



Professional and Technical Services Contract

State of Minnesota

SWIFT Contract No.: 53570

This Contract is between the State of Minnesota, acting through its Commissioner of Commerce ("State") and Consumers' CHECKBOOK/Center for the Study of Services whose designated business address is 1625 K Street, NW 8th Floor, Washington, DC 20006 ("Contractor").

Recitals

1. Under Minn. Stat. § 15.061 the State is empowered to engage such assistance as deemed necessary.
2. The State is in need of a contractor to work collaboratively with the Department of Commerce and stakeholders to devise a methodology for measuring insurer and health benefit plan quality, including assessment of enrollee satisfaction. The purpose of this contract is to develop a methodology for measuring insurer and health benefit plan quality. Consistent with the requirements of the Federal Patient Protection and Affordable Care Act (ACA) enacted in March 2010, Health Benefit Exchanges ("Exchanges") are required to implement a quality rating system¹ and an enrollee satisfaction survey system² for insurers and qualified health plans.
3. The Contractor represents that it is duly qualified and agrees to perform all services described in this Contract to the satisfaction of the State.

Contract

1. Term of Contract

- 1.1 **Effective date:** September 28, 2012, or the date the State obtains all required signatures under Minn. Stat. § 16C.05, subd. 2, whichever is later. The Contractor must not begin work under this Contract until this Contract is fully executed and the Contractor has been notified by the State's Authorized Representative to begin the work.
- 1.2 **Expiration date:** June 1, 2013, or until all obligations have been satisfactorily fulfilled, whichever occurs first.
- 1.3 **Survival of terms:** The following clauses survive the expiration or cancellation of this Contract: 8. Indemnification; 9. State audits; 10. Government data practices and intellectual property; 14. Publicity and endorsement; 15. Governing law, jurisdiction, and venue; and 16. Data disclosure.

2. Contractor's duties

- 2.1 The Contractor, who is not a State employee, will perform the following duties:

Task One

- A. The Contractor must propose a draft set of written criteria for the Measurement and Reporting Work Group's (MRWG's) consideration to use in prioritizing dimensions of quality and related measures for use in a quality rating system. "Dimensions of quality" means different domains, such as clinical quality of care and consumer engagement. The Contractor must develop a narrative document, which describes criteria to be used in the quality rating system based on the principles, goals and strategies that have been previously established by the MRWG and that will be provided to the Contractor at the time the contract is executed. The narrative document must outline the proposed criteria and describe the rationale for including each criterion and its advantages and disadvantages.
- B. The Contractor must work with the State to establish a meeting date for review of the document with the MRWG. The document must be delivered to the State in draft form for review a minimum of ten days prior to the selected meeting date and must be available for distribution to the MRWG in final form a minimum of three days prior to the selected meeting date. The State must be responsible for arranging for meeting space, communicating meeting dates to MRWG members, and distributing meeting documents.
- C. At the review meeting, the Contractor must walk through the document, describing the methodology for selecting the criteria. The Contractor must participate in a discussion with the MRWG, answering questions and tracking feedback. MRWG members must also have the opportunity to submit input in writing after the meeting.

¹ Section 1311(c)(3) ACA

² Section 1311(c)(4) ACA

- D. After the review meeting and subsequent written input, the Contractor must summarize MRWG input and incorporate this feedback into a final set of written criteria to be delivered and accepted by the State as completion of this task.

All Task One activities must be completed within 40 days of the contract being executed subject to the availability of State staff and timely meeting of MRWG members. Performance of all activities under Task One, resulting in a final set of written criteria as described in Task One (D), will be considered completion of this task upon acceptance by the State.

Task Two

- A. The Contractor must establish an inventory ("listing") of existing insurer quality measures and known future required data reporting by carriers, including measures used by public and private purchasers and those developed by national organizations focused on insurer and health plan quality. The Contractor must develop a robust listing of insurer quality measures, focusing on measures that align with criteria determined as part of Task One. The listing must include, but is not limited to, the following types of measures:

- Current insurer quality measures
- Future insurer quality measures, including new data reporting under the ACA (e.g., transparency measures)
- Whether the measures are voluntary or mandatory and under whose purview they are collected, including the specific product type for which they are collected
- The Healthcare Effectiveness Data and Information Set (HEDIS) measures
- State-based measures used by regulatory entities
- Measures used by public purchasers
- Measures used by private purchasers
- Measures used by national accreditation organizations
- Include dimensions of cost that are useful for consumer evaluation and decision-making
- Any additional measures developed by national organizations focused on insurer and health plan quality, including those designed to inform consumers.

The Contractor must also prepare a written narrative document that categorizes measures into dimensions or domains of quality and describes those dimensions of quality. The purpose of the written narrative document is to provide context for the measure inventory and to help stakeholders understand the concepts being measured and high-level relevant information from the measurement field about these various dimensions of quality.

- B. Within 21 days of the execution of the Contract, the Contractor must provide the State with a draft outline of the types of measures and types of descriptive information to be provided where possible on each measure for the listing of measures and the narrative document. The State and the Contractor must discuss this document and the State must provide any necessary feedback within 7 business days of receiving the proposed outline. The State must approve this draft prior to the start of work on the measure inventory and narrative document. The Contractor must incorporate any requested changes from the State into the final product.
1. The measure listing should clearly indicate the various categories and criteria and current availability of these data among Minnesota carriers. The State must provide the Contractor with information about Minnesota carriers, their presence in the individual and small group markets, baseline information about current health plan quality measure reporting among these carriers, and contact information for appropriate carrier representatives. The Contractor will summarize this information for purposes of sharing it with carriers and solicit verification from carriers about whether summaries of current health plan quality reporting are accurate and/or whether modifications should be made. The Contractor will make any necessary modifications to the document based on carrier feedback. This draft must include the Contractor's proposed outline of sources, categories and additional information to be included for each measure.
 2. The narrative document should provide an overview of the various dimensions of insurer and health plan quality that are measured, organized by categories of similar measures.
 3. One or both documents should include information on the extent to which measures have been evaluated for consumer interest and understanding.
 4. The Contractor must provide the agreed upon documents in final form with all information included on both the final listing and narrative of insurer quality measures for review, answering questions as needed. This task must be considered complete when the final document is accepted by the State.
- C. The Contractor must produce the inventory and narrative document according to the approved outline.

- D. The Contractor must work with the State to establish a meeting date for review of the inventory and narrative document with the MRWG. The document must be delivered to the State in draft form for review a minimum of ten days prior to the selected meeting date and must be available for distribution to the MRWG in final form a minimum of three days prior to the selected meeting date. The State must be responsible for arranging for meeting space, communicating meeting dates to MRWG members, and distributing meeting documents.
- E. The State must distribute the inventory and narrative document to MRWG members. The Contractor must present the inventory and narrative document to MRWG members.

All Task Two activities must be completed within 75 days of the contract being executed. Performance of all activities under Task Two, resulting in a final inventory and narrative document as described in Task Two (B) and (C), will be considered completion of this task upon acceptance by the State.

Task Three

- A. Using agreed upon criteria developed under Task One and drawing on the inventory produced under Task Two, the Contractor must work with stakeholders to develop the following:
 - 1. A proposed set of dimensions of quality drawn from the narrative document produced in Task One to be used as part of a quality rating system and
 - 2. A set of related measures drawn from the inventory produced in Task Two as well as how they should be used in combination as part of a quality rating system.
 - a. One specific high priority area to include is the extent to which carriers measure and effectively address and reduce racial, ethnic, and/or socioeconomic health disparities in their covered population. The State has a strong interest in understanding whether there are existing measures that assess disparities in treatment processes and outcomes and other dimensions of insurer quality among different racial, ethnic, and socioeconomic groups.
- B. The Contractor must consider and consult with stakeholders on a range of core methodological issues by preparing separate options memos describing each methodological issue noted below, options for addressing those issues, and advantages and disadvantages of the various options. This methodological development should be informed by practical and policy-related considerations about how the information may be displayed on the Exchange website to help drive meaningful consumer-oriented information. In periodic meetings the State staff will arrange beginning within a month of contract execution, the Contractor must consult with the contractor building the Exchange information technology infrastructure and State staff to understand the context for public reporting of quality rating information and assist members of the MRWG to do the same for purposes of informing methodological development.
- C. Issues to be considered include but are not limited to the following:
 - 1. Potential options for gathering and publishing data on pre-Exchange insurer and product-level quality measures for consumer use during the 2013 open enrollment period. These options must take into consideration availability of data among Minnesota carriers.
 - 2. Identify gaps in available measures to assess desired dimensions of quality as well as proposed strategies for addressing these gaps.
 - 3. Consistency in current availability of data across Minnesota carriers and QHPs across the measures chosen and strategies for achieving greater consistency for data availability where necessary, as well as what efforts would be required to collect data for a measure if it is not currently available.
 - 4. Considerations about minimum numbers of enrollees needed for a measure to be included and reported as part of the quality rating system, including strategies for addressing small numbers issues.
 - 5. Considerations related to measures for which there may be small degrees of variation in performance between insurers or qualified health plans.
 - 6. Potential methodologies to construct a composite quality measure that summarizes data across a number of individual quality measures. As part of this subtask, consider any methodological issues related to the potential for consumers to reweight components of a composite quality measure to derive a composite quality rating based on their own preferences.
 - 7. Options for addressing evolution of QHPs over time and the challenges this poses for measuring and reporting on quality.
 - 8. Strategies and a proposed timeline for moving to a more specific QHP-level quality rating system over time, with specific options for the 2013, 2014, 2015, and 2016 and beyond open enrollment periods.
- D. The Contractor must work with the State to establish a meeting date or conference call for review of each memo with the MRWG. The document must be delivered to the State in draft form for review a minimum of one week prior to the selected meeting date and must be available for distribution to the MRWG in final form a minimum of three days prior to the selected meeting date. The State must be responsible for

arranging for meeting space, communicating meeting dates to MRWG members, and distributing meeting documents.

- E. The Contractor must present the content of memos to the Department, its interagency partners, and the MRWG. The Contractor must track and summarize work group input on methodological issues. The Contractor must also work with State staff to finalize decisions about how to address the issues described below. This process must result in a written proposed quality rating system methodology (and various iterations of it over time), including the specific metrics to be used and specifically how they are incorporated into a methodology.
- F. After consulting with MRWG members and State staff on all methodological issues noted above and others that may arise during the performance of the Contract, the Contractor must produce a written proposed Quality Rating System methodology in four separate iterations reflecting what is known about the availability of quality data for the 2013, 2014, 2015, and 2016 and beyond open enrollment periods. This document must clearly articulate what specific quality measures are being used, and to the extent that a composite measure is a part of the proposed methodology, how specific measures are used in combination to produce the composite measure. This document must include details on what is known related to how a rating should be calculated.

Task Three (C) (1) must be completed within the first 75 days of the contract being executed. Task Three (C) (2) and (3) activities must be completed within 90 days of the contract being executed. Task Three (C) (4), (5), and (6) activities must be completed within 105 days of the contract being executed. Task Three (C) (7) and (8) activities must be completed within 120 days of the contract being signed. Performance of all activities under Task Three, resulting in a written document that describes a proposed quality rating system in four iterations (2013, 2014, 2015, and 2016 and beyond open enrollment periods) as described in Task Three (D), will be considered completion of this task upon acceptance by the State.

Task Four

The Contractor must be responsible for testing proposed measures and quality rating system with a consumer audience to assess consumer understanding of and interest in information for comparing products and insurers.

- A. The Contractor must submit a draft testing plan to the State outlining how the Contractor must conduct consumer testing. The testing plan must include, but is not limited to, the number of consumers to participate, recruitment methods for consumer participation, format and dates of sessions, and an interview guide. The recruitment methodology component must specifically account for how the Contractor must ensure this group is a diverse racial, ethnic, and socioeconomic population and must be representative of all likely Exchange users, including Medicaid enrollees. The Contractor must coordinate session dates with State staff. The State and Contractor must discuss the testing plan and must agree to changes as needed. The final testing plan may include additional components that the Contractor and the State agree are necessary for inclusion as well. This may include additional questions and issues raised during the methodology development process.
- B. The Contractor is responsible for producing all materials needed for the consumer testing sessions, including a mock up of the iterative versions of the quality rating system as described in Task Three D. The Contractor must test the proposed methodology for the 2013 open enrollment period as well as at least one other proposed iteration of the quality rating system.
- C. The Contractor must hold consumer testing sessions in Minnesota. The Contractor must consult on the specific location of the testing site(s) with State staff. However, the Contractor is responsible for recruitment of participants based on methodology laid out in the testing plan, reserving and paying for the facility, and facilitating the sessions using the previously agreed upon structured formats and interview guides. The Contractor must ensure the testing facility has the capacity to allow State staff and MRWG members to observe the testing sessions.
- D. The Contractor must provide the State with a written summary document which details the consumer feedback obtained in the testing sessions. This written summary should contain common themes, as well as individual observations. Additionally, the Contractor must use the feedback from these sessions to propose methodological changes to the State. These recommendations must include both advantages and disadvantages of accepting the recommendation, as appropriate. The Contractor must discuss this document with the State, answering any questions, providing clarification and discussing the various options.
- E. At the State's request, the Contractor must also present recommendations for modifications to the MRWG and/or the Advisory Task Force. The Contractor must provide these recommendations in writing, incorporating any feedback from the State if needed, to the MRWG and/or the Advisory Task Force. The

Contractor must present information including, but not limited to, the consumer testing process, feedback received, and proposed recommendations. The Contractor must track any comments provided by either group.

Task Four (A) must be completed within 90 days of the contract being executed. All remaining Task Four activities must be completed within 150 days of the contract being executed. Performance of all activities under Task Four, resulting in a set of written recommended modifications to the proposed iterations of the quality rating system based on consumer and MRWG input as described in Task Four (E), will be considered completion of this task upon acceptance by the State.

Task Five

The Contractor must finalize the methodology for the quality rating system and its various iterations for four discrete open enrollment periods (2013, 2014, 2015, and 2016 and future open enrollment periods).

- A. The Contractor must take the feedback from the Measurement and Reporting work group in Task Three and the consumer testing feedback in Task Four and incorporate it into the final modifications to the proposed quality rating system. The document should clearly capture the impact these two sources of input had on the proposed quality rating system.
- B. The Contractor must produce a written document explaining the methodologies and its various iterations over time. This document must outline the methodologies for *each* of the four open enrollment periods mentioned above. This document must clearly articulate what specific quality measures are being used, and to the extent that a composite measure is a part of the proposed methodology, how specific measures are used in combination to produce the composite measure. This document must include available details related to how a rating should be calculated.
- C. The Contractor must present the methodology to the MRWG and the Advisory Task Force. The Contractor must have the written document mentioned in the preceding paragraph completed prior to these presentations so members have an opportunity to review the document. The Contractor should also prepare a slide presentation, as agreed upon by the State and the Contractor, for these meetings. The Contractor must answer questions and provide additional information at the meetings.
- D. The Contractor must communicate with HHS as requested by the State and always in conjunction with State staff. The Contractor may need to participate in conference calls and discuss the quality rating system methodological development with HHS. The State must coordinate these calls, but the Contractor must make every reasonable effort to make themselves available for these conversations.
- E. HHS may release federal rules related to the quality rating system and enrollee satisfaction survey system during the term of this contract. The Contractor must review these rules and their relation to the current development of the Minnesota quality rating system. The Contractor must provide a written report of its analysis within two weeks of when a proposed, interim final or final rule is published, citing any relevant provisions in the rules and propose recommendations as applicable. The Contractor's recommendations must describe advantages and disadvantages of various components to the extent the State has the choice to decide between multiple options. Any subsequent decisions based on these rules must be incorporated into the final quality rating system written document noted in the first paragraph under Task Five.
- F. The Contractor must provide ad hoc documents related to the quality rating system as needed to obtain HHS approval of the methodology. The Contractor may need to produce alternate memos and other documentation related to its work with the State on the methodology. To the extent possible this may be drawn from other materials already produced under this Contract. However, the Contractor may be required to produce new materials specifically for this process.

All Task Five activities must be completed within 170 days of the contract being executed. Performance of all activities under Task Five, resulting in a written document that describes a final quality rating system methodology in four iterations (2013, 2014, 2015, and 2016 and beyond open enrollment periods) as described in Task Five (B), will be considered completion of this task upon acceptance by the State.

Task Six

The Contractor must use the finalized version of the QHP quality rating system as a base conceptual framework and create a variation of the rating system tailored to Medicaid plans.

- A. The Contractor must work with appropriate staff, as identified by the State, at the Department of Human Services (DHS), Minnesota's Medicaid agency. The Contractor must develop familiarity with how DHS evaluates quality of care and services in managed care publicly funded programs. The Contractor must obtain this information through staff interactions and additional research.

- B. The Contractor must utilize this information to provide the State with a written assessment of the extent to which the dimensions of quality and the measures used in the QHP quality rating system are relevant and applicable to the Medicaid population. The Contractor should clearly provide a clear and understandable crosswalk of the QHP quality rating system dimensions and measures relevant to the Medicaid population and the managed care organizations serving the Medicaid population. This information should be provided in narrative form as well along with a description of how the QHP quality rating system methodology varies from how DHS currently assesses health plan quality.
- C. The Contractor must also propose a written description of modifications to the QHP quality rating system that would facilitate the establishment of a meaningful Medicaid quality rating system. The recommended modifications must describe the advantages and disadvantages of these proposed changes related to various methodological decision points.
- D. The Contractor must recommend which Medicaid quality measure data may be most helpful to consumers comparing Medicaid plans during the October 2013 open enrollment period, taking into account what parallel information will be available for QHPs during the October 2013 open enrollment period.
- E. The Contractor must discuss this assessment and recommendation with the State, answering questions, providing additional information and filling gaps where needed. The Contractor must also work with Exchange and DHS staff to assess any issues with the proposed methodology. The Contractor must review the proposed modifications, describing the reasoning behind the various recommendations. The Contractor must track comments from State staff and actively resolve any identified issues. The Contractor must revise any relevant portions of its recommendation based on these discussions.
- F. The Contractor must work with the State to establish a meeting date for presentation of the Medicaid quality rating system with the MRWG. The document must be delivered to the State in draft form for review a minimum of ten days prior to the selected meeting date and must be available for distribution to the MRWG in final form a minimum of three days prior to the selected meeting date. The State must be responsible for arranging for meeting space, communicating meeting dates to MRWG members, and distributing meeting documents.

The Contractor must present the proposed Medicaid quality rating system methodology to the MRWG (and the Advisory Task Force or another stakeholder workgroup if requested by the State). The Contractor must provide responses and reasonable follow up information for issues and concerns raised in these meetings. The Contractor must track comments from these groups and actively resolve any identified issues.

- G. The Contractor must finalize the methodology for the Medicaid quality rating system and its various iterations for four discrete open enrollment periods (2013, 2014, 2015, and 2016 and future open enrollment periods). The Contractor must take the feedback from State staff, the MRWG and the Advisory Task Force incorporate it into the final modifications to the proposed quality rating system. The Contractor must produce a written document explaining the methodologies and its various iterations over time. This document must outline the methodologies for *each* of the four open enrollment period mentioned above. This document must clearly articulate what specific quality measures are being used, and to the extent that a composite measure is a part of the proposed methodology, how specific measures are used in combination to produce the composite measure. This document must include details related to how a rating should be calculated.

Task Six A and D must be completed within 120 days of the contract being executed. All other Task Six activities must be completed within 195 days of the contract being executed. Performance of all activities under Task Six, resulting in a written document explaining the methodologies and its various iterations over time as described in Task Six (G), will be considered completion of this task upon acceptance by the State.

Task Seven

The Contractor must provide guidance on how to operationalize the final quality rating system methodology. The deliverable applies to both the QHP quality rating system and the Medicaid quality rating system. The Contractor should clearly distinguish between the two.

- A. The Contractor must submit a written document which includes the following content:
 1. A clearly explanation of how data must be gathered for each measure in the QHP and Medicaid quality rating systems. This portion of the document must include, but is not limited to, the data collection source, whether the Exchange must create a new process for collection, and the mechanism by which plans can share the measure data.
 2. The document must outline the steps needed to produce the quality rating system metrics to be reported on the Exchange website in detail. This section must include, but is not limited to, estimated timelines, necessary Exchange infrastructure and analysis tools. The Contractor must also estimate

staffing needs, staff time, and any additional costs associated with these tasks, providing as much detail as is reasonably possible.

3. To the extent that all of these components are different for future enrollment periods, the Contractor must detail the pieces mentioned in this paragraph for those enrollment periods as well to the extent feasible from available data (2013, 2014, 2015, and 2016 and future open enrollment periods).

All Task Seven activities must be completed within 195 days of the contract being executed. Performance of all activities under Task Seven, resulting in a written document described under Task Seven (A), will be considered completion of this task upon acceptance by the State.

Task Eight

The Contractor must identify options for assessing enrollee satisfaction and present options to the MRWG. To the extent that HHS identifies a specific tool to use for purposes of assessing enrollee satisfaction as part of its rule-making process and that rule-making process occurs in a timely way relative to the term of this contract, the scope of this task must be narrowed to the tool HHS requires states to use.

- A. The Contractor must provide a written description of existing validated tools available for assessing enrollee satisfaction (referred to as an "options memo"). For each tool the Contractor at a minimum must provide a detailed description of the following components:
 1. A description of the tool including, but not limited to, the source of the tool, how long it has existed in the marketplace, and the specific assessment areas.
 2. A description of the extent to which the validated tools are used in the marketplace today, including which Minnesota carriers currently use the tool and the extent to which data are currently available for use in the 2013 open enrollment period.
 3. A description of the process and frequency by which the survey tools are administered.
 4. Any costs associated with the administration of the tool.
 5. A description of how data are consolidated, analyzed, and reported, including whether and how data are risk adjusted to reflect patient demographic and health status characteristics. This should include a description of any race, ethnicity, and language data elements that are included in the analysis and reporting of this data.
 6. A description of the extent to which the tool measures enrollee satisfaction at the insurer, product type, or specific plan levels, any gaps or shortcomings it may have, and what considerations must be taken into account for reporting at any of these three levels.
- B. The Contractor must work with the State to establish a meeting date or conference call for review of the options memo for the enrollee satisfaction survey with the MRWG. The options memo must be delivered to the State in draft form for review a minimum of three weeks prior to the selected meeting date and must be available for distribution to the MRWG in final form a minimum of three days prior to the selected meeting date. The State must be responsible for arranging for meeting space, communicating meeting dates to MRWG members, and distributing meeting documents.
- C. The Contractor must present its findings to the MRWG for review and comment. The Contractor must track input from the MRWG and share a summary document of the feedback on the various comments with the State for review. The Contractor must discuss the summary and any applicable decision points with the State.
- D. To the extent practical, the Contractor must also include output related to various enrollee satisfaction tools under the testing plan in Task Four. As previously noted in Task Four, the State must approve the testing plan, which must include the specifics of this display. The Contractor must include summaries about this portion of the testing plan in the previously discussed summary report under Task Four as it is part of that Task as well. The Contractor must discuss this feedback with the State as a part of developing the final enrollee satisfaction survey system.
- E. The Contractor must produce a written document that describes the key components of final enrollee satisfaction survey system, including what tool must be used, the process by which the tool is administered, the frequency with which the tool is administered, and how data must be consolidated and analyzed. This document must also estimate potential Exchange or Contractor staffing, time commitment, and costs associated with tasks required to implement the enrollee satisfaction survey system. This task must be considered complete upon acceptance by the State.

Task Eight A.1-A.6, B & C must be complete within 90 days of the contract being executed. Task Eight D and E must be complete within 180 days of the contract being executed. Performance of all activities under Task Eight, resulting in a written document described under Task Eight (E), will be considered completion of this task upon acceptance by the State.

Task Nine

- A. Contractor must proactively manage contract and make the Department aware of risks related to timely and successful completion of deliverables. Contractor must use a standard project management template reporting tool provided by the State.
- B. Upon execution of the contract, Contractor must create a document that notes specific dates associated with each of the deliverable timeframes noted in the contract. This timeline must be submitted to the State within two weeks of the contract being executed.
- C. Contractor must participate in a regularly scheduled weekly call, produce meeting minutes from those weekly calls, and respond to inquiries and calls from the State promptly.
- D. Contractor must follow project management methodologies, establishing and meeting milestones.
- E. Contractor must identify in the proposal a Project Manager as a lead contract person to oversee the project; serve as a liaison with other contractor staff; and serve as a point of contact for the State's Contract Representative.
- F. Contractor must provide ad hoc progress reports, data, or information in writing as requested by the State.

Task Nine will be considered complete when Tasks One through Eight have been completed and deliverables have been accepted by the State.

Task Ten

- A. Key contractor staff must be readily accessible by telephone and email to consult with State staff as needed.
- B. Contractor must prepare presentation materials, such as Powerpoint presentations, at the request of the State for presentations included in Tasks One through Eight.
- C. Before conclusion of the contract and in the event that the contract is terminated and/or the contract is awarded to another contractor, Contractor must develop a transition plan for continued operations that shall assist the State in accomplishing the tasks described in this RFP.
- D. At the conclusion of the contract, Contractor must turn over to the State all materials, studies, reports and technical documentation developed for the project. All materials, studies, reports and technical documentation developed for this project are the property of the State.

Task Ten will be considered complete when Tasks One through Eight have been completed and deliverables have been accepted by the State.

2.2 Specific timelines for Tasks One through Eight may be modified to accommodate circumstances beyond the Contractor's control, such as the timely availability of stakeholders to provide input at various stages of the project. Any timeline adjustments must be agreed to in writing by both parties.

3. Time

The Contractor must comply with all the time requirements described in this Contract. In the performance of this Contract, time is of the essence.

4. Consideration and payment

4.1 Consideration. The State will pay for all services performed by the Contractor under this Contract as follows:

- (a) *Compensation.* The Contractor will be paid \$265,002.00 upon completion of services and in accordance with the schedule set forth in Section 4.2 of this contract.
- (b) *Travel expenses.* Reimbursement for travel and subsistence expenses actually and necessarily incurred by the Contractor as a result of this Contract will not exceed \$0.00; provided that the Contractor will be reimbursed for travel and subsistence expenses in the same manner and in no greater amount than provided in the current "Commissioner's Plan" established by the Commissioner of Minnesota Management and Budget which is incorporated in to this Contract by reference. The Contractor will not be reimbursed for travel and subsistence expenses incurred outside Minnesota unless it has received the State's prior written approval for out-of-state travel. Minnesota will be considered the home state for determining whether travel is out of state.
- (c) *Total obligation.* The total obligation of the State for all compensation and reimbursements to the Contractor under this Contract will not exceed \$265,002.00.

4.2 Payment.

(a) *Invoices.* The State will promptly pay the Contractor after the Contractor presents an itemized invoice for the services actually performed and the State's Authorized Representative accepts the invoiced services according to the provisions of Section 22 of this Contract. Invoices must be submitted timely and according to the following schedule:

- Completion of Task One: \$30,917
- Completion of Task Two: \$37,275
- Completion of Task Three: \$34,825
- Completion of Task Four: \$48,242
- Completion of Task Five: \$34,650
- Completion of Task Six: \$20,067
- Completion of Task Seven: \$18,317
- Completion of Task Eight: \$18,433
- Completion of Tasks Nine and Ten: \$22,276

(b) *Retainage.* Under Minn. Stat. § 16C.08, subd. 5(b), no more than 90 percent of the amount due under this Contract may be paid until the final product of this Contract has been reviewed by the State's agency head. The balance due will be paid when the State's agency head determines that the Contractor has satisfactorily fulfilled all the terms of this Contract.

(c) *Federal funds.* Payments under this contract will be made from federal funds obtained by the State through HHS Section 1311 CFDA number 93.525 of the Patient Protection and Affordable Care Act of 2010. The Contractor is responsible for compliance with all federal requirements imposed on these funds and accepts full financial responsibility for any requirements imposed by the Contractor's failure to comply with federal requirements.

5. Conditions of payment

All services provided by the Contractor under this Contract must be performed to the State's satisfaction, as determined at the sole discretion of the State's Authorized Representative and in accordance with all applicable federal, state, and local laws, ordinances, rules, and regulations including business registration requirements of the Office of the Secretary of State. The Contractor will not receive payment for work found by the State to be unsatisfactory or performed in violation of federal, state, or local law.

6. Authorized Representative

The State's Authorized Representative is Katherine Burns, Exchange Measurement and Reporting Director, Minnesota Health Insurance Exchange, 85-7th Pl. E., St. Paul MN 55101, 651-296-6588, or her successor, and has the responsibility to monitor the Contractor's performance and the authority to accept the services provided under this Contract. If the services are satisfactory, the State's Authorized Representative will certify acceptance on each invoice submitted for payment.

The Contractor's Authorized Representative is Robert Krughoff, President, at the following business address 1625 K Street, NW, 8th Floor, Washington, DC 20006 and telephone number: 202-454-3003, or his successor. If the Contractor's Authorized Representative changes at any time during this Contract, the Contractor must immediately notify the State.

7. Assignment, amendments, waiver, and contract complete

7.1 Assignment. The Contractor may neither assign nor transfer any rights or obligations under this Contract without the prior consent of the State and a fully executed assignment agreement, executed and approved by the same parties who executed and approved this Contract, or their successors in office.

7.2 Amendments. Any amendment to this Contract must be in writing and will not be effective until it has been executed and approved by the same parties who executed and approved the original Contract, or their successors in office.

7.3 Waiver. If the State fails to enforce any provision of this Contract, that failure does not waive the provision or its right to enforce it.

7.4 Contract complete. This Contract contains all negotiations and agreements between the State and the Contractor. No other understanding regarding this Contract, whether written or oral, may be used to bind either party.

8. Indemnification

In the performance of this Contract by Contractor, or Contractor's agents or employees, the Contractor must indemnify, save, and hold harmless the State, its agents, and employees, from any claims or causes of action, including attorney's fees incurred by the State, to the extent caused by Contractor's:

- a) Intentional, willful, or negligent acts or omissions; or

- b) Actions that give rise to strict liability; or
- c) Breach of contract or warranty.

The indemnification obligations of this section do not apply in the event the claim or cause of action is the result of the State's sole negligence. This clause will not be construed to bar any legal remedies the Contractor may have for the State's failure to fulfill its obligation under this Contract.

9. State audits

Under Minn. Stat. § 16C.05, subd. 5, the Contractor's books, records, documents, and accounting procedures and practices relevant to this Contract are subject to examination by the State and/or the State Auditor or Legislative Auditor, as appropriate, for a minimum of six years from the end of this Contract.

10. Government data practices and intellectual property

10.1 Government data practices. The Contractor and State must comply with the Minnesota Government Data Practices Act, Minn. Stat. ch. 13, (or, if the State contracting party is part of the Judicial Branch, with the Rules of Public Access to Records of the Judicial Branch promulgated by the Minnesota Supreme Court as the same may be amended from time to time) as it applies to all data provided by the State under this Contract, and as it applies to all data created, collected, received, stored, used, maintained, or disseminated by the Contractor under this Contract. The civil remedies of Minn. Stat. § 13.08 apply to the release of the data governed by the Minnesota Government Practices Act, Minn. Stat. ch. 13, by either the Contractor or the State.

If the Contractor receives a request to release the data referred to in this clause, the Contractor must immediately notify and consult with the State's Authorized Representative as to how the Contractor should respond to the request. The Contractor's response to the request shall comply with applicable law.

10.2 Intellectual property rights.

(a) *Intellectual property rights.* The State owns all rights, title, and interest in all of the intellectual property rights, including copyrights, patents, trade secrets, trademarks, and service marks in the works and documents created and paid for under this Contract. The "works" means all inventions, improvements, discoveries (whether or not patentable), databases, computer programs, reports, notes, studies, photographs, negatives, designs, drawings, specifications, materials, tapes, and disks conceived, reduced to practice, created or originated by the Contractor, its employees, agents, and subcontractors, either individually or jointly with others in the performance of this Contract. "Works" includes documents. The "documents" are the originals of any databases, computer programs, reports, notes, studies, photographs, negatives, designs, drawings, specifications, materials, tapes, disks, or other materials, whether in tangible or electronic forms, prepared by the Contractor, its employees, agents, or subcontractors, in the performance of this Contract. The documents will be the exclusive property of the State and all such documents must be immediately returned to the State by the Contractor upon completion or cancellation of this Contract. To the extent possible, those works eligible for copyright protection under the United States Copyright Act will be deemed to be "works made for hire." The Contractor assigns all right, title, and interest it may have in the works and the documents to the State. The Contractor must, at the request of the State, execute all papers and perform all other acts necessary to transfer or record the State's ownership interest in the works and documents.

(b) *Obligations*

- (1) Notification. Whenever any invention, improvement, or discovery (whether or not patentable) is made or conceived for the first time or actually or constructively reduced to practice by the Contractor, including its employees and subcontractors, in the performance of this Contract, the Contractor will immediately give the State's Authorized Representative written notice thereof, and must promptly furnish the State's Authorized Representative with complete information and/or disclosure thereon.
- (2) Representation. The Contractor must perform all acts, and take all steps necessary to ensure that all intellectual property rights in the works and documents are the sole property of the State, and that neither Contractor nor its employees, agents, or subcontractors retain any interest in and to the works and documents. The Contractor represents and warrants that the works and documents do not and will not infringe upon any intellectual property rights of other persons or entities. Notwithstanding Clause 8, the Contractor will indemnify; defend, to the extent permitted by the Attorney General; and hold harmless the State, at the Contractor's expense, from any action or claim brought against the State to the extent that it is based on a claim that all or part of the works or documents infringe upon the intellectual property rights of others. The Contractor will be responsible for payment of any and all such claims, demands, obligations, liabilities, costs, and damages, including but not limited to, attorney fees. If such a claim or action arises, or in the Contractor's or the State's opinion is likely to arise, the Contractor must, at the State's discretion, either procure for the State the right or license to use the intellectual property rights at issue or replace or modify the allegedly infringing works or

documents as necessary and appropriate to obviate the infringement claim. This remedy of the State will be in addition to and not exclusive of other remedies provided by law.

- (c) In accordance with 45 C.F.R. 95.617 and 45 C.F.R. 92.34, all appropriate State and federal agencies, including but not limited to Department of Commerce and CMS, will have a royalty-free, nonexclusive, and irrevocable license to reproduce, publish, translate, or otherwise use, and to authorize others to use for State or federal government purposes any Works or Documents designed or developed with Federal Financial Participation under 45 CFR Part 95, subpart F or Federal Grant Funding under 45 CFR Part 92.

11. Workers' compensation and other insurance

A. Contractor shall not commence work under the Contract until they have obtained all the insurance specified below. Contractor shall maintain such insurance in force and effect throughout the term of the Contract. Contractor certifies that it is in compliance with Minn. Stat. § 176.181, subd. 2, pertaining to workers' compensation insurance coverage. The Contractor's employees and agents will not be considered State employees. Any claims that may arise under the Minnesota Workers' Compensation Act on behalf of these employees or agents and any claims made by any third party as a consequence of any act or omission on the part of these employees or agents are in no way the State's obligation or responsibility.

B. Contractor is required to maintain and furnish satisfactory evidence of the following insurance policies:

1. **Workers' Compensation Insurance:** Except as provided below, Contractor must provide Workers' Compensation insurance for all its employees and, in case any work is subcontracted, Contractor will require the subcontractor to provide Workers' Compensation insurance in accordance with the statutory requirements of the State of Minnesota, including Coverage B, Employer's Liability. Insurance minimum limits are as follows:

- \$100,000 – Bodily Injury by Disease per employee
- \$500,000 – Bodily Injury by Disease aggregate
- \$100,000 – Bodily Injury by Accident

If Minnesota Statute 176.041 exempts Contractor from Workers' Compensation insurance or if the Contractor has no employees in the State of Minnesota, Contractor must provide a written statement, signed by an authorized representative, indicating the qualifying exemption that excludes Contractor from the Minnesota Workers' Compensation requirements.

If during the course of the contract the Contractor becomes eligible for Workers' Compensation, the Contractor must comply with the Workers' Compensation Insurance requirements herein and provide the State of Minnesota with a certificate of insurance.

2. **Commercial General Liability Insurance:** Contractor is required to maintain insurance protecting it from claims for damages for bodily injury, including sickness or disease, death, and for care and loss of services as well as from claims for property damage, including loss of use which may arise from operations under the Contract whether the operations are by the Contractor or by a subcontractor or by anyone directly or indirectly employed by the Contractor under the contract. Insurance minimum limits are as follows:

- \$2,000,000 – per occurrence
- \$2,000,000 – annual aggregate
- \$2,000,000 – annual aggregate – Products/Completed Operations

The following coverages shall be included:

- Premises and Operations Bodily Injury and Property Damage
- Personal and Advertising Injury
- Blanket Contractual Liability
- Products and Completed Operations Liability
- Other; if applicable, please list _____
- State of Minnesota named as an Additional Insured

3. **Commercial Automobile Liability Insurance:** Contractor is required to maintain insurance protecting it from claims for damages for bodily injury as well as from claims for property damage resulting from the ownership, operation, maintenance or use of all owned, hired, and non-owned autos which may arise from operations under this contract, and in case any work is subcontracted the contractor will require the subcontractor to maintain Commercial Automobile Liability insurance. Insurance minimum limits are as follows:

- \$2,000,000 – per occurrence Combined Single limit for Bodily Injury and Property Damage

In addition, the following coverages should be included:
Owned, Hired, and Non-owned Automobile

4. Professional/Technical, Errors and Omissions, and/or Miscellaneous Liability Insurance

This policy will provide coverage for all claims the contractor may become legally obligated to pay resulting from any actual or alleged negligent act, error, or omission related to Contractor's professional services required under the contract.

Contractor is required to carry the following minimum limits:

\$2,000,000 – per claim or event

\$2,000,000 – annual aggregate

Any deductible will be the sole responsibility of the Contractor and may not exceed \$50,000 without the written approval of the State. If the Contractor desires authority from the State to have a deductible in a higher amount, the Contractor shall so request in writing, specifying the amount of the desired deductible and providing financial documentation by submitting the most current audited financial statements so that the State can ascertain the ability of the Contractor to cover the deductible from its own resources.

The retroactive or prior acts date of such coverage shall not be after the effective date of this Contract and Contractor shall maintain such insurance for a period of at least three (3) years, following completion of the work. If such insurance is discontinued, extended reporting period coverage must be obtained by Contractor to fulfill this requirement.

C. Additional Insurance Conditions:

- Contractor's policy(ies) shall be primary insurance to any other valid and collectible insurance available to the State of Minnesota with respect to any claim arising out of Contractor's performance under this contract;
- If Contractor receives a cancellation notice from an insurance carrier affording coverage herein, Contractor agrees to notify the State of Minnesota within five (5) business days with a copy of the cancellation notice, unless Contractor's policy(ies) contain a provision that coverage afforded under the policy(ies) will not be cancelled without at least thirty (30) days advance written notice to the State of Minnesota;
- Contractor is responsible for payment of Contract related insurance premiums and deductibles;
- If Contractor is self-insured, a Certificate of Self-Insurance must be attached;
- Contractor's policy(ies) shall include legal defense fees in addition to its liability policy limits, with the exception of B.4 above;
- Contractor shall obtain insurance policy(ies) from insurance company(ies) having an "AM BEST" rating of A- (minus); Financial Size Category (FSC) VII or better, and authorized to do business in the State of Minnesota; and
- An Umbrella or Excess Liability insurance policy may be used to supplement the Contractor's policy limits to satisfy the full policy limits required by the Contract.

D. The State reserves the right to immediately terminate the contract if the contractor is not in compliance with the insurance requirements and retains all rights to pursue any legal remedies against the contractor. All insurance policies must be open to inspection by the State, and copies of policies must be submitted to the State's authorized representative upon written request.

E. The successful responder is required to submit Certificates of Insurance acceptable to the State of MN as evidence of insurance coverage requirements prior to commencing work under the contract.

12. Debarment by State, its departments, commissions, agencies, or political subdivisions

Contractor certifies that neither it nor its principals is presently debarred or suspended by the State, or any of its departments, commissions, agencies, or political subdivisions. Contractor's certification is a material representation upon which the Contract award was based. Contractor shall provide immediate written notice to the State's Authorized Representative if at any time it learns that this certification was erroneous when submitted or becomes erroneous by reason of changed circumstances.

13. Certification regarding debarment, suspension, ineligibility, and voluntary exclusion

Federal money will be used or may potentially be used to pay for all or part of the work under the Contract, therefore Contractor certifies that it is in compliance with federal requirements on debarment, suspension, ineligibility and voluntary exclusion specified in the solicitation document implementing Executive Order 12549. Contractor's certification is a material representation upon which the Contract award was based.

14. Publicity and endorsement

- 14.1 Publicity.** Any publicity regarding the subject matter of this Contract must identify the State as the sponsoring agency and must not be released without prior written approval from the State's Authorized Representative. For purposes of this provision, publicity includes notices, informational pamphlets, press releases, research, reports, signs, and similar public notices prepared by or for the Contractor individually or jointly with others, or any subcontractors, with respect to the program, publications, or services provided resulting from this Contract.
- 14.2 Endorsement.** The Contractor must not claim that the State endorses its products or services.

15. Governing law, jurisdiction, and venue

Minnesota law, without regard to its choice-of-law provisions, governs this Contract. Venue for all legal proceedings out of this Contract, or its breach, must be in the appropriate state or federal court with competent jurisdiction in Ramsey County, Minnesota.

16. Data disclosure

Under Minn. Stat. § 270C.65, subd. 3 and other applicable law, the Contractor consents to disclosure of its social security number, federal employer tax identification number, and/or Minnesota tax identification number, already provided to the State, to federal and state agencies, and state personnel involved in the payment of state obligations. These identification numbers may be used in the enforcement of federal and state laws which could result in action requiring the Contractor to file state tax returns, pay delinquent state tax liabilities, if any, or pay other state liabilities.

17. Payment to subcontractors

As required by Minn. Stat. § 16A.1245, the prime Contractor must pay all subcontractors, less any retainage, within 10 calendar days of the prime Contractor's receipt of payment from the State for undisputed services provided by the subcontractor(s) and must pay interest at the rate of one and one-half percent per month or any part of a month to the subcontractor(s) on any undisputed amount not paid on time to the subcontractor(s).

18. Termination

- 18.1 Termination by the State.** The State or Commissioner of Administration may cancel this Contract at any time, with or without cause, upon 30 days' written notice to the Contractor. Upon termination, the Contractor will be entitled to payment, determined on a pro rata basis, for services satisfactorily performed.
- 18.2 Termination for insufficient funding.** The State may immediately terminate this Contract if it does not obtain funding from the Minnesota Legislature, or other funding source; or if funding cannot be continued at a level sufficient to allow for the payment of the services covered here. Termination must be by written or fax notice to the Contractor. The State is not obligated to pay for any services that are provided after notice and effective date of termination. However, the Contractor will be entitled to payment, determined on a pro rata basis, for services satisfactorily performed to the extent that funds are available. The State will not be assessed any penalty if the Contract is terminated because of the decision of the Minnesota Legislature, or other funding source, not to appropriate funds. The State must provide the Contractor notice of the lack of funding within a reasonable time of the State's receiving that notice.

19. Non-discrimination (In accordance with Minn. Stat. § 181.59)

The Contractor will comply with the provisions of Minn. Stat. § 181.59 which require:

"Every contract for or on behalf of the state of Minnesota, or any county, city, town, township, school, school district, or any other district in the state, for materials, supplies, or construction shall contain provisions by which the contractor agrees:

- (1) that, in the hiring of common or skilled labor for the performance of any work under any contract, or any subcontract, no contractor, material supplier, or vendor, shall, by reason of race, creed, or color, discriminate against the person or persons who are citizens of the United States or resident aliens who are qualified and available to perform the work to which the employment relates;*
- (2) that no contractor, material supplier, or vendor, shall, in any manner, discriminate against, or intimidate, or prevent the employment of any person or persons identified in clause (1) of this section, or on being hired, prevent, or conspire to prevent, the person or persons from the performance of work under any contract on account of race, creed, or color;*
- (3) that a violation of this section is a misdemeanor; and*
- (4) that this contract may be canceled or terminated by the state, county, city, town, school board, or any other person authorized to grant the contracts for employment, and all money due, or to become due under the contract, may be forfeited for a second or any subsequent violation of the terms or conditions of this contract."*

20. Affirmative action requirements for contracts in excess of \$100,000 and if the Contractor has more than 40 full-time employees in Minnesota or its principal place of business

The State intends to carry out its responsibility for requiring affirmative action by its contractors.

20.1 Covered contracts and contractors. If the Contract exceeds \$100,000 and the Contractor employed more than 40 full-time employees on a single working day during the previous 12 months in Minnesota or in the state where it has its principle place of business; then the Contractor must comply with the requirements of Minn. Stat. § 363A.36 and Minn. R. 5000.3400-5000.3600. A contractor covered by Minn. Stat. § 363A.36 because it employed more than 40 full-time employees in another state and does not have a certificate of compliance, must certify that it is in compliance with federal affirmative action requirements.

20.2 Minn. Stat. § 363A.36. Minn. Stat. § 363A.36 requires the Contractor to have an affirmative action plan for the employment of minority persons, women, and qualified disabled individuals approved by the Minnesota Commissioner of Human Rights ("Commissioner") as indicated by a certificate of compliance. The law addresses suspension or revocation of a certificate of compliance and contract consequences in that event. A contract awarded without a certificate of compliance may be voided.

20.3 Minn. R. 5000.3400-5000.3600.

- (a) *General.* Minn. R. 5000.3400-5000.3600 implements Minn. Stat. § 363A.36. These rules include, but are not limited to, criteria for contents, approval, and implementation of affirmative action plans; procedures for issuing certificates of compliance and criteria for determining a contractor's compliance status; procedures for addressing deficiencies, sanctions, and notice and hearing; annual compliance reports; procedures for compliance review; and contract consequences for non-compliance. The specific criteria for approval or rejection of an affirmative action plan are contained in various provisions of Minn. R. 5000.3400-5000.3600 including, but not limited to, Minn. R. 5000.3420-5000.3500 and 5000.3552-5000.3559.
- (b) *Disabled Workers.* The Contractor must comply with the following affirmative action requirements for disabled workers.
 - (1) The Contractor must not discriminate against any employee or applicant for employment because of physical or mental disability in regard to any position for which the employee or applicant for employment is qualified. The Contractor agrees to take affirmative action to employ, advance in employment, and otherwise treat qualified disabled persons without discrimination based upon their physical or mental disability in all employment practices such as the following: employment, upgrading, demotion or transfer, recruitment, advertising, layoff or termination, rates of pay or other forms of compensation, and selection for training, including apprenticeship.
 - (2) The Contractor agrees to comply with the rules and relevant orders of the Minnesota Department of Human Rights issued pursuant to the Minnesota Human Rights Act.
 - (3) In the event of the Contractor's noncompliance with the requirements of this clause, actions for noncompliance may be taken in accordance with Minn. Stat. § 363A.36, and the rules and relevant orders of the Minnesota Department of Human Rights issued pursuant to the Minnesota Human Rights Act.
 - (4) The Contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices in a form to be prescribed by the Commissioner. Such notices must state the Contractor's obligation under the law to take affirmative action to employ and advance in employment qualified disabled employees and applicants for employment, and the rights of applicants and employees.
 - (5) The Contractor must notify each labor union or representative of workers with which it has a collective bargaining agreement or other contract understanding, that the Contractor is bound by the terms of Minn. Stat. § 363A.36, of the Minnesota Human Rights Act and is committed to take affirmative action to employ and advance in employment physically and mentally disabled persons.
- (c) *Consequences.* The consequences for the Contractor's failure to implement its affirmative action plan or make a good faith effort to do so include, but are not limited to, suspension or revocation of a certificate of compliance by the Commissioner, refusal by the Commissioner to approve subsequent plans, and termination of all or part of this Contract by the Commissioner or the State.
- (d) *Certification.* The Contractor hereby certifies that it is in compliance with the requirements of Minn. Stat. § 363A.36 and Minn. R. 5000.3400-5000.3600 and is aware of the consequences for noncompliance.

21. E-Verify certification (In accordance with Minn. Stat. § 16C.075)

For services valued in excess of \$50,000, Contractor certifies that as of the date of services performed on behalf of the State, Contractor and all its subcontractors will have implemented or be in the process of implementing the federal E-Verify Program for all newly hired employees in the United States who will perform work on behalf of the State. Contractor is responsible for collecting all subcontractor certifications and may do so utilizing the *E-Verify Subcontractor Certification Form* available at <http://www.mmd.admin.state.mn.us/doc/EVerifySubCertForm.doc>. All subcontractor certifications must be kept on file with Contractor and made available to the State upon request.

22 Approval of Deliverables

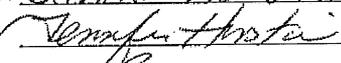
- A. The State shall complete its review of each Deliverable within ten (10) business days and at such time shall provide Contractor with (a) an approval of the Deliverable or (b) a written statement, as provided below, of the deficiencies preventing approval. Each Deliverable shall be accepted by the State if finds that such Deliverable complies, in all material respects, with the requirements as set forth this contract.
- B. In the event of the State's rejection of a Deliverable, the State shall provide one consolidated written statement (the "Deliverable Cure Notice") that identifies in reasonable detail all material deficiencies with respect to the Deliverable. Contractor shall then have twenty (20) calendar days to complete all such corrective actions or changes in order for such Deliverable to conform in all material respects with the requirements therefor set forth in this contract and shall then resubmit the Deliverable to the State for approval.
- C. The State shall have five (5) business days to complete a review of the corrective changes made to the resubmitted Deliverable in response to the Deliverable Cure Notice and, within such period, notify Contractor in writing of acceptance or rejection. The State's review and approval of such corrected Deliverable shall be solely for the purpose of determining that the required corrections have been made to bring the identified deficiencies into compliance in all material respects with the items set out in the Deliverable Cure Notice.
- D. If the State fails to approve or reject a Deliverable within the periods of time set forth in Section 22.A or Section 22.C, then Contractor shall promptly issue a written reminder to the State's Authorized Representative, notifying the State in writing that no such notice was received with respect to such Deliverable. If, within two (2) business days of the date of Contractor's written reminder, Contractor does not receive a written approval or rejection of such Deliverable, the Deliverable will be deemed approved by the State.
- E. If any Deliverables have been approved by the State pursuant to the terms of this Contract the Contractor shall be entitled to rely on such approval.

23 Counterparts

This contract may be executed in counterparts, each of which shall be deemed to be an original, but all of which, taken together, shall constitute one and the same agreement.

1. State Encumbrance Verification

Individual certifies that funds have been encumbered as required by Minn. Stat. §§ 16A.15 and 16C.05 

Print name: Jenifer Hamstien
 Signature: 
 Title: Buyer Date: 9/27/12
 SWIFT Contract No.: 53570, PO # 2267

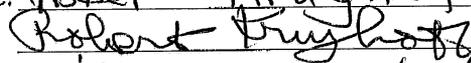
3. State Agency

With delegated authority

Print name: _____
 Signature: _____
 Title: _____ Date: _____

2. Contractor

The Contractor certifies that the appropriate person(s) have executed the Contract on behalf of the Contractor as required by applicable articles, bylaws, resolutions, or ordinances.

Print name: Robert Krughoff
 Signature: 
 Title: President Date: 9/27/12
 Print name: _____
 Signature: _____
 Title: _____ Date: _____

4. Commissioner of Administration

As delegated to Materials Management Division

Print name: _____
 Signature: _____
 Title: _____ Date: _____
 Print name: _____
 Signature: _____
 Title: _____ Date: _____

Distribution:

- Agency
- Contractor
- State's Authorized Representative – photo copy