# HEALTH POLICY COMMISSION

**HEALTH CARE INNOVATION INVESTMENT PROGRAM**

**TERMS & CONDITIONS**

**SHIFT-CARE Challenge**

### Contractor:

**Period of Performance: Effective Date of Investment Award Contract through \_\_\_\_\_\_**

**Maximum Obligation Amount: up to $\_\_\_\_\_\_\_\_\_\_**

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**1.0 Introduction**

* 1. This document, including Exhibit A, contains additional terms and conditions for implementation of the Health Policy Commission’s (“HPC”) Sustainable Healthcare Innovations Fostering Transformation funding opportunity (“SHIFT-Care”) (“Investment Terms & Conditions”). The terms and conditions set forth herein are binding on \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ (“Contractor”) and are hereby incorporated into the Award Contract, as defined in this document. Capitalized terms used herein are defined in these Investment Terms & Conditions or in the Request for Proposals (“RFP”).
  2. SHIFT-Care was established by the HPC under the authority of M.G.L. c. 6D, § 7; M.G.L. c. 6D, § 2GGGG; and, section 178 of chapter 133 of the Acts of 2016. SHIFT-Care is a funding opportunity through the HPC’s Health Care Innovations Investment program. With authorization from the HPC Board, on January 8, 2018 the Executive Director issued an RFP pursuant to the provisions of M.G.L. c. 6D and the Massachusetts Management Accounting and Reporting System (MMARS) Policy on State Grants, Federal Sub-Grants and Subsidies (Issued 7-1-2004, most recently revised 9-8-2014) (Grants Policy).
  3. On \_\_\_\_\_\_\_\_\_\_\_\_\_, the HPC Board approved a maximum Award to Contractor subject to certain scope and Budget revisions and/or clarifications as described in the Award Plan. Following the issuance of a Notice of Investment Award to Contractor, the HPC worked with Contractor to finalize Contractor’s Award Plan, detailing the final scope and Budget for Contractor’s Award, including specific Deliverables and the reporting and reimbursement schedule for the Award.
  4. The HPC has approved Contractor’s Award Plan, subject to Contractor’s agreement to these Investment Terms & Conditions and execution of the Investment Award Contract. The Investment Award Contract incorporates these Investment Terms & Conditions, including Contractor’s Award Plan attached as Exhibit A. Contractor shall comply with all requirements of the Investment Award Contract, including the Award Plan and Investment Terms & Conditions.
  5. The Award Cap is $\_\_\_\_\_\_\_\_\_ and is the maximum amount of Investment Funds that Contractor may receive from the HPC for the Investment Award. Pursuant to the Investment Award Contract, the HPC has agreed to reimburse Contractor seventy-five percent (75%) of each eligible expense submitted by Contractor, up to a maximum of $\_\_\_\_\_\_\_\_\_ for allowable costs as detailed in the Award Plan, subject to review and approval by the HPC. The final amount of the Investment Award may equal an amount less than $\_\_\_\_\_\_\_\_\_\_.
  6. Costs that are not identified in the Award Plan are not eligible for reimbursement with Investment Funds. Any costs and expenditures that are determined by the HPC to be either in excess of the Award Cap or ineligible for reimbursement by the HPC shall be the sole responsibility of Contractor.

## 2.0 Investment Award Contract Documents

2.1 The entire agreement between the parties (“Investment Award Contract”) consists of the following documents in the following order of precedence, and each as may be amended from time to time: (1) the Commonwealth Terms and Conditions; (2) the Massachusetts Standard Contract Form; (3) the Investment Terms & Conditions; (4) HPC’s Request for Proposals for HPC (HPC-SHIFT-2018-001; (5) the Notice of Award; and (6) Contractor’s response to the RFP, exclusive of any terms that are inconsistent with, or purport to modify or supersede the Commonwealth Terms and Conditions, the Massachusetts Standard Contract Form, the Investment Terms & Conditions, or the terms of the RFP.

## 3.0 Definitions

**3.1** The following terms appearing capitalized throughout the Terms & Conditions have the following meanings, unless the context clearly indicates otherwise. These definitions are required for the purposes of the Terms & Conditions and Investment Award Contract implementation. Capitalized terms not appearing in this Section are defined in the RFP, as amended. To the extent there are differences between a definition in the Investment Terms & Conditions and in the RFP, the updated definition in the Investment Terms & Conditions shall govern.

* 1. **Aim Statement**: Contractor’s statement of the primary and secondary goal(s), as applicable, for its Initiative that outlines the quantified goal (measurable outcome) for the Target Population.
  2. **Award Cap**: The maximum Award authorized by the HPC Board to Contractor.
  3. **Award Plan**: Details the information necessary for Contractor’s implementation of the Investment Award and supplements Contractor’s response to the Request for Proposals (RFP). The Award Plan refers to information contained in Contractor’s response to the RFP, where applicable, and clarifies and updates information from the response, where necessary. To the extent that there are differences between information in the Award Plan and Contractor’s response to the RFP, the information in the Award Plan shall govern. The Award Plan is Exhibit A to the Investment Terms & Conditions, which is incorporated by reference into the Investment Award Contract. All capitalized terms are defined in the Terms & Conditions.
  4. **Budget**: All costs for Contractor’s Initiative that are eligible for reimbursement by the HPC, as identified in Contractor’s response to the RFP and the Award Plan, as approved by the HPC.
  5. **Deliverable**: Tangible product required to be delivered to the HPC as an element of performance under this Investment Award Contract, as described in the Award Plan. Submission of Deliverables is one of the prerequisites for payment.
  6. **Effective Date**: The date upon which the Investment Award Contract, including any amendment(s), is effective.
  7. **Implementation Period**: The approximately 18-month period of time following the Preparation Period during which Contractor will implement its Initiative.
  8. **Initiative**: The specific projects, activities, interventions, or approaches proposed or taken by Contractor to achieve its Aim Statement in its Investment Award Contract implementation.
  9. **Investment Award or Award**: Investment Funds awarded pursuant to the RFP.
  10. **Investment Award Contract**: The entire written agreement, as has been or may be amended, between the HPC and Contractor following the HPC Board’s approval of an Investment Award.
  11. **Investment Funds**: Funding provided by the HPC from [ ] to Contractor pursuant to the Investment Award Contract.
  12. **Measures:** Designated subset of measures of Initiative activity included in Contractor’s proposal, including core measures and intermediate measures, that are intended to demonstrate program operations and performance against the Initiative’s goals and are required to be submitted periodically to the HPC as Deliverables.
  13. **Key Personnel:** The individuals Contractor designates for purposes of Investment

Award Contract implementation, as further described below.

* + 1. **Investment Director**: The primary point of contact for the HPC who will assume responsibility for overseeing and leading implementation of the Initiative. Contractor is required to designate an Investment Director.
    2. **Financial Designee**: Individual who is responsible for tracking all funds identified in the Budget and reporting expenditures as required by the HPC. The Financial Designee must possess the relevant skills and understanding of the Contractor’s accounting practices. Contractor is required to designate a Financial Designee.
    3. **Project Manager:** Contractor is not required to designate a Project Manager, but the HPC encourages Contractor to designate a Project Manager (e.g., Project/Program Manager, Project/Program Director) to provide coordination and management of Investment Award Contract implementation.
  1. **Operational Approach:** The type, duration, and scope of the services to be provided or activities conducted during the Initiative, inclusive of the staffing model, measurement and continuous improvement plan, and other activities described in the Award Plan and Contractor’s response to the RFP.
  2. **Partner**: An organization identified by Contractor that provides clinical or non-clinical services to the Target Population in service of the Initiative, or otherwise collaborates with Contractor on payment, service delivery, or analysis for the Initiative, typically with a shared aim statement and/or intermediate measure goals.
  3. **Period of Performance**: The period of time during which activities are conducted pursuant to an Award and Investment Award Contract executed pursuant to the RFP, including the Preparation Period and Implementation Period, beginning on the Effective Date through the end date of the Investment Award Contract.
  4. **Preparation Period:** The optional period of time during which Contractor may establish the necessary conditions for deploying its Initiative over the Implementation Period.
  5. **Publication:** Any means of public dissemination including electronic media, manuscript submission to a peer-reviewed journal, manuscript or presentation materials for academic or professional conference, books, videos, policy briefs / white papers, press releases, or any other means of public dissemination including electronic media. Internal communications within Contractor’s organization or between Contractor and the HPC are not considered Publications.
  6. **Target population:** The patient population(s) that Contractor intends to serve through its Initiative.

## 4.0 Award Plan: Content Summary and Modifications

* 1. **Content summary.** The Award Plan details the information necessary for Contractor’s implementation of the Investment Award and supplements Contractor’s response to the Request for Proposals (RFP). The Award Plan refers to information contained in Contractor’s response to the RFP, where applicable, and clarifies and updates information from the response, where necessary. To the extent that there are differences between information in the Award Plan and Contractor’s response to the RFP, the information in the Award Plan shall govern. The Award Plan is **Exhibit A** to the Investment Terms & Conditions, which is incorporated by reference into the Investment Award Contract. All capitalized terms are defined in the Investment Terms & Conditions.

**4.2 Modifications.** Contractor shall comply with the policies and procedures for modification of the Award Plan as specified by the HPC. Modification of any element(s) set forth in the Award Plan requires the prior written approval of the HPC, unless otherwise specified by the HPC. Requirements for Budget variances and Budget modifications are set forth in Section 5.0.

## 5.0 Budget Variances and Modifications

5.1 The HPC acknowledges that the Budget approved by the HPC is Contractor’s best estimate of expenditures necessary to implement Contractor’s Initiative and that actual expenditures may vary from the costs estimated in the Budget. This section sets forth requirements for Budget variances and Budget modifications.

* 1. **Budget variances.** Contractor may seek reimbursement (in accordance with Section 8.0) for itemized Budget costs that reasonably vary from the estimated total costs set forth in the Budget; provided that any Budget variance shall not: (a) increase the Grand Total of the Initiative in the Budget; (b) exceed $10,000 or a net ten percent (10%), in the aggregate in a Budget Category, whichever amount is greater; (c) materially modify the nature, performance level, or scope of the Initiative; or (d) result in the removal or addition of an individual line item. Contractor shall identify any Budget variance(s) in Requests for Reimbursement and Payment pursuant to Section 8.0. Contractor shall be solely responsible for any costs in excess of a Budget variance authorized under this section, unless Contractor has received prior written approval from the HPC in accordance with Section 5.3.
  2. **Budget modifications.** A Budget modification is any change to or deviation from the Budget that is not an allowable Budget variance as described in Section 5.2. A Budget modification requires prior written approval of the HPC.

## 6.0 Costs

* 1. **Allowable costs.** Costs identified in the Budget are eligible for reimbursement by the HPC with Investment Funds. The HPC will reimburse seventy-five percent (75%) of each cost itemized in the Budget, up to the Award Cap. Costs not identified in the Budget, costs incurred before the Effective Date of the Contract, and costs not authorized in the Investment Award Contract, are not eligible for reimbursement by the HPC. Contractor is only authorized to incur expenses that are reasonable. Alcoholic beverages are not eligible for reimbursement with Investment Funds under any circumstances.
  2. **Duplicative costs.** Costs for which Contractor is seeking reimbursement from the HPC may not be charged to any other funding source, including but not limited to the Delivery System Reform Incentive Program (DSRIP). Receiving reimbursement from multiple funding sources for the same cost is prohibited (i.e., “double-dipping”).
  3. **Cost offsets.** Contractor agrees that, in the event that it receives, has received, or is eligible to receive any reimbursement from any third party or funding source, other than the HPC, for or in connection with the Initiative in the Investment Award, all such amounts shall be disclosed to the HPC in writing. The HPC shall fully account for any such amounts Contractor has received or is eligible to receive when reviewing requests for reimbursement and shall seek repayment from Contractor as necessary.

## 7.0 Conditions Precedent to Payment

7.1 The HPC will reimburse Contractor for allowable costs associated with implementation of the Investment Award, subject to Contractor’s ongoing satisfactory performance of the Initiative, as reasonably determined by the HPC, and satisfaction of and compliance with, as reasonably determined by the HPC, all of the terms and conditions of the Investment Award Contract, including but not limited to submitting Deliverables in accordance with the Award Plan (see Section 8.0). Payment will not be disbursed to Contractor until all applicable requirements have been met and all required Deliverables have been submitted to and accepted by the HPC.

## 8.0 Deliverables, Requests for Reimbursement and Payment

* 1. **Deliverables.** Contractor shall submit Deliverables as specified by the HPC and in a form satisfactory to the HPC. Failure by Contractor to provide Deliverables as specified and/or provide written notification to the HPC in a timely manner where required will result in payment delay or nonpayment, and may result in the suspension or termination of the Investment Award Contract. Contractor is responsible for ensuring that any third-party with which it has a subcontract complies with this section, as required in the Subcontracts section (Section 11.0). The HPC reserves the right to designate and require Contractor to submit additional Deliverables during the Period of Performance.
  2. **Requests for reimbursement and payment.** The HPC shall make payments to Contractor pursuant to the Investment Award Contract on a reimbursement basis only. The HPC may not reimburse more than seventy-five percent (75%) of a cost itemized in the Budget. Contractor shall be responsible for the remaining twenty-five percent (25%) of each itemized cost. Contractor may submit requests for reimbursement to the HPC on a periodic basis to be determined by the HPC.
  3. Each request for reimbursement shall be submitted by a duly authorized representative of Contractor, shall be in a form acceptable to the HPC, and shall include, in reasonable detail for each itemized cost for which Contractor is seeking reimbursement: (1) the applicable Budget line item (2) the amount of reimbursement requested and (3) the nature of the materials, property, or services received.
  4. Each request for reimbursement submitted by Contractor shall be accompanied by (1) the invoices for each of the amounts requisitioned, (2) proof of payment by Contractor (see Section 8.5),

(3) identification of any Budget variance(s) pursuant to Section 5.0 and (4) any other supporting documentation and information substantiating Contractor’s request for reimbursement, as the HPC

may request, in a form satisfactory to the HPC.

* 1. With each request for reimbursement, Contractor shall submit a written certification signed by Contractor’s Financial Designee stating that: (1) such request for reimbursement is solely for costs incurred by Contractor in connection with the Investment Award and previously paid in full by Contractor, (2) the costs itemized in the request for reimbursement are within the Budget and have not been the basis for a prior request for reimbursement submitted by Contractor that has been paid or rejected by the HPC, (3) Contractor has not received and is not expecting to receive any reimbursement for the costs itemized in the request for reimbursement from any other source including but not limited to DSRIP, other than the HPC in connection with the Investment Award, and (4) Contractor has submitted all Deliverables in accordance with the Award Plan, and the HPC has accepted such Deliverables.

**8.6 Retainage**. Notwithstanding any other provisions of the Investment Award Contract to the contrary, in no event shall disbursements of the Investment Award exceed, in the aggregate, ninety percent (90%) of the Award Cap, unless Contractor has filed a final request and certificate for reimbursement (see Section 9.1 below) and the HPC has completed a final project cost review of the Initiative, as specified in Section 9.2 below.

## 9.0 Final Request and Certificate for Reimbursement, Final Project Cost Review, and Final Payment

* 1. **Final request and certificate for reimbursement.** At the conclusion of the Implementation Period, Contractor shall submit to the HPC a final request and certificate for reimbursement and an accounting of the total final Investment Award costs in a manner and form acceptable to the HPC.

**9.2 Final project cost review**. After receiving a final request and certificate for reimbursement (see Section 9.1), the HPC may require Contractor to conduct or participate in a final project cost review, which may include: (a) documentation and review of total actual costs and expenditures for the Investment Award, including all requests for reimbursement and other documentation submitted to and approved by the HPC for the Investment Award; (b) a review of any other Deliverable(s), documents or materials that the HPC may request or specify; and/or (c) a visit to the Investment Award site(s). During the final project cost review, the HPC shall determine the final total Investment Award amount. Additionally, if the HPC determines that an item included in a current or prior request for reimbursement submitted by Contractor is not eligible for reimbursement, the HPC shall adjust the Investment Award amount and adjust the final reimbursement amount to account for the ineligible costs. The HPC also reserves the right to recover funds already paid to Contractor.

* 1. **Final Payment**. Upon satisfactory completion of the final project cost review, as reasonably determined by the HPC, the HPC shall send a final acceptance and release form to Contractor and, subject to the execution of such form, shall make the final payment of the Investment Award Contract to Contractor, less any adjustments for ineligible Investment Award costs and any other adjustments that the HPC reasonably determines as necessary.

## 10.0 Notification Requirements

10.1 Contractor shall promptly report to the HPC in writing any known instances or circumstances that may materially affect Contractor’s ability to perform its obligations under the Investment Contract, including any proposed remedy or action required. Contractor shall promptly report to the HPC any known changes that may affect Contractor’s eligibility to receive Investment Funds. Contractor shall promptly report to the HPC any legal action filed or anticipated to be filed with a court or administrative agency, by or against Contractor and related to Contractor’s Investment Award or which may affect Contractor’s ability to perform its obligations under the Investment Award Contract, as soon as is reasonable but no later than ten (10) calendar days after Contractor is aware of the action or after service of notice, whichever occurs first. The HPC reserves the right to require Contractor to submit copies of any pleadings in such action.

## 11.0 Subcontracts

* 1. Any subcontract entered into by Contractor for purposes of fulfilling obligations under the Investment Contract must be in writing, authorized in advance by the HPC, and shall be consistent with the Investment Contract. Contractor is hereby authorized in advance to enter into a subcontract with any third-party identified in the Budget. Subcontracts will not relieve or discharge Contractor from any duty, obligation, responsibility or liability arising under the Investment Contract. Contractor shall provide the HPC with copies of all subcontracts upon request. The HPC shall not be bound by any provisions contained in a subcontract.
  2. Contractor shall execute subcontracts with each third-party identified in the Budget as receiving Investment Funds. Any such subcontract must include all applicable requirements for programmatic, administrative, financial, reporting, audit, evaluation and other requirements necessary to ensure Contractor’s compliance with the Investment Contract.
  3. Contractor is responsible for the satisfactory performance and adequate oversight of its subcontractors, including compliance with all applicable requirements of the Investment Contract and the appropriate expenditure of any Investment Funds identified in the Budget.

## 12.0 Intellectual Property

The HPC is entitled to ownership and possession of all Deliverables acquired or developed by Contractor with any Investment Funds, including those acquired from or developed by any third-party as authorized and identified in the Budget, including subcontractors, Partners, or consultants/contractors. Unless otherwise provided by law, all Deliverables are the sole property of, and shall vest in, the HPC as “works made for hire” or otherwise. The HPC will own the exclusive rights, worldwide and royalty-free, to and in all Deliverables including, but not limited to, United States and International patents, copyrights, trade secrets, and any other intellectual property rights, and the HPC will have the exclusive, unlimited and unrestricted right, worldwide and royalty-free, to publish, reproduce, distribute, transmit and publicly display all Deliverables.

* 1. The HPC grants to Contractor an irrevocable, royalty-free, nontransferable, non-exclusive license to use, reproduce, make derivative works, or publish any Deliverable (including any computer software and its documentation and/or databases) first developed and delivered by Contractor to the HPC under the Contract, subject to the provisions of Section 13.2 below. In granting such a license, the HPC retains an irrevocable, royalty-free, non-exclusive right to use, reproduce, or publish any derivative works created by Contractor, and to authorize others to do so for state or public purposes.
  2. Contractor shall bear the burden to prove that any Deliverable was not acquired or developed by Contractor with any Investment Funds, including those acquired from or developed by any third-party as authorized and identified in the Budget, including subcontractors, Partners, or consultants/contractors. If any Deliverable is determined to not be made for hire or that designation is not sufficient to secure rights, to the fullest extent allowable and for the full term of protection otherwise accorded to Contractor under such law, Contractor shall and hereby irrevocably does, assign and transfer to the HPC free from all liens and other encumbrances or restrictions, all right, title and interest it may have or come to have in and to such Deliverable. CONTRACTOR HEREBY WAIVES IN FAVOR OF THE HPC ANY AND ALL RIGHTS CONTRACTOR MAY HAVE PURSUANT TO ANY STATE OR FEDERAL LAWS OF THE UNITED STATES IN RESPECT TO ANY HPC WORK AND ALL SIMILAR RIGHTS UNDER THE LAWS OF ALL OTHER

APPLICABLE JURISDICTIONS. Contractor agrees to execute all documents and take all actions that may be reasonably requested by HPC to evidence the transfer of ownership of intellectual

property rights described in this section.

* 1. For any tangible product, material or intellectual property that is not a Deliverable under the Contract, but that was acquired or developed by Contractor with any Investment Funds, including those tangible products, materials or intellectual property acquired from or developed by any third-party as authorized and identified in the Budget, including subcontractors, Partners, or consultants/contractors, the HPC shall have a non-exclusive, irrevocable, royalty-free license to reproduce, publish or otherwise use any such tangible products, materials or intellectual property, and authorize others to do so for state or public purposes.

## 13.0 Publications

* 1. To promote sharing of findings and lessons learned in projects funded with Investment Funds, the HPC encourages Contractor and affiliated authors to disseminate Initiative results through Publication(s), as defined above, in print and electronic media, subject to the requirements of this section.
  2. Contractor may publish Deliverables that have been accepted by the HPC as specified in Section 8.1, subject to the prior review and approval of the HPC pursuant to Section 13.4 below. The HPC grants to Contractor an irrevocable, royalty-free, nontransferable, non-exclusive license to use, reproduce, make derivative works, or republish any such Publication. In granting such a license, the HPC retains an irrevocable, royalty-free, non-exclusive right to use, reproduce, or publish any derivative works created by Contractor, and to authorize others to do so for state or public purposes.
  3. Contractor may publish or offer for publication, subject to the prior review and approval of the HPC pursuant to Section 13.4 below any other Publication derived from Contractor’s performance

of the Contract, including a Publication dealing with Contractor’s performance under the Contract or the results and accomplishments attained in such performance. The HPC shall have a non-exclusive, irrevocable, royalty-free license to reproduce, publish or otherwise use any such Publication, and authorize others to do so for state or public purposes.

* 1. Contractor must submit notice in the form and manner specified by the HPC of any proposed Publication pursuant to Sections 13.2 or 13.3 above at least 10 days prior to submission for publication or release. The HPC may review the proposed Publication for accuracy of project description and consistency with HCII program requirements and objectives, and provide recommendations and comments to the authors.
  2. For each Publication that is a Deliverable or other Publication derived from Contractor’s performance of the Contract, Contractor must include an acknowledgement of support and disclaimer language using the following or another statement, as may be specified by the HPC:

*The project described in this publication/article was supported by an Investment Award from the Commonwealth of Massachusetts Health Policy Commission (HPC). The contents of this publication/article are the sole responsibility of the authors and do not necessarily represent the views of the HPC.*

* 1. Contractor shall not display the Commonwealth of Massachusetts Seal in any material or Publication derived from Contractor’s performance of the Contract. Use of the coat of arms and the Great Seal of the Commonwealth for advertising or commercial purposes is prohibited by law. Contractor shall not display the HPC logo in any material or Publication derived from Contractor’s performance of the Contract without the prior written approval of the HPC.

## 14.0 Compliance with Laws

14.1 Contractor shall comply with all applicable statutes, orders, regulations promulgated by any federal, state, municipal or other governmental authority relating to the performance of this Contract as they become effective, including, for the avoidance of doubt, applicable laws relating to the privacy or security of any personal information, including any “Protected Health Information” within the meaning of HIPAA, any “personal data” as defined in M.G.L. c. 66A, and any “patient identifying information” as used in 42 CFR Part 2, that the Contractor uses, maintains, discloses, receives, creates, transmits or otherwise obtains in connection with its performance under the Contract.

## 15.0 Contractor Engagement

15.1 Contractor is required to engage with the HPC on a regular basis during the Period of Performance, which may include meetings and site visits as specified by the HPC. Contractor shall cooperate with the HPC for the purposes of shared learning, which may include the dissemination of Deliverables or other tangible products, materials, or information in support of the goals of the Investment Award or the HPC’s Health Care Investment Program.

## 16.0 Investment Award Contract File

* 1. Contractor shall maintain accurate, current and complete records of Contractor’s Investment Award Contract implementation, in accordance with all requirements of the Investment Award Contract (“Investment Award Contract File”), in such detail as shall properly substantiate claims for payment pursuant to the Investment Award Contract. Contractor’s Investment Award Contract File shall include originals, copies, or memos that note the location of all material documentation related to Contractor’s Investment Award Contract implementation, such as Investment Award Contract documents, contract documents and other agreements with third-parties, reports to the HPC, and electronic communications.
  2. Contractor’s Investment Award Contract File shall include records of all financial activities related to Contractor’s Investment Award Contract implementation, including documentation of disbursement and expenditure of all funds identified in the Budget, in accordance with Generally Accepted Accounting Policies (GAAP) and Contractor’s accounting policy. Contractor shall maintain documentation in the Investment Award Contract File of all modifications to Contractor’s Award Plan, including permissible modifications that do not require prior written approval of the HPC. Contractor shall maintain the Investment Award Contract File records for a minimum retention period of seven (7) years beginning on the first day after the final payment under the Investment Award Contract. Contractor is responsible for ensuring that any third-party with which it has a subcontract complies with this section, as required in the Subcontracts section (Section 11.0).

## 17.0 Internal Controls, Accounting Policies and Procedures

* 1. Contractor shall implement sufficient internal and accounting controls to ensure a system for safeguarding Investment Funds, and all property and assets purchased with those funds, and to ensure that the funds, property and assets are used solely as authorized in the Investment Award Contract. Contractor shall ensure appropriate oversight over the performance of, and disbursement and expenditure of funds to, any third-party as authorized and identified in the Budget, including subcontractors, Partners, or consultants/contractors.
  2. Contractor shall separately account for Investment Funds received, expended or disbursed as identified in the Budget.
  3. Contractor’s financial and accounting records must be supported by source documentation including but not limited to canceled checks, paid bills, payroll, time and attendance records, and contract and subcontract documents. These source documents must be maintained by Contractor for funds received, liabilities incurred, and expenses paid with Investment Funds. Invoices from any third-party for Investment Funds as authorized and identified in the Budget, including subcontractors, Partners, or consultants/contractors must be supported by sufficient detail and relevant source documentation, to demonstrate the achievement of Award activities for the amount invoiced.

## 18.0 Inspection of Records, Financial Monitoring and Audit

* 1. The HPC shall have access to all records related to Contractor’s Investment Award Contract implementation, including the Investment Award Contract File, and to all property and assets purchased with Investment Funds, for purposes of on-site review or audit, during regular business hours and upon reasonable prior notice. Upon request, Contractor shall provide copies of such records at Contractor’s reasonable expense.
  2. The HPC reserves the right to conduct on-site or off-site financial monitoring reviews or audits of Contractor or any third-party receiving Investment Funds, and/or to require a program specific financial audit. Contractor and any third-party receiving Investment Funds shall comply with any requirements for such reviews or audits as may be specified by the HPC. Contractor is responsible for ensuring that any third-party with which it has a subcontract complies with this section, as required in the Subcontracts section (Section 11.0).

## 19.0 Evaluation

19.1 Contractor shall evaluate the effectiveness and impact of its Initiative in accordance with its evaluation plan. Contractor shall provide the HPC with periodic reports on its evaluation activities, progress, and findings, as required by the HPC. Such reports shall be required Deliverables pursuant to Contractor’s Investment Award Contract. The HPC reserves the right to conduct additional evaluation activities, including, without limitation, surveys, interviews, and site visits at Contractor’s location and/or a Partner’s location. Contractor shall cooperate and/or participate in any evaluation activities that the HPC may conduct.

19.2 For the purposes of evaluation, Contractor, and any Partner or consultant/contractor identified as receiving funds from any source in the Budget, shall maintain appropriate documentation for patients it serves in furtherance of Contractor’s Initiative, which includes at a minimum, as applicable: patient names and addresses, insurance numbers, dates of birth, dates of enrollment, as applicable, and dates of service, including clinical and non- clinical services provided, in accordance with all applicable legal requirements and Contractor’s, Partners’, or consultants/contractors’ policies and procedures for maintenance of such information. Contractor is responsible for ensuring that any third-party with which it has a subcontract complies with this section, as required in the Subcontracts section (Section 11).

## 20.0 Remedies

* 1. The HPC may terminate or suspend the Investment Award Contract without cause, or if Contractor breaches any material term or condition or fails to perform or fulfill any material obligation under the Investment Award Contract. In the event that Contractor fails to perform or fulfill Investment Award Contract requirements, the HPC reserves the right to impose additional conditions on Contractor including but not limited to requiring additional Contractor engagement with the HPC (e.g., technical or management assistance and/or additional project monitoring) and/or requiring Contractor to submit additional, more detailed reporting.
  2. The HPC further reserves the right to terminate, suspend, delay, reduce or recover payments, in whole or in part. In the event that the HPC either temporarily suspends or permanently terminates payment for the Investment Award Contract, Contractor hereby agrees and acknowledges that the HPC shall have no liability for any such suspension or termination of payment or any loss that may occur as a result of any such suspension or termination of payment.
  3. The submission of intentionally false or misleading information or documentation to the HPC in connection with the Investment Award shall be a material breach of the Investment Award Contract and shall be cause for the HPC to revoke any and all payments that may otherwise be due to Contractor, to recover any previous payments made to Contractor, and/or make Contractor ineligible for any further funding from the HPC. Contractor shall have a continuing obligation to update and notify the HPC in writing when it knows or has any reason to know that any information or documentation submitted to the HPC contains false, misleading, or incorrect information.

## 21.0 Modification to Investment Terms & Conditions

21.1 The HPC reserves the right to amend these Investment Terms & Conditions with written notice to Contractor.

## 22.0 Severability

22.1 If any provision of these Investment Terms & Conditions is found to be superseded by the Commonwealth Terms and Conditions, state or federal law or regulation, in whole or in part, then both parties shall be relieved of all obligations under that provision only to the extent necessary to comply with the superseding Commonwealth Terms and Conditions or law, provided however, that the remaining provisions of the Investment Award Contract, or portions thereof, shall be enforced to the fullest extent permitted by law.

ACKNOWLEDGED BY:

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Authorized Signatory of Applicant