by the VF/EA?

The VF/EA is also required to collect and maintain copies of the Monthly Progress Notes for each common-law employer.

252. If the VF/EA is expected to collect and maintain activity documentation, what is the current process for DCWs to submit additional required documentation to FMS organizations for each program?

Common-law employers submit documentation monthly.

253. Is the VF/EA required to make such additional documentation available for audit?

Yes.

254. What is the current process for FMS organizations to contact and inform CM/SC entities of overages?

The current process among the multiple FMS organizations is not consistent. OLTL and ODP will work with the Selected Offeror to develop an efficient process.

255. What is the current process for the CM/SC to revise plans/budgets if the CM/SC determines if a change in the common law employer's medical or social situation has occurred?

Through HCSIS or SAMS.

256. What is the current process for the CM/SC to communicate revised plans/budgets to FMS organizations?

HCSIS generates an automatic alert, notifying the FMS organization that a revision to an ISP has been made. The Area Agency on Aging generates an updated service order for the FMS organization.

257. What is the current process for FMS organizations to collect payment from common law employers?

The FMS organization will invoice the common-law employer.

258. What is the estimated total annual dollar amount of the services billed to the common law employers?

The information is not readily available to DPW.

259. What is the current collection rate among FMS organizations for services billed to common law employers?

The information is not readily available to DPW.

260. What is the estimated number of common law employers who pay for the total cost of those hours in excess of those approved in the service plan/budget and what is the current frequency of requests for collection from common law employers?

The information is not readily available to DPW.

261. What role will the Commonwealth take to ensure payment?

It is the common-law employer's responsibility to ensure payment.

262. What actions will the Commonwealth authorize the VF/EA to take in the event that the VF/EA is not able to collect from the common law employer (i.e., in the event of refusal, death or disenrollment)?

These actions have yet to be determined but will be discussed with the selected offeror(s) at a later date.

263. What is the current process for CM/SC entities to incorporate the cost of workers' compensation insurance into participants' individual service plans, spending plans and wage calculations?

It is the VF/EA responsibility to provide the cost of workers' compensation insurance to the CM/SC entities.

264. What is the current cost of workers' compensation insurance per common law employer (i.e., percent of payroll, expense constant, additional fees, etc.)?

The cost varies by worker.

265. What role, if any, is the VF/EA required to play in payment and reporting of employee benefits?

The VF/EA is required to report and process all mandatory benefits provided to the DCWs in OLTL and ODP programs. The common law employer determines what other benefits they will offer their direct care worker. For ODP programs, the VF/EA will process and distribute benefit payments for those common law employers that allow for benefit allowance payments to be given directly to their DCWs so that the DCWs can choose to purchase their own benefits. For OLTL programs, the VF/EA will be required to report and process all benefits the common law employer offers their DCW.

Questions Regarding Clarification of Dates

266. Is there a target decision date for the RFA award announcement?

DPW anticipates selecting an Offeror(s) by late spring 2012.

267. On what date will prospective Offerors be notified that they have been selected for a Readiness Review?

Only the Selected Offeror (s) will go through the Readiness Review. The Selected Offeror will be notified of its selection and the anticipated schedule for Readiness Review following the evaluation process. The department does not know when the evaluation process will be completed. The Readiness Review is tentatively expected to begin in early July 2012

268. Will a written approval be issued by a date certain? What is that date?

DPW anticipates selecting an Offeror(s) by late spring 2012.

269. On page 38 under Section IV-3, #21, the last paragraph in this section states: *Once the Readiness Review is completed and the findings presented to the selected Offeror(s) by OLTL/PDA/ODP, the Selected Offeror(s) will prepare a corrective action plan ("CAP") and address all outstanding issues identified during the Readiness Review prior to providing VF/EA FMS effective July 1, 2012.* Please clarify if this statement means that the Selected Offeror(s) must have a corrective action plan by July 1, 2012 or if the Selected Offeror(s) will begin providing VF/EA Services on July 1, 2012

This should read "...the Readiness Review prior to providing VF/EA FMS effective September 1, 2012." A flyer will be issued to correct this date.

270. When is the anticipated award date or anticipated timeframe for extended negotiations?

DPW anticipates selecting an Offeror(s) by late spring 2012. Negotiations would begin at that time.

271. When will successful Offerors be notified of the contract award?

DPW anticipates selecting an Offeror(s) by late spring 2012.

272. What is the ramp up schedule for the September – December transfer period? For example, what percentage of consumers will be transferred at the beginning of the period and the subsequent months? Should offerors expect that the stated RFA lot numbers will be enrolled by January 2013?

DPW considers the transition period for existing participants to be 9/1/2012 through 12/31/2012. The Offeror must describe their approach for transitioning consumers during this time period. At a minimum, the transition plan must include a detailed plan for moving all waiver and state funded program participants currently using VF/EA FMS from the current VF/EA FMS organization to the Selected Offeror(s) to be implemented beginning September 1, 2012.

273. Do key personnel (page 14) need to be in place at time of bid or upon selection?

Key personnel must be in place by the contract start date.

274. Must all requirements in Section IV-3 be in place at the time of response to RFA or by contract start?

All requirements in Section IV-3 must be in place by the contract start date. Offeror(s) should describe in their application how they plan to meet the requirements.

275. Should the date of transition be January 1, 2013, consistent with the language in Part II-Proposal Requirements, Section II-3. Work Plan and Project Management (Page 11) or does this section refer to another group of participants to be transitioned September 1, 2012?

DPW considers the transition period for existing participants to be 9/1/2012 through 12/31/2012. The Offeror must describe their approach for transitioning consumers during this time period. At a minimum, the transition plan must include a detailed plan for moving all waiver and state funded program participants currently using VF/EA FMS from the current VF/EA FMS organization to the Selected Offeror(s) to be implemented beginning September 1, 2012.

276. If new enrollees will begin September 1, 2012, and the VF/EA will be paid a one-time \$277 start-up fee for all new consumers, and the VF/EA may charge the administrative fee for new consumers beginning on 1/1/2013, is the VF/EA expected to serve new enrollees/consumers for up to four months for the one-time fee of \$277?

The Selected Offeror may begin billing the \$277 start-up fee for new consumers on September 1, 2012. The \$277 is a one-time fee and covers the start-up costs for new consumers. The Selected Offeror will bill the per member-per month administrative fee for the second and subsequent months.

277. If not, when may the VF/EA begin billing the administrative fee for new enrollees/consumers?

The Selected Offeror will bill the per member-per month administrative fee for the second and subsequent months.

278. If the VF/EA is expected to serve the entire PDS program (including transfers) beginning 1/1/2013, and the Commonwealth will pay a one-time \$45 transition fee for each consumer transferring during the transition period (9/1/2012-12/31/2012), when may the VF/EA begin billing the administrative fee for transferring enrollees/consumers?

January 1, 2013

279. What is the anticipated date of the Readiness Review?

Early July 2012

280. What is the expected contract start date?

September 1, 2012

281. Is the corrective action plan ("CAP") expected to be completed prior to or subsequent to the contract start date?

Prior to the contract start date

282. What services is the VF/EA expected to provide beginning July 1, 2012 if new enrollees are expected to begin September 1, 2012?

September 1, 2012 is the expected start date for new enrollees.

283. Is September 1, 2012 the expected date of first VF/EA services to new enrollees, or the expected date of first HCBS waiver/program services to new enrollees?

September 1 is the expected date of first VF/EA services to new enrollees.

Questions Requesting Additional Data

284. Can OLTL provide the number of consumers by zip code, county and waiver program?

The Department does not possess that information in an easily accessible format. The following information was provided in the RFA:

LOT 1 WESTERN REGION – OLTL and PDA programs

(approximately 7,126 consumers)

LOT 2 CENTRAL REGION OLTL, PDA, AND STATEWIDE ODP programs (approximately 3,802 consumers for OLTL and PDA programs, and approximately 850 consumers for ODP programs)

LOT 3 EASTERN REGION- OLTL and PDA programs

(approximately 10,106 consumers)

285. Can ODP quantify, in any manner, the relative VOLUME of activity, e.g. 'transactions' that would assist an Offerer in quantifying the HR solution for this RFA?

The Department does not possess that information in an easily accessible format. Currently there are approximately 850 common-law employers and 1,640 employees in the applicable ODP programs.

286. Is historical data available on the recipient populations, i.e. hours of service utilized, associated costs, numbers of DCWs, vendors and small unlicensed providers registered, etc.?

This information is not easily accessible by the Department.

287. IV-2 In order to prepare for the bid, this vendor would like to review the cost factors for this service within Appendix J of the waivers, unlike OLTL waivers, the ODP Consolidated waiver does not appear to include the cost neutrality figures for the FMS/AWC, where are they available?

These figures are neither available nor required. Cost neutrality is related to services paid by waiver service dollars not administrative dollars. ODP FMS per member per month fee is paid with administrative dollars. As a result, FMS administrative dollars are

not included on the cost neutrality charts/sections in Appendix J.

288. What is the cost of FMS/AWC services?

The cost of Agency with Choice Services does not have a direct impact on a prospective Offeror's ability to develop an application for this RFA.

289. IV-2 The cost in Appendix J of the COMMCARE waiver appear to include Consumer Directed- PAS services, What is the cost of a unit of FMS only Service?

\$85

290. Can you provide a three year worksheet showing the actual number of FMS Administrative Fees paid per month by region?

<i>Central Region (OLTL)</i>	<i>FY 10-11 \$3,246,234.00</i>
	<i>FY 11-12 \$1,900,373.00</i>
<i>ODP Statewide</i>	<i>FY 10-11 \$2,463,642.18</i>
	<i>FY 11-12 \$1,218,490.07</i>
<i>Eastern Region (OLTL)</i>	<i>FY 10-11 \$9,268,683.00</i>
	<i>FY 11-12 \$4,986,138.00</i>
<i>Western Region (OLTL)</i>	<i>FY 10-11 \$6,032,578.00</i>
	<i>FY 11-12 \$3,236,224.00</i>

Fiscal Year 2011-2012 data only includes July through December.

291. How many of the estimated lot will have budget authority? Of those who do not have budgets, what are the typical numbers for: enrollments, disenrollments, changes to service plan per year, and average number of workers started per consumer per year after enrollment?

There are approximately 50 participants in OLTL programs and 850 for ODP programs with budget authority. For participants without budget authority, enrollments for January 2011 through December 2011 were as follows:

Central Region 1034 (OLTL)
59 (ODP Statewide)
Eastern Region 3193
Western Region 1128

The additional data requested is not easily accessible by the Department.

292. Of those consumers with budget authority (Services my Way, ODP consumer) what is the expected number of enrollments, disenrollments, changes to service plan per year, and number of workers started per consumer per year?

It is impossible to accurately predict the growth of these programs. Therefore, solely for the purpose of developing cost data, Offerors should assume that the number of consumers will remain the same for each contract year.

293. How many service order renewal authorizations per consumer per year does the Commonwealth anticipate the FMS to process? Monthly, quarterly, yearly?

The Selected Offeror will not be responsible to renew service orders; this is the responsibility of service coordinators and care managers. The assumption is that all participants will continue to receive FMS in their annual service plan renewals.

294. How many new participants were enrolled and disenrolled by month and year in FY 2010 and FY 2011 by FMS, program and region? How many participants are expected to be enrolled in FY 2012 by program and region?

For participants without budget authority, enrollments for January 2011 through December 2011 were as follows:

*Central Region 1034(OLTL)
59 (ODP Statewide)
Eastern Region 3193
Western Region 1128*

Data on disenrollment is not easily accessible by the Department.

It is impossible to accurately predict the growth of these programs. Therefore, solely for the purpose of developing cost data, offerors should assume that the number of consumers will remain the same for each contract year.

295. How many DCWs were employed in FY 2010 and FY 2011 and how many are expected to be employed in FY 2012 by program and region?

This information is not easily accessible by the Department.

296. How many vendors and small unlicensed providers were paid in FY 2010 and FY 2011 and how many are expected to be paid in FY 2012 by program and region?

This information is not easily accessible by the Department.

General Questions – Various Topics

297. What input from stakeholders (including consumers, families, providers, DPW staff) did the Department seek and receive prior to preparing this RFA? If no input was requested, why was no input requested from consumers, families or providers?

This question does not have a direct impact on a prospective Offeror's ability to develop an application for this RFA.

298. Has OLTL adequately studied the impact and effect of such a radical change on consumers?

This question does not have a direct impact on a prospective Offeror's ability to develop an application for this RFA.

299. If 1 or more current providers choose not to submit a proposal in response to the RFA and discontinue providing FMS services after the required 30-day notification period, what assurances will the state give consumers that there will be another agency that will provide services until the transition period to the chosen successful bidder begins?

This is question does not have a direct impact on an Offeror's ability to develop an application for this RFA.

300. How does this RFA preserve consumer direction and control?

The Department seeks to ensure that FMS is provided consistently across all home and community-based service waivers and state funded programs. This project will ensure that all Federal, State, and local taxes are managed consistently and reduce the employer-related burden to individuals and representatives/surrogates receiving participant-directed services. In addition, this project will ensure that participants have the ability to fully utilize funds for Medicaid Waiver Services.

301. Has this plan been shared with state legislators?

This question does not have a direct impact on a prospective Offeror's ability to develop an application for this RFA.

302. I am writing with a question regarding the RFP that was just released for a FMS provider. I work for an organization that provides the Agency With Choice service in 2 counties within PA. Does this RFP include the Agency With Choice Service? If it does mean that the Agency With Choice Service is included in the RFP, then my understanding is that for us to continue to provide this service, we will have to submit a proposal to provide the service in either one, two, three regions or as an provider for all three?

Agency with Choice is not covered under the scope of this RFA. Agency with Choice will continue as a model of service for the Office of Developmental Programs.

303. Does the RFA on VF/EA FMS affects AWC (Agency with Choice) providers under ODP or just Acumen?

Agency with Choice is not covered under the scope of this RFA. Agency with Choice will continue as a model of service for the Office of Developmental Programs.

304. This agency currently provides FMS to approximately 75 consumers. If we do not submit an application to become one of the regional FMS providers, we will not be responsible for the W7341 FMS fee. However, will we still be able to perform W1792 services?

No, you will not be able to perform W1792 services. Please refer to Section IV-4 of the RFA. The selected vendor or vendors will process Medicaid claims to include the per-member per-month Administrative Fee and Medicaid Waiver services (including payments for qualified DCWs, Vendors, small unlicensed providers, and independent contractors).

305. We received word of this RFP informally and wanted to verify whether or not our organization was eligible to respond. We currently provide financial management and fiscal intermediary services across a range of health, human, and education services and populations and can demonstrate prior FMS experience as specified in the application, but the RFP was not issued to us by DPW so that is the basis of our inquiry.

The Department of Public Welfare Procurement Office provides notice to potential offerors by posting solicitations on the DGS eMarketplace where it can be viewed by the public . Any entity that meets the requirements set forth in the RFA including, but not limited to, the requirements of Section IV-3, is encouraged to submit a proposal.

306. Since the Commonwealth's release of the RFA for Fiscal/Employer Agent services, I have been approached by prospective offerors who seek assistance in responding to the RFA using my expertise in Fiscal/Employer Agent services.

My firm has reviewed the RFA and we are unclear about whether we are able to provide technical assistance to more than one offeror. Our standard contract includes a confidentiality and non-disclosure agreement and, in providing technical expertise to prospective offerors, we would never share one offeror's information with another. Neither is my organization submitting an application in response to the RFA. Rather, we would support multiple offerors with their technical inquiries as requested.

Is my organization permitted to provide technical expertise to multiple offerors? Or, put another way, would an offeror be disqualified by seeking technical expertise from a firm that is also providing technical expertise to other offerors?

There is nothing in the RFA that prohibits an offeror from receiving technical assistance from a firm that is also providing technical assistance to other offerors. However, the RFA states that an offeror who shares information contained in its proposal with other Commonwealth personnel and/or competing Offeror personnel may be disqualified. Further, by submitting a proposal, offerors make various acknowledgments and representations that its proposal was arrived at independently. Please see Section I-24 for reference.

307. Does the state recognize that, in the Central Region, the blending of rates between ODP and OLTL, will mathematically reduce the ODP rate and increase the OLTL PPM creating an 'artificial' blended rate?

DPW recognizes that there are differences between the OLTL and ODP services which may affect pricing.

308. Does the state have any intention of awarding this RFA to one provider per region, and also offering a statewide provider to offer choice to all participants?

As is specified in the RFA, there will be one selected vendor for each of the 3 lots.

309. Are any changes to rates (including the rate for W1792) going to be prospective (precede final negotiations on the RFA contract to the successful bidder or bidders)?

Final negotiations on the RFA will be limited to the per-member, per-month rate. Rates for Medicaid Services (including payments for qualified Direct Care Workers, Vendors, small unlicensed providers, and independent contractors) should have no impact on the final negotiations for the successful bidder or bidders.

310. Will consumer-directed rates for OLTL services include wage and/or benefit ranges (similar to ODP)?

The current consumer-directed rates for OLTL services include both wage and benefits costs.

311. The lag time between invoicing for payroll and other service providers and the receipt of un-protested claims reimbursement is significant. Is the VF/EA required to pre-fund participant-directed goods and services for the period of time which disbursement is paid out for services through the time of payment reimbursement?

Yes.

312. Is there consideration for upfront dollars to fund services paid out in advance?

No.

313. Will the Commonwealth utilize cash advances or the gross adjustment process to establish working capital for the payment of the direct services due to the nature of the reimbursement system?

No.

314. Will an organization be permitted to pledge the direct services accounts receivable to secure an adequate line of credit? Previously, this practice was not permitted due to the nature of the consumer directed funding.

The participant-directed funds deposited into the bank account may not be used by the VF/EA FMS Organization or by any other agent or third party to satisfy, temporarily or otherwise, any VF/EA FMS organization's liability or for any other purpose.

315. What will be the notice period the Commonwealth will use if it changes rates or reduces or expands the scope of the program after a successful offeror is chosen?

As stated in the RFA, the Commonwealth will notify the VF/EA FMS Selected Offeror(s) in writing of any expansion or contraction of the

nature and scope of the Agreement and its affect on the VF/EA FMS organization's operations and/or payment at least 60 days prior to implementation. This does not apply to routine fluctuations in the numbers of individuals receiving FMS for the programs included in the RFA.

316. Will participants in the OLTL programs have access to a support broker to assist them?

No, this is not currently a service available in OLTL's waivers and programs.

317. Will participants in the ODP programs have access to a support broker to assist them?

Yes.

318. Will participants in the PDA programs have access to a support broker to assist them?

No, this is not currently a service available in PDA's waivers and programs.

319. Are the FMS provided through this RFA for the Medicaid waivers considered administrative for federal matching funds purposes?

Yes.

320. What is the anticipated federal match for the FMS provided by the selected offerer?

The anticipated federal match is 50/50.

321. Will participation in Services My Way be voluntary?

Yes.

322. Will participants be required to adjust the wages of their workers to accommodate increases in their worker's compensation or unemployment compensation costs?

No.

323. Can the offerer pool the revenue from direct service billings of all participants to pay the disproportionately high worker's compensation or unemployment compensation costs of some participants?

No.

324. Will the offerer be able to limit the number of DCWs a participant uses?

No.

325. How will rates be set for DCW wages?

The Selected Offeror should plan to follow each program's specific guidelines.

326. Will the selected offerer be expected to continue to pay the DCW wages the consumer established under the current FMS?

Yes.

327. Is interest expense an allowable cost in the FMS proposed PPPM administrative fee?

Yes.

328. Will consumers maintain control of the wages they pay their DCW?

Yes.

329. Will benefits other than the mandatory be provided to the DCWs in OLTL and PDA programs?

All mandatory benefits must be provided to the DCWs in OLTL and PDA programs. The common law employer determines what other benefits they will offer their direct care worker.

330. Will the benefits payment now available in the ODP programs continue to be available to DCWs?

Yes.

331. What employee benefits, if any, are available to DCWs in each program?

All mandatory benefits must be provided to the DCWs in OLTL and ODP programs. The common law employer determines what other benefits they will offer their direct care worker.

332. What is the current process for authorization and payment of employee benefits?

This is a component of the service plan development process between the participant and the SC/CM.

333. Will the ODP programs use an Organized Health Care Delivery System (OHCDS)?

No.

334. If an OHCDS will function in ODP, what services could it provide?

N/A

335. Will the offerer be required to fund the provision of a home modification for an ODP participant prior to reimbursement through Medicaid billing?

DPW does not have a requirement that the VF/EA fund a home modification.

336. Will the Selected Offeror(s) of this RFA assume the individuals currently being served under Acumen?

Yes.

337. What is the current administrative fee being received by the incumbent(s) for VF/EA FMS services? If they are currently being paid using a different methodology, please provide this information and rates.

The average administrative fee is \$90.73. Through this RFA, DPW intends to achieve cost savings and efficiencies through regionalization of the VF/EA FMS Services.

338. Will the new vendor receive historical data from the incumbent for those consumers currently receiving VF/EA FMS services prior to the contract being transitioned?

Yes.

339. Who is currently acting as Fiscal/Employer Agent for individuals receiving participant directed services under Home and Community-Based Services waivers?

AccessAbilities, Inc	Christian Financial Management Corp.	Jewish Employment & Vocational Svcs	TRCIL Services
Advocacy Alliance	Community Care	Keystone Fiscal	Tri-County

Payroll Agent	Connections Inc- Household Employer Agent	Agents LLC	Financial Management Svcs LLC
CE Payroll Services	Community Resources for Independence	Liberty Resources Inc	TRIPIL Svcs Payroll Agent
Allied Svs Fiscal- Employer Agent	County Homemakers Fiscal Mgmt Svcs	Maximum Care Support Services LLP	Home & Community Svcs Inc. Financial Mgmt Svcs
ARCIL - Attendant Care Program	Cumberland County Aging & Community Svcs	Moriarty Consultants FMS Inc	UCP of the Capital Area Payroll Svc
Beck 'N Call Inc Payroll Svc	DON Services Fiscal Agent	Northeast Pennsylvania Center for Independent Living	UCP South Central PA
CILCP Payroll Svcs	Helpmates Payroll Svcs Inc	PASSI as Fiscal Agent	Community Living and Support Svcs Inc
CILNCP Payroll Waiver Svcs	Homemaker Services of the Metropolitan Area Inc	PFAS Inc	AIPD Payroll Svcs United Disabilities Svcs
Accumen	Vita Care FHA INC	VFI Payroll Agent	

340. Who is the current VF/EA FMS Organization?

Please see the response to the previous question.

341. Will new provider have to pay same hourly wages as prior provider?

Yes.

342. Will there be a uniform consent / consumer approval process?

The Selected Offeror should plan to follow each program's specific guidelines.

343. How will consumers retain control of the wages and other benefits paid to their attendants?

This is a policy/program question that does not have a direct impact on a prospective Offeror's ability to develop an application for this RFA.

344. What is the process for establishing hourly wages and other benefits for DCW's?

The Selected Offeror should plan to follow each program's specific guidelines.

345. Will there be a built in process for reduction in hourly wages?

DPW does not understand the question. Please see answers above regarding hourly wage requirements.

346. Is there a limit on consumers who elect a combination model?

This is a policy/program question that does not have a direct impact on a prospective Offeror's ability to develop an application for this RFA.

347. Can the offeror limit the number of attendants / direct care workers per consumer to manage attendant intake expenses?

No.

348. Will there be consumer incentives to move towards budget authority / Services My Way?

DPW does not understand the question.

349. How will agencies transferring consumers out be reimbursed for costs of termination expenses?

This is a policy/program question that does not have a direct impact on a prospective Offeror's ability to develop an application for this RFA.

350. Will the state participate in the cost of start up, including capacity expansion, staff training, etc...? and will it be amortized over life of contract?

DPW will not participate in the cost of start up.

351. Is the state foregoing fed match rate to 50/50 as an administrative service?

No.

352. IV-2 OBRA Waiver – How will OLTL limit consumer choice and the rights of organizations to become qualified providers and meet the requirements

when the waiver states that participants have the right to choose any qualified provider, and that they cannot receive service coordination and service plan services from the same provider. The OLTL Service Provider Choice Form serves to document each individual's choice."?

This question does not have a direct impact on a prospective Offeror's ability to develop an application for this RFA.

353. IV-2 The ODP Waivers offer an Agency With Choice option that allows for consumer choice, is there any consideration of this option for OLTL Waivers in order to provide more consumer choice?

This question does not have a direct impact on a prospective Offeror's ability to develop an application for this RFA.

354. II-8 This section allows the Commonwealth to change at will the requirements of the contract. Is it the Commonwealth's intent to adjust an increase PMPM payments to vendors for requirements or "any requested changes to the standard contract terms and conditions."? And at what point is the contract finalized and changes complete?

*The referenced RFP section allows offerors to "identify which, if any, of the terms and conditions (contained in **Appendices A and B**) it would like to negotiate and what additional terms and conditions the Offeror would like to add to the standard Grant terms and conditions." This section also permits the Commonwealth to reject the offeror's proposed objection and additions. Such a rejection would require the offeror to perform the grant services pursuant to the terms and conditions as they currently exist in the RFA.*

The agreement is finalized when all necessary Commonwealth approvals are obtained.

355. III-2 Since the Commonwealth reserves the right, in its sole discretion, to (1) waive any other technical or immaterial nonconformity in an offer's proposal, (2) allow the Offeror to Cure the nonconformity, or (3) consider the nonconformity in the scoring of the proposal; What is the process for disclosing any nonconformity that may be allowed by the Commonwealth?

The Commonwealth has not established "allowed" nonconformity. Waiving of the nonconformity is decided on a case by case basis as determined to be in the best interests of the Commonwealth.

356. If a bidder's only nonconformance is a perceived conflict of interest, but the technical proposal is sound and has the lowest cost, Is it possible to accept that proposal?

If an Offeror is not currently conflict free, they must demonstrate in their application how they are going to meet the experience requirements in the RFA and are going to be conflict-free.

357. III-4 How will nonconforming bids be evaluated consistently with other bids that have met more completely the requirements of the bid?

Proposals which contain nonconformities which have been waived will be evaluated based on the evaluation criteria established for the proposals.

358. How would an offeror have the ability to participate in multiple bids while complying with restriction in 1-24b?

An offeror would have the opportunity to submit proposals for any and/or all regions independent of each bid. All proposals for each region will be evaluated separately by region. Please refer to RFA Section I-4.

359. To provide effective FMS services for Asians with language barriers, the chosen fiscal agency must be culturally and linguistically competent. PASSi has been a welcome solution for older Asian consumers and attendants who have limited English proficiency. It is almost impossible for these Asian consumers to understand phoned-in translators. PASSi employs 4 multi/bilingual community coordinators (Korean, Mandarin, Cantonese, Vietnamese and Cambodian) that work on-site. In order to ensure the quality service for everyone in the system. Are you willing to search an agency which also has capable of handling the linguistically appropriate service for clients?

Please refer to Section IV-4-D in the RFA.

360. The consolidation of FMS providers will require more than 30 agencies to give away large portions of their business, without any compensation. The majority of PASSi's current FMS consumers have been direct result of outreach effort of our 4 community coordinators. They are active participants of their ethnic communities who also speak their languages. Countless hours were spent on community outreach efforts with the purpose of educating isolated communities about the availability of PAS and FMS services. In addition, we have spent large portions of our advertising and marketing budget on PAS and FMS ads in ethnic newspapers. It is safe to say that most of our FMS consumers would not have enrolled in the programs if it were not for this agency's efforts. It would be unjust for DPW to forcibly take away a line of

business that was built from the ground up. Are you will to compensate for our loss of business? How and in what form?

This question does not have a direct impact on a prospective Offeror's ability to develop an application for this RFA.

361. It would be unreasonable to expect 1 fiscal agent to provide services to thousands of consumers in a competent and personalized manner. In the Eastern Region alone, there are currently more than 10,000 consumers that require FMS. While 1 fiscal agent may have the capacity to perform its threshold responsibilities under the regulations, it is likely that the quality of service will steeply decline. Are you willing to take this obvious risk?

This question does not have a direct impact on a prospective Offeror's ability to develop an application for this RFA.

362. Can you provide a reference to review or a more detailed explanation for the term neutral "Bank"?

Federal Medicaid law prohibits an individual or representative from receiving Medicaid funds directly. Only Medicaid providers may receive Medicaid funds directly. Due to this requirement, the Selected Offeror(s) must perform payment-related employer responsibilities on behalf of individuals or representatives who exercise employer or budget authority.

Please refer to Section IV-4-B in the RFA.

363. How will the elimination of consumer choice be addressed when the number of providers goes from 37 to 3 or 2 or 1?

This question does not have a direct impact on a prospective Offeror's ability to develop an application for this RFA.

364. Why is DPW just now realizing the cost of transferring a consumer with a \$45 fee in the RFA?

This question does not have a direct impact on a prospective Offeror's ability to develop an application for this RFA.

365. At what point will DPW develop a rate methodology that can be approved by CMS for W1792? (And all the other services as well.)

This question does not have a direct impact on a prospective Offeror's ability to develop an application for this RFA.

366. Will the commonwealth provide one single point of contact for the oversight to the contract?

DPW intends to have a single point of contact.

367. Standard Grant terms and Conditions for Services - #4 Environmental Provisions. Will imaged/scanned documents be acceptable to contract monitors?

Yes

368. Standard Grant terms and Conditions for Services - #19 Grant controversies. How does this process relate to the current hearing and appeals process used for Medicaid rates?

Section 19 refers only to disputes between the selected offeror(s) and the Commonwealth related to the services required by the agreement.

369. Standard Grant terms and Conditions for Services - #29 Change orders. How will the vendor be funded for changes which exceed the cost covered in the work as awarded?

The vendor and the Commonwealth will address any proposed changes that require the vendor to incur additional expense.

370. Are SMW services capped at 1/12 of the annual amount per month or may they go over/under a monthly expectation as long as they don't exceed the annual budget?

Services My Way expenditures are flexible meaning they may fluctuate over/under monthly as long as the expenditures do not exceed the total annual budget.

371. Will software be provided by the Commonwealth to conduct SMW and related budget authority model services?

No, Offerors should describe their planned approach for conducting budget authority services, including plans for any specific software. Offerors should take into consideration the performance, efficiencies, and effectiveness of the approach.

372. What is the approval process of subcontracting work should the Offeror find it necessary for cost/quality after the bid is awarded?

Offerors must make their own determinations about how they will use subcontractors. The subcontractors would be required to meet the same requirements as the selected Offeror. If a vendor seeks to add a subcontractor or subcontractors after selection, DPW must approve each approved subcontractor.

373. What is the obligation of transitioning providers to assist the selected Offeror in securing required FMS forms (EIN, SS 4, etc.) in a timely manner?

The current VF/EA must ensure that all necessary DCW records are transferred to the Selected Offeror(s).

374. What is the FMS responsibility when a consumer with a service order for that date is determined ineligible for that date? For example is the FMS agency required to continue to pay direct care worker's wages during an appeal? Is the FMS required to continue wage payment if the referring agency indicates that the consumer the EVS information is incorrect and a fix is pending?

Yes, services should continue to be provided if the participant files an appeal within 10 days of the appeal notice. Yes, the VF/EA is required to pay DCW hourly wages in compliance with federal, state, and PA Department of Labor and Industry wage and hour rules for domestic service workers in accordance with OLTL and ODP policies.

375. What is the FMS responsibility if a claim for service is denied and the worker has already been paid?

The Selected Offeror must describe their approach for working with the common law employer and service coordinator in order to resolve the issue. The Selected Offeror must also describe their approach for billing the common law employer directly for services provided not in accordance with the individual's approved ISP or when any established service limit is exceeded.

376. The RFA requires the FMS to pay direct care workers for hours used above the authorized service plan. If the FMS were to process payroll for excess hours, the organization would need to run a separate process because the IRS code does not provide for FMS activity for non government transactions. And consequently the organization is not permitted under the IRS to file taxes in the aggregate. The consumer would also receive a schedule H, which would need to be filed with their income taxes. In addition, if the consumer did not pay the bill for the extra hours, the program provides no consequence other than legally suing the consumer. It is unlikely that a

consumer would have funds to cover the additional hours out of pocket. Please provide further clarification of the expectations.

While there may be instances where an agent is paid privately and exclusively with an individual's funds to provide FMS, this process does not violate IRS rules since 1) this guidance only applies to agencies operating as Government or Vendor F/EAs under our waivers and programs; 2) the participant-employer is responsible for properly filing employer taxes; 3) the F/EA is acting on behalf of the participant-employer; and 4) the F/EA should be able to delineate the total cost collected directly from the participant versus the total cost reimbursed by Medicaid. For more information please refer to IRS REG-137036-08-1; IRS Notice 95-18; and IRS Notice 2003-70.

377. To assist the FMS in controlling costs has the Commonwealth considered reverting back to accepting state income tax filing and payment in the aggregate as it is a cost driver to require individual filing of each a consumer?

The Commonwealth currently accepts and prefers state income tax filing and payment in the aggregate.

378. To assist the FMS in controlling cost has the program considered discontinuing the requirement for the FMS to withhold and pay local taxes. Local tax payments are not required for domestic workers.

All employers with work sites within the taxing jurisdiction are required by law to deduct the earned income and Local Services taxes from their employees at that site if the tax is listed in the Earned Income Tax Register or Local Services Tax Register of the Department of Community and Economic Development.

379. Would the Commonwealth consider allowing electronic payments for UC tax rather than requiring paper check as this is an additional cost driver?

Pennsylvania Department of Labor and Industry requires that VF/EAs file and deposit UC taxes for common law employers electronically.

380. We appreciate that timelines are clear in the RFA. What are the timelines required for SC/CM agencies to notify FMS of changes to a consumer's services?

The SC/CM is required to notify the VF/EA of changes to a participant's services within two business days of receiving

authorization. When applicable, this notification will be communicated through the HCSIS alert system.

381. Since the current 37 agencies will no longer be providing these services, what assistance will be available for those employees who are suddenly unemployed due to this RFA? Will there be job opportunities available in the new plan for these displaced workers?

This question does not have a direct impact on a prospective Offeror's ability to develop an application for this RFA. The selected offeror(s) will be responsible for all hiring decisions.

382. Have any of the participants/consumers been contacted or surveyed by the DPW or OLTL regarding the RFA?

This question does not have a direct impact on a prospective Offeror's ability to develop an application for this RFA.

383. Waiver participants are given an individualized service plan with options and choices of service providers. How will a single FEA allow for the participants' choices and right to choose a provider/FEA based on quality and satisfaction with services?

This question does not have a direct impact on a prospective Offeror's ability to develop an application for this RFA.

384. What options do participants have for filing grievances against the RFA? Will there be a hotline number or a contact at OLTL or DPW?

If participants have concerns about any change with their services, they should contact their SC/CM. If issues cannot be resolved by the SC/CM, they may contact the Long Term Living Participant HelpLine at 1-800-757-5042 or the ODP customer service line at 1-888-565-9435.

385. Will participants be able to choose one of the remaining FEAs (if more than one is selected for the Commonwealth) if they are not satisfied with the provider covering their area?

No.

386. Who is responsible for notifying the FEA if a participant's MA or waiver eligibility ends? Or is the FEA selected responsible for verifying all eligibilities of the participants before processing payroll?

The Selected Offeror is responsible for verifying eligibility before processing payroll. If a participant is not eligible, the Selected Offeror must describe their approach for working with the common law employer and service coordinator in order to resolve the issue. The VF/EA is required to pay DCW hourly wages in compliance with federal, state, and PA Department of Labor and Industry wage and hour rules for domestic service workers in accordance with OLTL and ODP policies.

387. Will a SAS 70 (SSAE #16) audit be required to be performed on the agency's FMS computerized systems?

Yes – see question #181.

388. The RFA switches back and forth between “Offeror” and “Selected Offeror”, e.g. page 13 “Offeror” switches to “Selected Offeror”; back to “Offeror” on page 16; back to Selected Offeror on page 25. Is it correct to interpret that requirements of the “offeror” must be met at application while requirements of the “selected offeror” must be met at project implementation (9/12)?

Yes, however Offerors must describe in their application how they intend to meet all of the requirements in the RFA.

389. Care management does not appear to be a service that is being procured under this RFA. How will care management be provided and what are the expectations for coordination with the fiscal management agency?

Care Management will not change with the implementation of this RFA.

390. For ODP Base programs mentioned in section IV-4 A7 & A8 will there be a requirement to have separate county contracts to issue those funds and receive payments?

Yes, but not every county will need a county contract as this situation is rare. In FY 2010-2011 there were 5 county contracts needed in order to process Base claims.

391. For ODP BASE programs will it require separate contracts with the AE's for issuing payment?

See response to the previous Question.

392. This is the largest, most complex RFA for consolidating FMS services we have ever seen. What motivated the state to do this? How will the state judge its success?

This question that does not have a direct impact on a prospective Offeror's ability to develop an application for this RFA.

393. Would it be possible to get a list of attendees at today's conference? This could be very helpful for partnering, resulting in stronger proposals for the commonwealth.

Yes, a scanned copy of the sign in sheets from the January pre-proposal conference is included as part of this flyer, along with a copy of the PowerPoint presentation.

394. (This question was posed at the pre-proposal conference) Not all questions submitted by e-mail were answered today as stated in the presentation. Will answers be provided to these questions?

All questions will be answered and posted to the DGS website. Questions that were submitted late last evening (January 24) have not been reviewed and a response was not provided.

395. Will DPW provide a list of current fiscal/employer agents?

Please see the response to Question 337.

396. Will the state advance payroll or would provider have to wait for reimbursement?

No, the Commonwealth will not advance payroll.

397. Will the commonwealth be offering advance payment to the contractor as a pre-pay account? If yes, what is the frequency of the deposits? What are the internal controls to ensure receipt of funds prior to disbursement?

No, the Commonwealth will not be offering advance payment to the contractor.

398. Will the commonwealth be offering advance payment to the contractor? (Pre-Pay) If yes, what are the deposit frequency?

No, the Commonwealth will not be offering advance payment to the contractor.

399. Are there considerations for advance payment to fund consumer services?

No, the Commonwealth will not be offering advance payment to the contractor.

400. How will provider be reimbursed for cost of money and interest expenses?

The Selected Offeror will cover these costs through the per member, per month fee administrative fee.

401. How will the Commonwealth ensure consistency across regions, counties, waivers and state-funded programs?

Through this RFA process, the Commonwealth seeks to ensure consistency across regions, counties, waivers and state-funded programs. DPW will monitor the performance of each selected vendor to ensure compliance with the agreement terms.

402. For the purposes of this RFA, is the VF/EA considered a “provider” subject to the requirements of Bulletin #6000-04-01?

The VF/EA is not required to enter incidents into the HCSIS system for ODP. However as an entity that receives federal and state HCBS funds, they have the obligation to notify the supports coordination organization or Administrative Entity of any possible incidents that may require entry into the HCSIS Incident Management system.

403. If so, has the Commonwealth considered the impact on the PPPM rates for vendor F/EA services, and where in the cost proposal should the VF/EA include the costs of employing certified incident investigators?

N/A. See response to previous Question.

404. OLTL Bulletin #54-541-10-03 (Page 2) refers to FMS requirements for provider certification and registration as an FMS “*Provider Type 54 and Specialty 541*”. Is the VF/EA required to be pre-certified and certified, or is passing the readiness review sufficient?

The VF/EA must pass the readiness review.

405. OLTL Bulletin #54-541-10-03 (Page 2) refers to FMS requirements for provider certification and registration as an FMS “*Provider Type 54 and Specialty 541*”. Is the FV/EA required to register as a Provider Type 54 and Specialty 541?

Yes.

406. What, if any, is the volume of transfers expected during the transition period?

The Offeror must provide details in their application of how they will transition the entire population of consumers during the transition period.

LOT 1 WESTERN REGION – OLTL and PDA programs (approximately 7,126 consumers)

LOT 2 CENTRAL REGION OLTL, PDA, AND STATEWIDE ODP programs (approximately 3,802 consumers for OLTL and PDA programs, and approximately 850 consumers for ODP programs)

LOT 3 EASTERN REGION- OLTL and PDA programs (approximately 10,106 consumers)

407. Are administrative fees direct billed to Medicaid?

Yes.

408. What is the success rate of first time administrative claim submission among current FMS organizations?

There is a high success rate.

409. Will administrative fees be paid to the VF/EA only if there is a paid service claim on record on behalf of a consumer for the claim period?

The VF/EA will only bill the administrative (per member per month) fee if there is a paid service claim on record on behalf of the participant for the claim period. Offerors should take this into consideration when determining the per member per month rate.

410. Appendix H-Proposal Cover Sheet, lists the “Contractor Partnership Program Submittal” as a requirement. Is the contractor’s plan for recruiting and hiring recipients currently receiving cash assistance required to be submitted within 10 days of notice or required to be submitted with the proposal?

A Contractor Partnership Program Submittal is not required for the RFA.

411. Would it be acceptable to report the number of recipients currently receiving cash assistance intended to be hired as DCWs under this contract?

Refer to response to previous Question.

412. Appendix H-Proposal Cover Sheet, lists the “Mentor Protégé Program” submittal as a requirement. Is this a reference to the program operated by the United States General Services Administration (GSA) or a reference to the program operated by the U.S. Small Business Administration (SBA)?

A Mentor Protégé Program Submittal is not required for this RFA.

413. What Mentor Protégé Program submittals, if any, are required to be submitted with the VF/EA’s proposal?

A Mentor Protégé Program Submittal is not required for this RFA

414. In what forms will electronic data be made available for participant and provider demographics?

DPW is unable to determine the meaning of this question.

RFA 22-11

Sections II-5 and IV-3 are amended as follows, with amended text underlined:

Section II-5 (1)(c)(i) is amended to:

i. VF/EA FMS Program Manager. The Selected Offeror(s)'s VF/EA FMS Program Manager will serve as the primary contact person for the OLTL/PDA/ODP regarding the RFA. The VF/EA FMS Program Manager must have a Bachelors degree and have knowledge of the VF/EA FMS operations and have two (2) years experience overseeing budgets and managing staff and the provision of VF/EA FMS. Experience working in the human services industry is preferred. A resume must be submitted to verify the Program Manager's knowledge and experience in the required areas. In addition, a current job description must be provided. The VF/EA FMS Program Manager must be available to the Commonwealth via telephone or email during the Commonwealth's regular business hours and must be located within Pennsylvania. The VF/EA FMS Program Manager's responsibilities must include, but are not limited to:

Section IV-3 (1)(d) is amended to:

d. Performance and Payment Bonds. The Agreement will require the Selected Offeror(s) to deliver to the Commonwealth executed performance and payment bonds, each in the sum of three months of estimated annual Agreement amount, with the Commonwealth as the obligee. The surety will be a surety company or companies listed in the Federal Registry of Surety Companies and approved by the State Corporation Commission to transact business in the Commonwealth of Pennsylvania. No payment will be due and payable to the Selected Offeror(s), even if the Agreement has been performed in whole or in part, until the bonds have been delivered and approved by the DPW. The payment bond will be used to cover VF/EA FMS and related services such as delinquent payments to qualified DCWs, vendors and small unlicensed providers, and federal state and local tax and worker's compensation insurance premium payments up to the maximum of the value of the full value of the bond in the event that the Selected Offeror(s) is unable to properly, promptly and efficiently perform the Agreement and/or the Agreement is terminated by default or bankruptcy.

Section IV-3 (8) is amended to:

8. Financial Viability. Refer to Section IV-3(1)(d)

Section IV-3(21), last paragraph is amended to:

The Selected Offeror(s) will be expected to provide sufficient staff to facilitate the Readiness Review process. More specifically, the Selected Offeror(s) must have sufficient corporate staff devoted to the Readiness Review process. Selected Offeror(s) staff will be expected to play an active role in the Readiness Review and demonstrate progress in an ongoing manner. Once the Readiness Review is completed and the findings presented to the Selected Offeror(s) by OLTL/PDA/ODP, the Selected Offeror(s) will prepare a corrective action plan ("CAP") and address all outstanding issues identified during the Readiness Review prior to providing VF/EA

FMS effective September 1, 2012. During the implementation of the CAP, the Selected Offeror(s) will have regular status meetings with the OLTL/PDA/ODP Readiness Review Team. These meetings could occur either face-to-face or via conference call. The VF/EA FMS Organization Readiness Review is not a paid task.



**COMMONWEALTH OF PENNSYLVANIA
DEPARTMENT OF PUBLIC WELFARE**

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**Daniel R. Boyd
Director**

**Telephone 717-783-3767
Fax 717-787-3560**

February 28, 2012

FLYER 6

SUBJECT: RFA NO. 22-11 Vendor Fiscal/Employer Agent Financial Management

Dear Prospective Offeror:

The Department is issuing this clarification to the Answers to Questions No. 68(d) and 79 that were published on February 8, 2012. Potential Offerors should ignore the previous Answers to these two questions and instead rely on the following Answers when preparing proposals.

68 d. If an individual of the governing body is a participant receiving Home and Community Based Services in PA (as further defined above), will an exemption clause exist or will a disclosure of relationship satisfy this requirement?

A conflict does not exist when an individual of the selected offeror's governing body is a participant receiving Home and Community Based Services, provided the individual is simply receiving services from another provider and not also employed by or on the board of that provider organization. Please refer to the definition of "affiliated" given in response to Question 68b:

Affiliate - A party that, directly or indirectly through one or more intermediaries, controls, is controlled by, or is under common control with an enterprise.

Control - The possession, direct or indirect, of the power to direct or cause the direction of the management and policies of an enterprise through ownership, by contract, or otherwise.

According to these definitions, an individual receiving services is not affiliated with or part of an organization if their only connection to that organization is receiving services.

79. If a consumer using OLTL or ODP services is on the Board of Directors, can they continue as a board member if that organization is offered the FMS RFA contract?

See the response to Question 68d.

All proposals must be received by March 30, 2012, at or before 2:00 p.m., by the Department of Public Welfare, Division of Procurement, Room 525, Health and Welfare Bldg, 625 Forster Street, Harrisburg, Pennsylvania 17120.

Sincerely,

A handwritten signature in black ink, appearing to read "Daniel R. Boyd". The signature is written in a cursive style with a large initial "D" and "B".

Daniel R. Boyd, Director
DPW Division of Procurement



**COMMONWEALTH OF PENNSYLVANIA
DEPARTMENT OF PUBLIC WELFARE**

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March 6, 2012

FLYER 7

SUBJECT: RFA NO. 22-11 Vendor Fiscal/Employer Agent Financial Management

Dear Prospective Offeror:

This is to inform of change of address regarding submission of proposals. The Department of Public Welfare, Division of Procurement, room number has been changed to Room 402.

All proposals must be received by March 30, 2012, at or before 2:00 p.m., by the Department of Public Welfare, Division of Procurement, **Room 402**, Health and Welfare Bldg, 625 Forster Street, Harrisburg, Pennsylvania 17120.

Sincerely,

A handwritten signature in cursive script, appearing to read "Daniel R. Boyd".

Daniel R. Boyd, Director
DPW Division of Procurement



**COMMONWEALTH OF PENNSYLVANIA
DEPARTMENT OF PUBLIC WELFARE**

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625 Forster Street
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**Daniel R. Boyd
Director**

**Telephone 717-783-3767
Fax 717-787-3560**

March 21, 2012

FLYER 8

SUBJECT: RFA NO. 22-11 Vendor Fiscal/Employer Agent Financial Management

Dear Prospective Offeror:

This is to advise all concerned parties that the Department of Public Welfare received several Bid Protests of the subject RFA from existing FMS providers. The Department is working to resolve these disputes as quickly as possible.

Despite these protests, the Department is proceeding with receipt of proposals as scheduled. However, the Department will not open the submitted proposals until all of the protests are resolved and the statutory stay expires.

All proposals must be received by March 30, 2012, at or before 2:00 p.m., by the Department of Public Welfare, Division of Procurement, **Room 402**, Health and Welfare Bldg, 625 Forster Street, Harrisburg, Pennsylvania 17120. Late proposals will not be accepted regardless of the reason.

Sincerely,

A handwritten signature in black ink, appearing to read "Daniel R. Boyd".

Daniel R. Boyd, Director
DPW Division of Procurement