

SERIAL 11001 RFP EMPLOYEE BENEFIT DENTAL SERVICES
Contract – DELTA DENTAL

DATE OF LAST REVISION: January 04, 2016 CONTRACT END DATE: June 30, 2018

CONTRACT PERIOD THROUGH JUNE 30, ~~2015~~ 2018

TO: All Departments
FROM: Office of Procurement Services
SUBJECT: Contract for **EMPLOYEE BENEFIT DENTAL SERVICES**

Attached to this letter is published an effective purchasing contract for products and/or services to be supplied to Maricopa County activities as awarded by Maricopa County on **October 19, 2011 (Eff. 07/01/12)**.

All purchases of products and/or services listed on the attached pages of this letter are to be obtained from the vendor holding the contract. Individuals are responsible to the vendor for purchases made outside of contracts. The contract period is indicated above.

Wes Baysinger, Chief Procurement Officer
Office of Procurement Services

SD/mm
Attach

Copy to: Office of Procurement Services
Chris Bradley, Department of Business Strategies and Health Care Programs

(Please remove Serial 04161-RFP from your contract notebooks)



CONTRACT PURSUANT TO 11001-RFP-DELTA DENTAL

SERIAL 11001-RFP

This Contract is entered into this 19TH day of October 2011 by and between Maricopa County ("County"), a political subdivision of the State of Arizona, and Delta Dental of Arizona, an Arizona corporation ("Contractor") for the purchase of Employee Dental Benefit Services Fully Insured.

1.0 CONTRACT TERM:

- 1.1 This Contract is for a term of three (3) years, beginning on the 1st day of July 2012 and ending the 30th day of June, ~~2015~~ **2018**.
- 1.2 The County may, at its option and with the agreement of the Contractor, renew the term of this Contract for additional terms up to a maximum of three (3) years, (or at the County's sole discretion, extend the contract on a month-to-month bases for a maximum of six (6) months after expiration). The County shall notify the Contractor in writing of its intent to extend the Contract term at least thirty (30) calendar days prior to the expiration of the original contract term, or any additional term thereafter.

2.0 FEE ADJUSTMENTS:

Any request for fee adjustments must be submitted sixty (60) days prior to the current Contract expiration date. Requests for adjustment in cost of labor and/or materials must be supported by appropriate documentation and not exceed the percentage cap in the Exhibit A. If County agrees to the adjusted fee, County shall issue written approval of the change.

3.0 PAYMENTS:

- 3.1 As consideration for performance of the duties described herein, County shall pay Contractor the sum(s) stated in Exhibit "A."
- 3.2 Payment shall be made upon the County's receipt of a properly completed invoice.
- 3.3 INVOICES:
 - 3.3.1 The Contractor shall submit an electronic detailed invoice before payment(s) can be made. At a minimum, the invoice must provide the following information:
 - Company name, address and contact
 - County bill-to name and contact information
 - Contract serial number
 - County purchase order number
 - Invoice number and date
 - Payment terms
 - Date of service or delivery

- Quantity
- Contract Item number(s)
- Description of service provided
- Pricing per unit of service
- Extended price
- Total Amount Due

3.3.2 Problems regarding billing or invoicing shall be directed to the County as listed on the Purchase Order.

3.3.3 Payment shall be made to the Contractor by Accounts Payable through the Maricopa County Vendor Express Payment Program. This is an Electronic Funds Transfer (EFT) process. After Award the Contractor shall fill out an EFT Enrollment form located on the County Department of Finance Website as a fillable PDF document (www.maricopa.gov/finance/)

3.3.4 EFT payments to the routing and account numbers designated by the Contractor will include the details on the specific invoices that the payment covers. The Contractor is required to discuss remittance delivery capabilities with their designated financial institution for access to those details.

4.0 AVAILABILITY OF FUNDS:

4.1 The provisions of this Contract relating to payment for services shall become effective when funds assigned for the purpose of compensating the Contractor as herein provided are actually available to County for disbursement. The County shall be the sole judge and authority in determining the availability of funds under this Contract. County shall keep the Contractor fully informed as to the availability of funds.

4.2 If any action is taken by any state agency, Federal department or any other agency or instrumentality to suspend, decrease, or terminate its fiscal obligations under, or in connection with, this Contract, County may amend, suspend, decrease, or terminate its obligations under, or in connection with, this Contract. In the event of termination, County shall be liable for payment only for services rendered prior to the effective date of the termination, provided that such services are performed in accordance with the provisions of this Contract. County shall give written notice of the effective date of any suspension, amendment, or termination under this Section, at least ten (10) days in advance.

5.0 DUTIES:

5.1 The Contractor shall perform all duties stated in Exhibit "B" Policy Insured, or as otherwise directed in writing by the Procurement Officer.

6.0 TERMS and CONDITIONS:

6.1 INDEMNIFICATION:

6.1.1 To the fullest extent permitted by law, Contractor shall defend, indemnify, and hold harmless County, its agents, representatives, officers, directors, officials, and employees from and against all claims, damages, losses and expenses, including, but not limited to, attorney fees, court costs, expert witness fees, and the cost of appellate proceedings, relating to, arising out of, or alleged to have resulted from the negligent acts, errors, omissions, mistakes or malfeasance relating to the performance of this Contract. Contractor's duty to defend, indemnify and hold harmless County, its agents, representatives, officers, directors, officials, and employees shall arise in connection with any claim, damage, loss or expense that is caused by any negligent acts, errors, omissions or mistakes in the performance of this Contract by the Contractor, as well as any person or entity for whose acts, errors, omissions, mistakes or malfeasance Contractor may be legally liable.

- 6.1.2 The amount and type of insurance coverage requirements set forth herein will in no way be construed as limiting the scope of the indemnity in this paragraph.
- 6.1.3 The scope of this indemnification does not extend to the sole negligence of County.

6.2 INSURANCE REQUIREMENTS:

- 6.2.1 **Contractor, at Contractor's own expense, shall purchase and maintain the herein stipulated minimum insurance from a company or companies duly licensed by the State of Arizona and possessing a current A.M. Best, Inc. rating of B++. In lieu of State of Arizona licensing, the stipulated insurance may be purchased from a company or companies, which are authorized to do business in the State of Arizona, provided that said insurance companies meet the approval of County. The form of any insurance policies and forms must be acceptable to County.**
- 6.2.2 All insurance required herein shall be maintained in full force and effect until all work or service required to be performed under the terms of the Contract is satisfactorily completed and formally accepted. Failure to do so may, at the sole discretion of County, constitute a material breach of this Contract.
- 6.2.3 Contractor's insurance shall be primary insurance as respects County, and any insurance or self-insurance maintained by County shall not contribute to it.
- 6.2.4 Any failure to comply with the claim reporting provisions of the insurance policies or any breach of an insurance policy warranty shall not affect the County's right to coverage afforded under the insurance policies.
- 6.2.5 The insurance policies may provide coverage that contains deductibles or self-insured retentions. Such deductible and/or self-insured retentions shall not be applicable with respect to the coverage provided to County under such policies. Contractor shall be solely responsible for the deductible and/or self-insured retention and County, at its option, may require Contractor to secure payment of such deductibles or self-insured retentions by a surety bond or an irrevocable and unconditional letter of credit.
- 6.2.6 County reserves the right to request and to receive, within 10 working days, certified copies of any or all of the herein required insurance certificates. County shall not be obligated to review policies and/or endorsements or to advise Contractor of any deficiencies in such policies and endorsements, and such receipt shall not relieve Contractor from, or be deemed a waiver of County's right to insist on strict fulfillment of Contractor's obligations under this Contract.
- 6.2.7 The insurance policies required by this Contract, except Workers' Compensation, and Errors and Omissions, shall name County, its agents, representatives, officers, directors, officials and employees as Additional Insureds.
- 6.2.8 The policies required hereunder, except Workers' Compensation, and Errors and Omissions, shall contain a waiver of transfer of rights of recovery (subrogation) against County, its agents, representatives, officers, directors, officials and employees for any claims arising out of Contractor's work or service.
- 6.2.9 Commercial General Liability.

Commercial General Liability insurance and, if necessary, Commercial Umbrella insurance with a limit of not less than \$2,000,000 for each occurrence, \$2,000,000 Products/Completed Operations Aggregate, and \$4,000,000 General Aggregate Limit. The policy shall include coverage for bodily injury, broad form property damage, personal injury, products and completed operations and blanket contractual coverage, and shall not contain any provision which would serve to limit

third party action over claims. There shall be no endorsement or modification of the CGL limiting the scope of coverage for liability arising from explosion, collapse, or underground property damage.

6.2.10 Automobile Liability.

Commercial/Business Automobile Liability insurance and, if necessary, Commercial Umbrella insurance with a combined single limit for bodily injury and property damage of not less than \$2,000,000 each occurrence with respect to any of the Contractor's owned, hired, and non-owned vehicles assigned to or used in performance of the Contractor's work or services under this Contract.

6.2.11 Workers' Compensation.

6.2.11.1 **Workers' Compensation insurance to cover obligations imposed by federal and state statutes having jurisdiction of Contractor's employees engaged in the performance of the work or services under this Contract; and Employer's Liability insurance of not less than \$1,000,000 for each accident, \$1,000,000 disease for each employee, and \$1,000,000 disease policy limit.**

6.2.11.2 Contractor waives all rights against County and its agents, officers, directors and employees for recovery of damages to the extent these damages are covered by the Workers' Compensation and Employer's Liability or commercial umbrella liability insurance obtained by Contractor pursuant to this Contract.

6.2.12 **Errors and Omissions Insurance:**

Errors and Omissions insurance and, if necessary, Commercial Umbrella insurance, which will insure and provide coverage for errors or omissions of the Contractor, with limits of no less than \$1,000,000 for each claim.

6.2.13 Certificates of Insurance.

6.2.13.1 Prior to commencing work or services under this Contract, Contractor shall furnish the County with certificates of insurance, or formal endorsements as required by the Contract in the form provided by the County, issued by Contractor's insurer(s), as evidence that policies providing the required coverage, conditions and limits required by this Contract are in full force and effect. Such certificates shall identify this contract number and title.

6.2.13.2 **Prior to commencing work or services under this Contract, Contractor shall have insurance in effect as required by the Contract in the form provided by the County, issued by Contractor's insurer(s), as evidence that policies providing the required coverage, conditions and limits required by this Contract are in full force and effect. Such certificates shall be made available to the County upon ten (10) business days. BY SIGNING THE AGREEMENT PAGE THE CONTRACTOR AGREES TO THIS REQUIREMENT AND FAILURE TO MEET THIS REQUIREMENT WILL RESULT IN CANCELLATION OF CONTRACT.**

6.2.13.2.1 In the event any insurance policy (ies) required by this Contract is (are) written on a "claims made" basis, coverage shall extend for two (2) years past completion and acceptance of Contractor's work or services and as evidenced by annual Certificates of Insurance.

6.2.13.2.2 If a policy does expire during the life of the Contract, a renewal certificate must be sent to County fifteen (15) days prior to the expiration date.

6.2.14 Cancellation and Expiration Notice.

Insurance required herein shall not be permitted to expire, be canceled, or materially changed without thirty (30) days prior written notice to the County.

6.3 WARRANTY OF SERVICES:

6.3.1 The Contractor warrants that all services provided hereunder will conform to the requirements of the Contract, including all descriptions, specifications and attachments made a part of this Contract. County's acceptance of services or goods provided by the Contractor shall not relieve the Contractor from its obligations under this warranty.

6.3.2 In addition to its other remedies, County may, at the Contractor's expense, require prompt correction of any services failing to meet the Contractor's warranty herein. Services corrected by the Contractor shall be subject to all the provisions of this Contract in the manner and to the same extent as services originally furnished hereunder.

6.4 INSPECTION OF SERVICES:

6.4.1 The Contractor shall provide and maintain an inspection system acceptable to County covering the services under this Contract. Complete records of all inspection work performed by the Contractor shall be maintained and made available to County during contract performance and for as long afterwards as the Contract requires.

6.4.2 County has the right to inspect and test all services called for by the Contract, to the extent practicable at all times and places during the term of the Contract. County shall perform inspections and tests in a manner that will not unduly delay the work.

6.4.3 If any of the services do not conform with Contract requirements, County may require the Contractor to perform the services again in conformity with Contract requirements, at an increase in Contract amount. When the defects in services cannot be corrected by re-performance, County may:

6.4.3.1 Require the Contractor to take necessary action to ensure that future performance conforms to Contract requirements; and

6.4.3.2 Reduce the Contract price to reflect the reduced value of the services performed.

6.4.4 If the Contractor fails to promptly perform the services again or to take the necessary action to ensure future performance in conformity with Contract requirements, County may:

6.4.4.1 By Contract or otherwise, perform the services and charge to the Contractor any cost incurred by County that is directly related to the performance of such service; or

6.4.4.2 Terminate the Contract for default.

6.5 NOTICES:

All notices given pursuant to the terms of this Contract shall be addressed to:

For County:

Maricopa County
Department of Materials Management
Attn: Director of Purchasing
320 West Lincoln Street
Phoenix, Arizona 85003-2494

For Contractor:

Delta Dental of Arizona
Attn: Gary B. Feldman
5656 West Talavi Blvd.
Glendale, AZ. 85306

6.6 REQUIREMENTS CONTRACT:

6.6.1 Contractor signifies its understanding and agreement by signing this document that this Contract is a requirements contract. This Contract does not guarantee any purchases will be made (minimum or maximum). Orders will only be placed when County identifies a need and issues a purchase order or a written notice to proceed.

6.7 TERMINATION FOR CONVENIENCE:

The County reserves the right to terminate the Contract, in whole or in part at any time, when in the best interests of the County without penalty or recourse. Upon receipt of the written notice, the Contractor shall immediately stop all work, as directed in the notice, notify all subcontractors of the effective date of the termination and minimize all further costs to the County. In the event of termination under this paragraph, all documents, data and reports prepared by the Contractor under the Contract shall become the property of and be delivered to the County upon demand. The Contractor shall be entitled to receive just and equitable compensation for work in progress, work completed and materials accepted before the effective date of the termination.

6.8 TERMINATION FOR DEFAULT:

6.8.1 In addition to the rights reserved in the Contract, the County may terminate the Contract in whole or in part due to the failure of the Contractor to comply with any term or condition of the Contract, to acquire and maintain all required insurance policies, bonds, licenses and permits, or to make satisfactory progress in performing the Contract. The Procurement Officer shall provide written notice of the termination and the reasons for it to the Contractor.

6.8.2 Upon termination under this paragraph, all goods, materials, documents, data and reports prepared by the Contractor under the Contract shall become the property of and be delivered to the County on demand.

6.8.3 The County may, upon termination of this Contract, procure, on terms and in the manner that it deems appropriate, materials or services to replace those under this Contract. The Contractor shall be liable to the County for any excess costs incurred by the County in procuring materials or services in substitution for those due from the Contractor.

6.8.4 The Contractor shall continue to perform, in accordance with the requirements of the Contract, up to the date of termination, as directed in the termination notice.

6.9 **TERMINATION BY THE COUNTY:**

If the Contractor should be adjudged bankrupt or should make a general assignment for the benefit of its creditors, or if a receiver should be appointed on account of its insolvency, the County may terminate the Contract. If the Contractor should persistently or repeatedly refuse or should fail, except in cases for which extension of time is provided, to provide enough properly skilled workers or proper materials, or persistently disregard laws and ordinances, or not proceed with work or otherwise be guilty of a substantial violation of any provision of this Contract, then the County may terminate the Contract. Prior to termination of the Contract, the County shall give the Contractor fifteen- (15) calendar day's written notice. Upon receipt of such termination notice, the Contractor shall be allowed fifteen (15) calendar days to cure such deficiencies.

6.10 **STATUTORY RIGHT OF CANCELLATION FOR CONFLICT OF INTEREST:**

Notice is given that pursuant to A.R.S. §38-511 the County may cancel this Contract without penalty or further obligation within three years after execution of the contract, if any person significantly involved in initiating, negotiating, securing, drafting or creating the contract on behalf of the County is at any time while the Contract or any extension of the Contract is in effect, an employee or agent of any other party to the Contract in any capacity or consultant to any other party of the Contract with respect to the subject matter of the Contract. Additionally, pursuant to A.R.S §38-511 the County may recoup any fee or commission paid or due to any person significantly involved in initiating, negotiating, securing, drafting or creating the contract on behalf of the County from any other party to the contract arising as the result of the Contract.

6.11 **OFFSET FOR DAMAGES;**

In addition to all other remedies at law or equity, the County may offset from any money due to the Contractor any amounts Contractor owes to the County for damages resulting from breach or deficiencies in performance under this contract.

6.12 **ADDITIONS/DELETIONS OF SERVICE:**

The County reserves the right to add and/or delete products and/or services provided under this Contract. If a requirement is deleted, payment to the Contractor will be reduced proportionately to the amount of service reduced in accordance with the proposal price. If additional services and/or products are required from this Contract, prices for such additions will be negotiated between the Contractor and the County.

6.13 **RELATIONSHIPS:**

In the performance of the services described herein, the Contractor shall act solely as an independent contractor, and nothing herein or implied herein shall at any time be construed as to create the relationship of employer and employee, partnership, principal and agent, or joint venture between the District and the Contractor.

6.14 **SUBCONTRACTING:**

The Contractor may not assign this Contract or subcontract to another party for performance of the terms and conditions hereof without the written consent of the County. All correspondence authorizing subcontracting must reference the Proposal Serial Number and identify the job project.

6.15 **AMENDMENTS:**

All amendments to this Contract shall be in writing and approved/signed by both parties. Maricopa County Materials Management shall be responsible for approving all amendments for Maricopa County.

6.16 ACCESS TO AND RETENTION OF RECORDS FOR THE PURPOSE OF AUDIT AND/OR OTHER REVIEW:

- 6.16.1 In accordance with section MCI 367 of the Maricopa County Procurement Code the Contractor agrees to retain all books, records, accounts, statements, reports, files, and other records and back-up documentation relevant to this Contract for six (6) years after final payment or until after the resolution of any audit questions which could be more than six (6) years, whichever is latest. The County, Federal or State auditors and any other persons duly authorized by the Department shall have full access to, and the right to examine, copy and make use of, any and all said materials.
- 6.16.2 If the Contractor's books, records, accounts, statements, reports, files, and other records and back-up documentation relevant to this Contract are not sufficient to support and document that requested services were provided, the Contractor shall reimburse Maricopa County for the services not so adequately supported and documented.
- 6.16.3 **If at any time it is determined by the County that a cost for which payment has been made is a disallowed cost, the County shall notify the Contractor in writing of the disallowance. The course of action to address the disallowance shall be at sole discretion of the County, and may include either an adjustment to future claim submitted by the Contractor by the amount of the disallowance, or to require reimbursement forthwith of the disallowed amount by the Contractor by issuing a check payable to Maricopa County.**

6.17 AUDIT DISALLOWANCES:

If at any time, County determines that a cost for which payment has been made is a disallowed cost, such as overpayment, County shall notify the Contractor in writing of the disallowance. County shall also state the means of correction, which may be but shall not be limited to adjustment of any future claim submitted by the Contractor by the amount of the disallowance, or to require repayment of the disallowed amount by the Contractor.

6.18 ALTERNATIVE DISPUTE RESOLUTION:

- 6.18.1 After the exhaustion of the administrative remedies provided in the Maricopa County Procurement Code, any contract dispute in this matter is subject to compulsory arbitration. Provided the parties participate in the arbitration in good faith, such arbitration is not binding and the parties are entitled to pursue the matter in state or federal court sitting in Maricopa County for a de novo determination on the law and facts. If the parties cannot agree on an arbitrator, each party will designate an arbitrator and those two arbitrators will agree on a third arbitrator. The three arbitrators will then serve as a panel to consider the arbitration. The parties will be equally responsible for the compensation for the arbitrator(s). The hearing, evidence, and procedure will be in accordance with Rule 74 of the Arizona Rules of Civil Procedure. Within ten (10) days of the completion of the hearing the arbitrator(s) shall:
 - 6.18.1.1 Render a decision;
 - 6.18.1.2 Notify the parties that the exhibits are available for retrieval; and
 - 6.18.1.3 Notify the parties of the decision in writing (a letter to the parties or their counsel shall suffice).
- 6.18.2 Within ten (10) days of the notice of decision, either party may submit to the arbitrator(s) a proposed form of award or other final disposition, including any form of award for attorneys' fees and costs. Within five (5) days of receipt of the foregoing, the opposing party may file objections. Within ten (10) days of receipt of any objections, the arbitrator(s) shall pass upon the objections and prepare a signed award or other final disposition and mail copies to all parties or their counsel.

6.18.3 Any party which has appeared and participated in good faith in the arbitration proceedings may appeal from the award or other final disposition by filing an action in the state or federal court sitting in Maricopa County within twenty (20) days after date of the award or other final disposition. Unless such action is dismissed for failure to prosecute, such action will make the award or other final disposition of the arbitrator(s) a nullity.

6.19 SEVERABILITY:

The invalidity, in whole or in part, of any provision of this Contract shall not void or affect the validity of any other provision of this Contract.

6.20 RIGHTS IN DATA:

The County shall own have the use of all data and reports resulting from this Contract without additional cost or other restriction except as provided by law. Each party shall supply to the other party, upon request, any available information that is relevant to this Contract and to the performance hereunder.

6.21 INTEGRATION:

This Contract represents the entire and integrated agreement between the parties and supersedes all prior negotiations, proposals, communications, understandings, representations, or agreements, whether oral or written, express or implied.

6.22 VERIFICATION REGARDING COMPLIANCE WITH ARIZONA REVISED STATUTES §41-4401 AND FEDERAL IMMIGRATION LAWS AND REGULATIONS:

6.22.1 By entering into the Contract, the Contractor warrants compliance with the Immigration and Nationality Act (INA using e-verify) and all other federal immigration laws and regulations related to the immigration status of its employees and A.R.S. §23-214(A). The contractor shall obtain statements from its subcontractors certifying compliance and shall furnish the statements to the Procurement Officer upon request. These warranties shall remain in effect through the term of the Contract. The Contractor and its subcontractors shall also maintain Employment Eligibility Verification forms (I-9) as required by the Immigration Reform and Control Act of 1986, as amended from time to time, for all employees performing work under the Contract and verify employee compliance using the E-verify system and shall keep a record of the verification for the duration of the employee's employment or at least three years, whichever is longer. I-9 forms are available for download at USCIS.GOV.

6.22.2 The County retains the legal right to inspect contractor and subcontractor employee documents performing work under this Contract to verify compliance with paragraph 6.22.1 of this Section. Contractor and subcontractor shall be given reasonable notice of the County's intent to inspect and shall make the documents available at the time and date specified. Should the County suspect or find that the Contractor or any of its subcontractors are not in compliance, the County will consider this a material breach of the contract and may pursue any and all remedies allowed by law, including, but not limited to: suspension of work, termination of the Contract for default, and suspension and/or debarment of the Contractor. All costs necessary to verify compliance are the responsibility of the Contractor.

~~6.23 VERIFICATION REGARDING COMPLIANCE WITH ARIZONA REVISED STATUTES §§35-391.06 AND 35-393.06 BUSINESS RELATIONS WITH SUDAN AND IRAN:~~

~~6.23.1 By entering into the Contract, the Contractor certifies it does not have scrutinized business operations in Sudan or Iran. The contractor shall obtain statements from its subcontractors~~

~~certifying compliance and shall furnish the statements to the Procurement Officer upon request. These warranties shall remain in effect through the term of the Contract.~~

~~6.23.2 The County may request verification of compliance for any contractor or subcontractor performing work under the Contract. Should the County suspect or find that the Contractor or any of its subcontractors are not in compliance, the County may pursue any and all remedies allowed by law, including, but not limited to: suspension of work, termination of the Contract for default, and suspension and/or debarment of the Contractor. All costs necessary to verify compliance are the responsibility of the Contractor.~~

6.24 CONTRACTOR LICENSE REQUIREMENT:

6.24.1 The Respondent shall procure all permits, insurance, licenses and pay the charges and fees necessary and incidental to the lawful conduct of his/her business, and as necessary complete any required certification requirements, required by any and all governmental or non-governmental entities as mandated to maintain compliance with and in good standing for all permits and/or licenses. The Respondent shall keep fully informed of existing and future trade or industry requirements, Federal, State and Local laws, ordinances, and regulations which in any manner affect the fulfillment of a Contract and shall comply with the same. Contractor shall immediately notify both Office of Procurement Services and the using agency of any and all changes concerning permits, insurance or licenses.

6.25 CERTIFICATION REGARDING DEBARMENT AND SUSPENSION

6.25.1 The undersigned (authorized official signing for the Contractor) certifies to the best of his or her knowledge and belief, that the Contractor, defined as the primary participant in accordance with 45 CFR Part 76, and its principals:

6.25.1.1 are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from covered transactions by any Federal Department or agency;

6.25.1.2 have not within 3-year period preceding this Contract been convicted of or had a civil judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (Federal, State or local) transaction or contract under a public transaction; violation of Federal or State antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property;

6.25.1.3 are not presently indicted or otherwise criminally or civilly charged by a government entity (Federal, State or local) with commission of any of the offenses enumerated in paragraph (2) of this certification; and

6.25.1.4 have not within a 3-year period preceding this Contract had one or more public transaction (Federal, State or local) terminated for cause of default.

6.25.2 Should the Contractor not be able to provide this certification, an explanation as to why should be attached to the Contact.

6.25.3 The Contractor agrees to include, without modification, this clause in all lower tier covered transactions (i.e. transactions with subcontractors) and in all solicitations for lower tier covered transactions related to this Contract.

6.26 PRICES:

Contractor warrants that prices extended to County under this Contract are no higher than those paid by any other customer for these or similar services.

6.27 GOVERNING LAW:

This Contract shall be governed by the laws of the state of Arizona. Venue for any actions or lawsuits involving this Contract will be in Maricopa County Superior Court or in the United States District Court for the District of Arizona, sitting in Phoenix, Arizona

6.28 ORDER OF PRECEDENCE:

In the event of a conflict in the provisions of this Contract and Exhibit B (Policy) the terms of this Contract shall prevail.

6.29 PUBLIC RECORDS:

All Offers submitted and opened are public records and must be retained by the Records Manager at the Office of Procurement Services. Offers shall be open to public inspection after Contract award and execution, except for such Offers deemed to be confidential by the Office of Procurement Services. If an Offeror believes that information in its Offer should remain confidential, it shall indicate as confidential, the specific information and submit a statement with its offer detailing the reasons that the information should not be disclosed. Such reasons shall include the specific harm or prejudice which may arise. The Records Manager of the Office of Procurement Services shall determine whether the identified information is confidential pursuant to the Maricopa County Procurement Code.

6.30 STRATEGIC ALLIANCE for VOLUME EXPENDITURES (\$AVE)

The County is a member of the \$AVE cooperative purchasing group. \$AVE includes the State of Arizona, many Phoenix metropolitan area municipalities, and many K-12 unified school districts. Under the \$AVE Cooperative Purchasing Agreement, and with the concurrence of the successful Respondent under this solicitation, a member of \$AVE may access a contract resulting from a solicitation issued by the County. If you do not want to grant such access to a member of \$AVE, please so state in your proposal. In the absence of a statement to the contrary, the County will assume that you do wish to grant access to any contract that may result from this Request for Proposal.

6.31 INTERGOVERNMENTAL COOPERATIVE PURCHASING AGREEMENTS (ICPA's)

County currently holds ICPA's with numerous governmental entities throughout the State of Arizona. These agreements allow those entities, with the approval of the Contractor, to purchase their requirements under the terms and conditions of the County Contract. Please indicate on Attachment A, your acceptance or rejection regarding such participation of other governmental entities. Your response will not be considered as an evaluation factor in awarding a contract.

6.32 INFLUENCE

As prescribed in MC1-1202 of the Maricopa County Procurement Code, any effort to influence an employee or agent to breach the Maricopa County Ethical Code of Conduct or any ethical conduct, may be grounds for Disbarment or Suspension under MC1-902.

An attempt to influence includes, but is not limited to:

6.32.1 A Person offering or providing a gratuity, gift, tip, present, donation, money, entertainment or educational passes or tickets, or any type valuable contribution or subsidy,

6.32.2 That is offered or given with the intent to influence a decision, obtain a contract, garner favorable treatment, or gain favorable consideration of any kind.

If a Person attempts to influence any employee or agent of Maricopa County, the Chief Procurement Officer, or his designee, reserves the right to seek any remedy provided by the Maricopa County Procurement Code, any remedy in equity or in the law, or any remedy provided by this contract.

6.33 INCORPORATION OF DOCUMENTS:

The following are to be attached to and made part of this Contract:

6.33.1 Exhibit A, Pricing;

6.33.2 Exhibit B, Scope of Work;

IN WITNESS WHEREOF, this Contract is executed on the date set forth above.
CONTRACTOR

R. Allan Allford

AUTHORIZED SIGNATURE

ALLAN ALLFORD, C.E.O.

PRINTED NAME AND TITLE

5656 W. TALAVI BLVD. GLENDALE, AZ, 85306

ADDRESS

9/29/11

DATE

MARICOPA COUNTY

[Signature]

OCT 19 2011

CHAIRMAN, BOARD OF SUPERVISORS

DATE

ATTESTED:

[Signature]

CLERK OF THE BOARD

OCT 19 2011

DATE

APPROVED AS TO FORM:

[Signature]

LEGAL COUNSEL

OCT 20 2011

DATE

**EXHIBIT A
PRICING**

SERIAL 11001-RFP
PRICING SHEET 95348

BIDDER NAME: Delta Dental of Arizona
 F.I.D./VENDOR #: 2011001482 0
 BIDDER ADDRESS: 5656 W. Talavi Blvd., Glendale, AZ 85306
 P.O. ADDRESS: Same as above
 BIDDER PHONE #: (602) 588-3612
 BIDDER FAX #: (602) 588-3921
 COMPANY WEB SITE: www.deltadentalaz.com
 COMPANY CONTACT (REP): Stacee Grosshans
 E-MAIL ADDRESS (REP): sgrosshans@deltadentalaz.com

WILLING TO ACCEPT FUTURE SOLICITATIONS VIA EMAIL: YES NO
 OTHER GOV'T. AGENCIES MAY USE THIS CONTRACT: YES NO
 PAYMENT TERMS NET 15

1.0 PRICING:

1.1

1.1.3 FULLY INSURED Rate per month per employee:

	Rate Guarantee			Maximum Rate Increase (not to exceed rate)		
	Year 7/1/2012 - 6/30/2013)	Year 2 (7/1/2013 - 6/30/2014)	Year 3 (7/1/2014 - 6/30/2015)	Year 4 (7/1/2015 - 6/30/2016)	Year 5 (7/1/2016 - 6/30/2017)	Year 6 (7/1/2017 - 6/30/2018)
1.1.3.1 EMPLOYEE ONLY	\$41.42	\$73.78	\$46.18 \$42.48	7% \$41.00	8% \$42.50	9% \$42.50
1.1.3.2 EMPLOYEE +SPOUSE	\$91.34	\$96.54	\$101.86 \$93.64	7% \$90.36	8% \$93.66	9% \$93.66
1.1.3.3 EMPLOYEE +CHILDREN	\$98.80	\$104.40	\$110.14 \$101.28	7% \$97.74	8% \$101.32	9% \$101.32
1.1.3.4 FAMILY	\$127.04	\$134.24	\$141.62 \$130.22	7% \$125.66	8% \$130.26	9% \$130.26
1.1.3.5 COMPOSITE RATE	\$83.28	\$87.98	\$92.84	7% \$83.28	8% \$87.98	9% \$92.84
Maximum Rate Increase will be calculated against prior year rate in effect.						
1.1.4 Charge for drafting benefit document/booklet (If any)	\$ n/a	\$ n/a	\$ n/a	n/a %	n/a %	n/a %
1.1.5 Charge for printing benefit document/booklet (assume initial order of 15,000 copies) if any	\$ n/a	\$ n/a	\$ n/a	n/a %	n/a %	n/a %

If qualifying Diagnostic and Preventive procedures are not performed during the year, the member will return to the base level co-insurance the following year (100/80/50).

EXHIBIT B - RFP-11001

DELTA DENTAL OF ARIZONA

DEFINITIONS

The following terms, words and phrases will, for purposes of This Contract be defined as follows:

Allowable Charge(s) are determined as follows:

Participating Dentist- Delta Dental Premier Network; The lesser of the Participating Dentist's filed fee, billed charges or the Maximum Reimbursable Amount for services rendered. A Participating Dentist will not charge a Covered Person more than the Allowable Charge(s).

Participating Dentist- Delta Dental PPO Network; The lesser of the Participating Dentist's billed charges or the Table of Allowance for services rendered. A Participating Dentist will not charge a Covered Person more than the Allowable Charge(s).

Non-participating Dentist; The lesser of the dentist's billed charges or Non-participating Dentist Table of Allowance. DDAZ will pay the Covered Person the Allowable Charge(s). A Covered Person will be responsible for the full cost of treatment.

Benefit Year; is the time period for which benefits are paid, time limitations are tracked, and the deductibles and maximum benefits are applied. See Exhibit A.

Change in Family Status; includes leave under the Family Medical Leave Act (FMLA), marriage, birth, adoption of a child or placement for adoption of a child, divorce, legal separation, annulment or change in legal custody, including a qualified medical child support order requiring health coverage for an employee's child, entitlement or loss of entitlement of Medicare or Medicaid, loss or commencement of employment by a spouse, a strike or lockout, commencement of or a return from an unpaid leave of absence, a change in the number of regularly scheduled hours to become benefit eligible, a change in job or employment status that renders the employee benefit eligible or ineligible such as moving from temporary status to regular status, a dependent who satisfies or ceases to satisfy eligibility requirements such as attainment of limiting age for dependent children, and death of an employee, spouse, or child.

Covered Person; is an eligible employee or dependent insured under This Contract who is a **regular (full or part-time) employee (except some contract employees with no benefits or only medical benefits in their contract) scheduled to work at least 20 hours per week**. Dependents of the employee (legal spouse and child up to age 26) are also eligible to be insured under This Contract.

Covered Services; include Dental Services rendered by eligible providers to the extent that the benefit plan provides payment for those services after any Benefit Waiting Period has been satisfied.

DDAZ; means Delta Dental of Arizona.

Deductible; is the amount of covered dental expenses that the Subscriber pays before the dental benefits are payable, and applies to each Covered Person per Benefit Year. Only fees charged for covered dental services will apply to the Deductible. Refer to the Dental Benefits Booklet for a more detailed description of the deductible and how it is applied.

Dentist: A natural person licensed to practice dentistry within the jurisdiction in which the service was provided.

Dental Plan; includes the dental care benefits provided by DDAZ in accordance with This Contract and described in the Dental Benefits Booklet.

EXHIBIT B - RFP-11001

Enrollment Date; is the Subscriber's effective date of coverage under This Contract or, if earlier, the first day of the waiting period for such coverage.

Maximum Reimbursable Amount; is the applicable maximum dollar amount paid by DDAZ toward the cost of dental care incurred by an individual or family. Delta Dental calculates the applicable Maximum Reimbursable Amount provided by contracting dentists to Delta Dental.

Non-Participating Dentist Table of Allowance; means the fixed dollar maximums paid by DDAZ for services rendered by a Dentist who is not a Participating Dentist with Delta Dental.

Open Enrollment; is the annual one-month period before the beginning of any Contract Term allowing an Eligible Employee, who initially waived coverage, to enroll himself and/or Eligible Dependents.

Participating Dentist; is a Dentist who has signed an agreement with DDAZ.

Predetermination of Benefits; is a statement of costs submitted prior to dental care and treatment. In this process, DDAZ will verify eligibility and determine the amount of benefits to be paid under this contract and provide that estimate to the Subscriber.

Table of Allowance; means the fixed dollar maximums paid by DDAZ for services rendered by a Participating Dentist in the Delta Dental PPO Network.

This Contract; means this written agreement, (including all Appendices, The Master Application, the Dental Benefits Booklet, the Appeals Packet (if applicable) and any amendments) between the Employer Group and DDAZ.

ELIGIBILITY PROVISIONS:

EMPLOYER GROUP CONTRIBUTION:

The Employer Group will make a contribution toward the employee and/or dependent premium.

MINIMUM PARTICIPATION REQUIREMENTS:

The Employer Group will maintain a minimum number of all eligible employees enrolled in this Employer Group Dental Plan.

DUAL-COVERAGE:

An individual cannot be eligible both as a Subscriber and a dependent under the same DDAZ Employer Group Dental Contract. However, an individual may be covered as a Subscriber under one (1) DDAZ Employer Group Dental Contract and as a dependent under a different DDAZ Employer Group Dental Contract (Refer to the Coordination of Benefits section of This Contract and the Dental Benefits Booklet). No one can be insured as a dependent of more than one (1) insured individual within the same Employer Group Dental Contract. A dependent may be covered under two (2) different Employer Group Dental Contracts with DDAZ.

REHIRED SUBSCRIBERS:

A Subscriber rehired up to twelve (12) months following the date of termination may rejoin the Plan with no eligibility waiting period. If the Subscriber is reinstated during the same Benefit Year in which the termination occurred, any Deductibles and Maximums met before termination will be applied. Any benefit waiting periods or portions of benefit waiting periods that have been satisfied will be credited. A Subscriber rehired twelve (12) months or later from the date of termination must meet the same requirements as a new employee. The date of rehire will become the date of hire.

EXHIBIT B - RFP-11001

UNDERWRITING REQUIREMENTS:

The Employer Group agrees to comply with the underwriting requirements that DDAZ reasonably requires from time to time. DDAZ will give the Employer Group sixty (60) days notice of any changes.

ELIGIBLE EMPLOYEES:

An employee may be covered under this program:

- A. While he/she is a regular employee in a class of eligible employees which is defined and included in This Contract; and/or
- B. While he/she is a full-time regular employee of the Employer Group, who works a required number of hours per week as stated in This Contract.

RETIRED EMPLOYEES:

Retired employees are an eligible class of employees ONLY if requested on the Employer Group Dental Master Application and approved by DDAZ.

The Employer Group must provide DDAZ with a complete description of the conditions that employees must meet to qualify for retiree benefits. Retired employees are eligible for coverage only when the requirements established by the Employer Group for retiree benefits have been met. If retiree coverage is added to This Contract at a later date, only those who retire after the effective date will be eligible for coverage.

The retiree should have been continuously covered under This Contract prior to retirement. The relationship with the Employer Group will be considered severed when the retiree terminates coverage with the Employer Group and no longer receives benefits from that Employer Group. In that event the retiree will no longer be considered benefits eligible under This Contract.

ELIGIBLE DEPENDENTS:

If the Subscriber is covered, the following dependents may be covered under this program:

- A. A Subscriber's lawful spouse; and
- B. A Subscriber's children up to age twenty-six (26) or those of your spouse, including;
 - 1. Newborn children;
 - 2. Step-children;
 - 3. Persons under legal guardianship substantiated by a court order;
 - 4. Legally adopted children;
 - 5. Children placed for foster care; and
 - 6. Children placed for adoption with the Subscriber in accordance with applicable state or federal law.

Student Status; A Subscriber's unmarried dependent child will be eligible for coverage according to the terms of This Contract. Benefits will continue up to the limiting age for students, according to This Contract if a full-time student is in an accredited school, enrolled in a minimum number of credit hours, and in accordance with the school's full time student status. Student status will be verified.

Handicapped Dependents; A Subscriber's dependent Child over the age of twenty-six (26) may continue to be eligible as dependents, if they are incapable of self-sustaining employment because of physical or mental incapacity that began before age twenty-six (26), and are dependent on the Subscriber for their support and maintenance. Proof of incapacity must be provided to DDAZ and your employer within thirty-one (31) days of a request, but not more frequently than once per year following the child reaching the applicable limiting age.

Military Status; No children who are on active duty in military service are eligible for coverage under this contract.

EXHIBIT B - RFP-11001

EFFECTIVE DATE OF COVERAGE:

ELIGIBLE SUBSCRIBERS:

Subscribers are covered under this program:

- A. After completion of the eligibility waiting period.
- B. When the Subscriber completes Maricopa County's electronic enrollment, or enrolls online through the Employer Group's Employee Self Service application required by This Contract. The Employer Group sends the Maricopa County's electronic enrollment file to DDAZ.
- C. After the benefit waiting period, if applicable, has been satisfied.

ELIGIBLE DEPENDENTS:

Dependents are covered under this program:

On the date the Subscriber's coverage is effective; or

- A. After an open enrollment period allowing employees to make coverage changes. Coverage is effective on the first of the month of the new Contract Year following open enrollment.
- B. On the date the dependent is acquired, meaning:
 1. The birth, adoption, placement for foster care, placement for adoption with the Subscriber and for whom the application and approval procedures for adoption have been completed;
 2. A marriage that results in the spouse and step-children being added to coverage; and
 3. Persons required to be covered by court order.
- C. After the benefit waiting period, if applicable, has been satisfied.

RETIRED EMPLOYEES:

Retired employees must enroll for coverage on DDAZ approved enrollment forms. The effective date of coverage for an eligible retired employee is the later of:

- A. The date retired employees are eligible for coverage under This Contract;
- B. The date of retirement for employees who retire after that date;

ADDITIONAL INFORMATION ON COVERAGE AND EFFECTIVE DATES FOR ENROLLMENT:

Eligible employees have thirty-one (31) days after becoming eligible to enroll for coverage. Employees who do not enroll when first eligible, or during the open enrollment period, may join only if they incur a change in family status which affects eligibility for dental coverage. DDAZ will not require evidence of insurability for enrollment.

If an employee does not enroll his/her dependents when they are first eligible and later acquires a dependent as a result of marriage, birth, placement for foster care, adoption or placement for adoption, the dependent(s) may enroll for coverage at that time.

- If a Subscriber acquires a dependent due to marriage, the effective date of coverage of the eligible dependent(s) will be the date the completed enrollment change form was received by the Employer Group. The Subscriber must complete Maricopa County's electronic enrollment within thirty (30) days and the Employer Group must send it to DDAZ within (90) days from the date of marriage. If there is a change in premium, it will be included in the next billing date after the change, adjusted back to the effective month of the change.
- If a Subscriber acquires a dependent as a result of birth, placement for foster care, adoption, or placement for adoption, the effective date of coverage for the newly acquired dependent and any other eligible dependent(s), will be the date of the event. The Subscriber must complete Maricopa County's electronic enrollment within thirty (30) days and the Employer Group must send it to DDAZ within (90) days from the date of acquisition. If there is a change in premium, it will be included in the next billing date after the change, adjusted back to the effective month of the change.

EXHIBIT B - RFP-11001

- Maricopa County's electronic enrollment must be submitted for addition of newborn or any adopted children, even if no additional premium is required. DDAZ's claim payment system tracks deductibles, maximums and benefit information individually for each Covered Person. The name and other pertinent information, as included on the Maricopa County's electronic enrollment are required to process claims.
- If a court orders that coverage be provided by a Subscriber, the effective date of coverage for this covered person will be the date the completed enrollment change form was received by the Employer Group. The Subscriber must complete Maricopa County's electronic enrollment within thirty (30) days and the Employer Group must send it to DDAZ within (90) days after the court order is issued. However, the effective date of coverage may be different if required by court order or applicable law.

OPEN ENROLLMENT:

An eligible employee may enroll for coverage for the eligible employee and any eligible dependents during any annual Open Enrollment period. The effective date of coverage will be the renewal date immediately following that open enrollment period, as long as the DDAZ approved enrollment form is completed, signed, and returned within thirty one (31) days. Maricopa County's electronic enrollment must be received by DDAZ within ninety (90) days of the beginning date of the Open Enrollment period.

REMOVING DEPENDENTS AND OTHER ELIGIBILITY CHANGES:

If a Subscriber elects to change from family coverage to single coverage, drop a dependent from family coverage, or voluntarily withdraw from coverage during an open enrollment period, the Employer Group will provide notice of such change to DDAZ. All changes must be on a DDAZ approved enrollment form. The minimum participation as stated in This Contract must continue to be met during each renewal period.

The change will be effective on the last day of the billing month in which the election is made, as long as the Employer Group provides timely notice.

TERMINATION OF COVERAGE:

LOSS OF ELIGIBILITY:

Coverage for the Subscriber and Covered Dependents will terminate on the last day of the month, or as designated by the Employer Group.

The Subscriber's eligibility ceases upon:

- Termination of employment;
- Loss of benefit-eligible status, other than during a leave of absence;
- Failure to return to active full-time employment at the end of a leave of absence; and
- Failure to satisfy any eligibility requirements stated in This Contract;
- The date of death of the eligible Subscriber; *or*
- Termination of This Contract.

Covered Dependents' eligibility ceases upon:

- Termination of the employee's employment;
- The date the Employee no longer meets the eligibility criteria under This Contract;
- The dependent spouse is no longer an eligible dependent as a result of a divorce decree;
- The date a self-sustaining, employable, dependent child reaches the limiting age of twenty-six (26);
- The date of the employee's death;
- The date This Contract terminates.

EXHIBIT B - RFP-11001

LEAVE OF ABSENCE:

The Employer Group may continue coverage for Subscribers for a maximum period as designated by the Employer Group when an employee is on an authorized leave of absence. The Employer Group must continue to pay premiums during a leave of absence. The Employer Group may require that an employee enroll in COBRA coverage for the duration of the leave of absence.

OTHER CIRCUMSTANCES AND CONDITIONS:

- A. Termination of any Covered Person under This Contract will become effective the last day of the month that the Employer Group does not pay DDAZ the required monthly premium for that covered person.
 - B. Coverage for a Subscriber may be terminated following sixty (60) days notice from DDAZ for misrepresentation or fraud in the Subscriber's use of services or benefits. DDAZ may also terminate coverage for a Subscriber for disruptive, unruly, or abusive behavior (not related to the use of dental services).
 - C. If an Employer Group does not provide timely notice of the termination of a Subscriber and/or dependents, DDAZ may terminate coverage as follows:
 1. The last day of the billing month/day in which the Subscriber is no longer eligible for coverage; or
 2. A date which is not more than ninety (90) days prior to DDAZ's actual receipt of the written notice.
- The Employer Group is liable for the payment of premium through the date of termination elected by DDAZ.

COVERAGE AFTER TERMINATION:

Benefits will not be paid for services provided after your coverage ends, including pre-determined services, except for multiple appointment procedures with a date of service before the termination of coverage which were completed within thirty (30) days from the date your coverage ended. Such benefits will be subject to all conditions specified in This Contract.

COBRA:

Under Federal law it is the Employer Group's responsibility, as Plan Administrator, to inform employees and dependents of the availability, terms, and conditions of continuation coverage available under COBRA (Consolidated Omnibus Budget Reconciliation Act of 1985). COBRA requires most employers who have twenty or more employees and sponsor Employer Group health benefits to offer employees and their covered dependents the opportunity for a temporary extension of Employer Group health coverage at Employer Group rates in certain instances where coverage under the plan would otherwise end. Employer Group health coverage can include dental coverage depending on whether dental is considered a "core" benefit as defined in the COBRA regulations. This coverage is known as Continuation Coverage. It is the Employer Group's responsibility to inform the employee of their rights under COBRA and to inform DDAZ of those Subscribers and/or Covered Dependents who satisfy the criteria to continue dental coverage under this regulation.

CONVERSION COVERAGE:**Subscribers eligible for conversion coverage:**

A Subscriber may enroll in conversion coverage upon loss of employment or a change in benefits eligible status after COBRA coverage ends as long as the Employer Group Dental Contract with DDAZ is still in force. If the Subscriber is not eligible for COBRA coverage due to the size or type of the Employer Group, conversion coverage will apply upon termination of employment or loss of coverage due to a change in benefits eligible status.

A Covered Dependent may enroll in conversion coverage upon the death of a Subscriber, divorce, or termination of employment of the Subscriber. Conversion coverage will also apply to dependents upon loss of coverage due to marriage, reaching the limiting age, no longer being a full-time student, or no longer being engaged in full-time humanitarian services. The conversion coverage may include covered dependent children for whom the spouse has responsibility for care and/or support.

DDAZ requires a DDAZ approved enrollment form and the first premium payment within thirty-one (31) days for the conversion contract to become effective. The effective date of the conversion contract will be the day following termination of active group coverage or if applicable, the day after COBRA Continuation coverage ceases provided that This Contract continues to be in force. There will be no evidence of insurability requirement.

EXHIBIT B - RFP-11001

Subscribers not eligible for conversion coverage:

This conversion coverage is not available to a person covered by other dental benefits, which together with this conversion coverage would constitute duplicate insurance. This coverage also does not apply if the Employer Group terminates This Contract.

RESPONSIBILITIES OF THE PARTIES:

RESPONSIBILITIES OF THE EMPLOYER GROUP:

ADMINISTRATION:

- A. Provide DDAZ with all the information required to confirm a Subscriber's eligibility for coverage or termination of coverage.
- B. Provide DDAZ with notice of any changes of name, address, or marital status of Subscribers.
- C. Provide DDAZ with written notice of any changes, other than termination, in a Subscriber's coverage status within ninety (90) days after such changes using Maricopa County's electronic file.
- D. Provide DDAZ with written notice of a Subscriber's termination of coverage to DDAZ as soon as possible, but not more than sixty (60) days after coverage terminates.
- E. Notify Subscribers of the conversion coverage available in the Dental Plan outlined in the Dental Benefits Booklets and This Contract if applicable.
- F. Notify the Subscribers when This Contract terminates that their coverage has ended, however, coverage will terminate, even if, such notice is not given by the Employer Group.
- G. Distribute all notices, from DDAZ to Subscribers and comply with federal and state disclosure laws. Notice given to the Employer Group is considered to be notice to the Subscriber. Notice given to Employer Group is considered to be notice to all subsidiaries and sublocations of This Contract.
- H. Provide COBRA administrative services as described in the Dental benefits booklet and This Contract.

PREMIUM PAYMENT PROVISIONS;

- A. The Employer Group determines the amount, if any, of each member's contribution toward the cost of insurance.
- B. The Employer Group will provide DDAZ with a copy of the State Unemployment Tax and Wage Report upon request to verify participation requirements assumed in developing premium rates.
- C. The premium due on each premium due date is the sum of the premiums for all insured persons.
- D. The Employer Group will pay through self-billing. The Employer Group will provide DDAZ with the enrollment report on which the premium payment is based. The Employer Group will report employee terminations on the enrollment file. The DDAZ approved enrollment form must be submitted for each individual being added or making a change regardless of the mechanism (billed or transmittal) used to report eligibility changes.
- E. The Employer Group's records will be available for review by DDAZ with reasonable notice to confirm the accuracy of the payments made, or data provided.
- F. DDAZ may give the Employer Group up to a maximum of one hundred and twenty (120) days credit (from last billing issued) for retroactive deletions unless claims were paid for the retroactive terminated Subscribers.
- G. The Employer Group must pay premiums for any months in which claims were incurred by any of the Subscribers that the Employer Group is retroactively terminating. Subject to item F, Premium Payment Provisions section.
- H. The Employer Group is liable for the cost of benefits for covered services provided to a Subscriber following the termination of his or her coverage under This Contract if the Employer Group fails to provide notice to DDAZ of the termination as required in This Contract. The Employer Group's liability under this paragraph will be limited to those benefits that are paid by DDAZ on or before the date DDAZ actually receives written notice of the termination. The Employer Group will reimburse DDAZ for such benefits within thirty-one (31) days following DDAZ's request for reimbursement. Subject to item F, Premium Payment Provisions section.

EXHIBIT B - RFP-11001

EMPLOYER GROUP ON HOLD:

DDAZ reserves the right to put an Employer Group on a “hold” status until a resolution is reached for the following reasons:

- A. Non-Payment of Premium; subject to item F, Premium Payment Provisions section.
- B. Unsigned contract and/or amendments; or
- C. Non Compliance with Provisions of This Contract.

This status will result in a denial of any claims submitted for the Employer group during this period and resubmission will be required for those claims when the above issues are resolved.

ENROLLMENT/PLAN ADMINISTRATION MATERIALS:

DDAZ will provide the following to the Employer Group:

Dental Benefits Booklets;

DDAZ will issue Dental Benefits Booklets to the Employer Group. These booklets show the coverage under This Contract. The Employer Group will distribute a Dental Benefits Booklet to each insured Subscriber. Dental Benefits Booklets will be mailed to Subscriber’s homes only upon employer request.

The Employer Group will issue the Dental Benefits Booklets to all eligible Employees. Material generated by the Employer Group concerning This Contract must be approved by DDAZ before printing and distribution to eligible employees and/or covered subscribers.

An Appeals Packet;

DDAZ provides an Appeals Packet as part of This Entire Contract. The Appeals Packet is provided to the Subscriber’s and Covered Dependents when first enrolled and within five (5) business days after DDAZ receives a request for an appeal. At each renewal, a separate statement is sent to the Subscribers reminding them that they may request another copy of the Appeals Packet. This Appeals Packet will also be sent to any Subscriber or treating provider at any time upon request.

DDAZ Identification Cards;

DDAZ will provide Subscriber identification cards. These will be located in the Dental Benefits Booklet.

Reports;

Unless otherwise noted in This Contract, DDAZ will provide Standard Reports. DDAZ reserves the right to request a fee from the Employer Group for any additional specialized reports not included in the premium rates.

CLAIMS PAYMENT PROVISIONS

NETWORK PROVISIONS:

Participating Dentist;

On the date of service, if the dentist is a participating dentist (a dentist who has signed an agreement with Delta Dental):

- A. The dental office will complete the claim forms and submit to DDAZ for payment, pre-determination or coordination of benefits.
- B. The Subscriber is required to pay only the co-insurance (if any) and/or deductible (if any) for covered benefits.
- C. Payment will be based on the pricing method for the state in which services are rendered not to exceed the Maximum Reimbursable Amount for that state. Participating Dentists will not bill fees higher than the allowable fee to the Subscriber.

EXHIBIT B - RFP-11001

Non-Participating Dentist;

Within the United States;

On the date of service, if the dentist is a non-participating dentist (a dentist who has not signed an agreement with Delta Dental, or who has terminated as a Participating Dentist):

- A. The Subscriber will be responsible for the submission of the claim form or the predetermination of benefits form to DDAZ.
- B. The Subscriber will be responsible to the non-participating dentist for the full cost of treatment and DDAZ will reimburse the Subscriber for the amount of benefits payable by the Group's plan. The benefits in This Contract may not be assigned.
- C. Participating Dentist reimbursement:
 - Payment to a dentist participating in the Delta Dental PPO network will not exceed the Table of Allowance for the state in which services are rendered.
 - Payment to a dentist exclusively participating in the Delta Dental Premier network (not a Delta Dental PPO participating Dentist) will not exceed the Maximum Reimbursable Amount for the state in which services are rendered.

Non-Participating Dentist;

Outside the United States;

On the date of service, if the dentist is a non-participating dentist (a dentist who has not signed an agreement with Delta Dental, or who has terminated as a Participating Dentist):

- A. The Subscriber will be responsible for the submission of the claim form or the predetermination of benefits form to DDAZ.
- B. The claim form must include the billed charges in that country's currency and a conversion fee into United States dollars.
- C. The Subscriber will be responsible for the submission of a copy of that dentist's license to practice dentistry in the county services were rendered.
- D. The Subscriber will be responsible to the non-participating dentist for the full cost of treatment and DDAZ will reimburse the Subscriber for the amount of benefits payable by the Group's plan. The benefits in This Contract may not be assigned.
- E. The payment for the treatment will be based on the lesser of the billed charges or DDAZ's Foreign Non-Participating Dentist Table of Allowance. You will be required to pay the difference between any amount billed by the dentist and DDAZ's Foreign Non-Participating Dentist Table of Allowance. This payment results, in most instances, in a reduced benefit when compared to the benefit paid for the same service to a Participating Dentist or Non-Participating Dentist within the United States.

NON ASSIGNABILITY OF BENEFITS:

The benefits of This Contract are not assignable. A Subscriber may not assign or transfer the rights to receive any portion of the benefits to any person or entity. If DDAZ makes a payment that is inaccurate or makes an overpayment to the Subscriber, DDAZ is entitled to reimbursement from the Subscriber or may offset the amount owed against a future claim. Inaccurate payments are not a waiver of any future rights of DDAZ to deny payment for non-covered benefits.

EXHIBIT B - RFP-11001

PROVISIONS REQUIRED BY LAW:

Before approving a claim, DDAZ will be entitled to receive, as the law allows, any information from any examining dentist who is providing dental services to that Covered Person and any records of treatment provided to a Covered Person, as may be required to administer the claim. DDAZ will in every case hold such information and records confidential. DDAZ takes confidentiality very seriously and has various processes in place to ensure that sensitive or confidential information is safeguarded and that the release of such information is made only to facilitate coverage and in accordance with state and federal laws.

DDAZ will not release information to spouses, relatives, attorneys, or others purporting to be the Subscriber's representative without the Subscriber's written consent. If the Subscriber wishes to authorize someone to have access to information, he/she may send a written request or call DDAZ's Customer Service Department to request an Authorization to Disclose Information Form. Once DDAZ receives the form, it will release information to the person that the Subscriber has designated. DDAZ may also limit release of information to the parents of dependent children who have reached the age of majority and are not subject to guardianship or conservatorship, even when such children are covered under the parent's Contract.

When the Subscriber is not a custodial parent of a child who is covered because of a court administrative order to provide health benefits (including dental) to that child DDAZ will provide benefit information to the custodial parent, permit the custodial parent to submit claims for the child and make payments directly to the custodial parent, provider, or state agency as applicable. Under Arizona law, both parents have equal rights of access to information about their children, unless there is a court order denying such access. Absent a copy of such order and subject to the confidentiality provisions described above, DDAZ provides equal parental access to information. Whether issues relate to a court or administrative order concerning coverage or simply access to information, DDAZ is not a party to domestic disputes. Such matters must be resolved between parents of the dependent child.

FILING A CLAIM:

Claims should be filed on DDAZ forms. If DDAZ does not provide the requested forms within fifteen (15) days after the request is made, the claim may be submitted in a letter which provides written proof of the claim covering the occurrence, the character, and the extent of the loss. The requirements for proof of loss will be considered satisfied if DDAZ receives the DDAZ forms or a written statement as outlined above within the time frame as stated in the following paragraph. Proof of loss: A sworn statement that usually must be furnished by the insured to an insurer before any loss under a policy may be paid. This form is usually used in the settlement of first-party losses and includes the date and description of the occurrence and the amount of loss. A claim is a demand by an insured or another party for indemnification of a loss under an insurance contract or bond; sometimes, the actual or estimated amount of a loss.

TIME LIMITS ON FILING PROOF OF LOSS:

Proof of Loss must be provided within ninety (90) days after the termination of care for which benefits are payable. If that is not possible, it must be provided as soon as is reasonably possible, but, not later than one year after the date of service. If the Proof of Loss is filed outside these limits, the claim will be denied. These limits will not apply should the Subscriber lack legal capacity.

PROOF OF LOSS:

Proof of Loss means written proof that the Covered Person has incurred Dental Expenses for which Dental Benefits are payable. Proof of Loss must be provided at the Subscriber's expense. No dental benefit will be paid until proof of loss is satisfied.

DOCUMENTATION OF PROOF OF LOSS:

At the Subscriber's expense, it is necessary to submit completed claim statements, with the Subscriber's or Covered Person's signed authorization for DDAZ to obtain information, and any other items we may reasonably require in support of the claim. This information may be obtained from any provider or insurance company. DDAZ reserves the right to reject or suspend a claim based on lack of dental information or records.

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INVESTIGATION OF CLAIMS:

DDAZ may investigate your claims at any time. At DDAZ's expense, we may have a dental professional of our choice examine the Covered Person and/or review X-rays. DDAZ may deny or suspend payment of Dental Benefits if the Covered Person or the Dentist providing care fails to cooperate with a review or examination by the Dental Professional that DDAZ selects.

PAYMENT OF DENTAL BENEFITS:

DDAZ will pay all dental benefits directly to the DDAZ Participating Dentists and to the Subscriber if his/her Dentist is a DDAZ Non Participating Dentist immediately after proof of loss is established. DDAZ does not require that a specific Dentist provide any covered services. See the Network Provisions Section of This Contract for a complete description of how benefits are paid for Participating and Non Participating Dentists.

NOTICE OF DECISION ON CLAIM:

If additional information is needed and, therefore, DDAZ is unable to pay the claim, the Subscriber will receive a notice of our receipt of the claim within fifteen (15) days after DDAZ receives the claim. If DDAZ denies your claim or procedure, or reduces your payment, in whole or in part, including those due to eligibility to participate or utilization review, you will receive an Explanation of Benefits (EOB) describing your liability for services received. If you have no liability and part of your claim is denied, you will not receive an EOB. If DDAZ denies your claim, the specific reason for your denial is shown on your explanation of Benefits (EOB). If additional information is required to process your claim, the EOB will show the information that DDAZ needs to finish processing your claim. The plan provisions that are relied upon for processing are included in your benefit booklet. If the Subscriber does not receive DDAZ's decision within thirty (30) days after DDAZ receives information required to process the claim, the Subscriber will have an immediate right to request a review as if the claim had been denied.

If DDAZ denies any part of the claim, the Subscriber will receive a written notice of denial containing:

- A. The reasons for the decision;
- B. A description of any additional information needed to support the claim; and
- C. Information concerning the Subscriber's right to appeal the decision if applicable.

TIME LIMITS ON LEGAL ACTIONS:

No action at law or in equity may be brought until sixty (60) days after you have given us Proof of Loss. No such action may be brought more than three years after the earlier of:

- A. The date we receive Proof of Loss; and
- B. The end of the period within which Proof of Loss must be provided.

CLAIMS APPEAL PROCESS

The covered person or the treating provider can file an appeal. DDAZ provides a form to be used for an appeal in the Appeals Packet. The covered person or treating provider is not required to use the form; a letter with the same information is acceptable. If the covered person decides to appeal a decision to deny authorization or payment of a service, the covered person should tell the treating provider so the provider can help with the information needed to present the appeal.

The process for an appeal is described in detail in the Appeals Packet, a separate document, which is provided to the Subscriber when effective under This Contract along with the Dental Benefits Booklet. The Subscriber can request another copy of this Appeals Packet by calling DDAZ's Customer Service Department.

Description of the Appeals Process;

There are two types of appeals: an expedited appeal for urgent matters, and a standard appeal. Each type of appeal has three (3) levels. The appeals operate in a similar fashion, except that expedited appeals are processed much faster because of the patient's condition.

Expedited Appeals (for urgently needed services you have not yet received):

- Level 1: Expedited Medical Review
- Level 2: Expedited Appeal
- Level 3: Expedited External Independent Review

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Standard Appeals (for non-urgent services or denied claims)

Level 1: Informal Reconsideration¹

Level 2: Formal Appeal

Level 3: External Independent Medical Review

DDAZ makes the decisions at Level 1 and Level 2. An outside reviewer, who is completely independent from our company, makes Level 3 decisions. The Subscriber is not responsible to pay the costs of the external review if appealing to Level 3.

¹ DDAZ does not provide informal reconsideration of a denied claim; our appeals process begins at the formal appeal level.

The information in the Appeals Packet, which is a part of This Entire Contract, gives the details about the Subscriber's rights and responsibilities during the appeals process. These will include the procedures DDAZ and the Subscriber must follow when participating in the appeals process, the time period applicable at each level of appeal, whether a request for an appeal must be in writing, and notices the Subscriber will receive from DDAZ regarding the appeal.

GENERAL PROVISIONS:

DISCLOSURE OF INFORMATION:

DDAZ will comply with all federal and state laws regarding disclosure of information by dental plan Insurers.

RIGHT OF RECOVERY:

DDAZ will recover any payment made that is more than the obligation determined by **the terms and conditions of the Employer Group Dental Contract** and the rules of the Coordination of Benefits provision. DDAZ's right of recovery under this provision is in addition to any rights as DDAZ has under common law.

NO LOSS/NO GAIN:

Subscribers who were covered by the Employer Group's prior indemnity dental plan up to the effective date of This Contract will be given credit toward the deductibles satisfied for the same Benefit Year. The employee or Employer Group must provide an explanation of benefits or a report from the prior plan indicating the amount of the deductible that has already been met. This data will be used to determine the amount of credit given. DDAZ will also reduce the maximum amount for the Benefit Year by any amounts paid by the previous carrier based on data DDAZ receives from the dentist, an Explanation of Benefits, or the patient history from the DDAZ database.

APPLICABLE LAW:

This Contract is governed by the State of Arizona and applicable to federal law.

ALLOCATION OF AUTHORITY:

Each person signing This Contract certifies that he/she has the appropriate corporate authority to bind the respective party. Except for those functions that This Contract specifically reserves to the Employer Group, DDAZ has full and exclusive authority to control and manage This Contract, to administer claims, and to interpret This Contract and to resolve all questions arising in the administration, interpretation, and application of This Contract.

DDAZ'S RELATIONSHIP TO THE DELTA DENTAL PLAN ASSOCIATION:

The Employer Group, on behalf of itself and the Subscribers, expressly acknowledges its understanding that This Contract constitutes a contract solely between the Employer Group and DDAZ. DDAZ is an independent corporation who operates under a license from the Delta Dental Plan Association (DDPA), an association of independent Delta Dental Plans. DDPA permits DDAZ to use the Delta Dental Service Marks in the State of Arizona and DDAZ is not contracting as an agent of the association. The Employer Group acknowledges and agrees that it has not entered into the contract based upon representations by any person other than DDAZ. The Employer Group also agrees that no person, entity, or organization other than DDAZ will be held accountable or liable to the Employer Group for any of the DDAZ obligations to the Employer Group or to the Subscribers created under This Contract. This paragraph will not create any additional obligations whatsoever on the part of DDAZ other than those obligations created under the provisions of This Contract.

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CONFIDENTIALITY:

The Employer Group will maintain the confidentiality of all proprietary information relating to DDAZ acquired during the term of This Contract. Such information may not be disclosed or otherwise made available to anyone not a party to This Contract without DDAZ's prior written consent and it may not be used to the detriment of DDAZ. The obligations of this paragraph pertain to the Employer Group and its agents and will survive termination of This Contract.

COORDINATION OF BENEFITS:

If any services covered under This Contract are also provided under any other Employer Group dental coverage, DDAZ will pay no more than the total cost of such dental services than is required by the Subscriber's Dental Benefits Booklet. This practice is consistent with state and/or federal law and industry standards (including the National Association of Insurance Commissioners Employer Group Coordination of Benefits Model Regulation). Upon request, the Employer Group will assist DDAZ in obtaining information necessary to coordinate and avoid duplication of benefits. The Dental Benefits Booklet that is a part of This Entire Contract contains a detailed description of the coordination of benefits provisions and order of payment.

ERISA/COBRA:

The contract is not a "plan document" for purposes of the Employee Retirement Income Security Act of 1975 (ERISA). The Employer Group will be the "Plan Administrator", if applicable, for the purposes of COBRA and ERISA (or comparable provisions of other state or federal law).

ERRORS:

The Employer Group is liable for intentionally providing misleading, false, or inaccurate statements and for intentionally failing to provide adequate, accurate, and timely information to DDAZ under This Contract. DDAZ reserves the right to exercise all remedies available under law or equity, including the right to immediately terminate or rescind This Contract. If This Contract is rescinded, DDAZ reserves the right to recover from the Employer Group any amounts paid on behalf of the Employer Group and/or Subscribers.

To the extent permitted, by applicable law, Subscribers are individually liable for intentionally misleading, false, or inaccurate statements or omissions of information they are individually obligated to provide to the Employer Group and/or DDAZ. DDAZ reserves the right to rescind the Subscriber's coverage in the event of a fraudulent or otherwise intentional material misrepresentation, in which case DDAZ also reserves the right to recover any amounts paid on behalf of the Subscriber. The Employer Group remains liable if the Subscriber provides the information to the Employer Group and the Employer Group intentionally fails to timely provide it to DDAZ.

Unintentional clerical errors, omissions or delays in providing dates or relevant information do not invalidate coverage that otherwise would have been in force. Unintentional errors, omissions, or delays do not allow a Subscriber to have coverage he or she would not have been entitled to, or to continue coverage that otherwise would have been terminated. Upon discovery of such errors, omissions or delay, an equitable adjustment of charges and benefits will be made, and DDAZ reserves the right to recover for overpayments made as a result of such errors, omissions, or delays.



Maricopa County
Premier Plan – Covered Dental Services - Plan Design

<u>ROUTINE SERVICES</u>	<u>BENEFITS</u>
<p><u>DIAGNOSTIC:</u> Exams, evaluations or consultations (Twice in a benefit year) X-rays:</p> <ul style="list-style-type: none"> • Full Mouth/Panorex (Once in a 3 year period) • Bitewing (Twice in a benefit year) • Periapical <p><u>PREVENTIVE:</u></p> <ul style="list-style-type: none"> • Routine Cleanings (limited to twice in a benefit year, or one difficult cleaning may be exchanged for one routine cleaning. However, the difficult cleaning is limited to not more than once in a five year period.) • Topical Application of Fluoride (children through age 17 -Twice in a benefit year) • Space Maintainers (For missing posterior primary (baby) teeth) – Up to age 19 • Sealants for children (Once in a three (3) year period for permanent molars & bicuspid up to age nineteen (19). • Emergency (Palliative treatment) treatment for the relief of pain 	<p>100%</p>

<u>BASIC SERVICES</u>	<u>Year 1: 80%*</u>
<p><u>RESTORATIVE:</u></p> <ul style="list-style-type: none"> • Fillings consisting of silver amalgam; and, for front teeth only, synthetic tooth color fillings. • Stainless Steel Crowns (For primary (baby) teeth only) <p><u>ORAL SURGERY:</u></p> <ul style="list-style-type: none"> • Extractions <p><u>ENDODONTICS:</u></p> <ul style="list-style-type: none"> • Root Canal Treatment (Permanent Teeth); Pulpotomy (Primary (baby) Teeth) <p><u>PERIODONTICS:</u></p> <ul style="list-style-type: none"> • Treatment of Gum Disease (Non-surgical-once every 2 years/Surgical once every 3 years). • Periodontal maintenance following periodontal treatment (limited to two cleanings per year in addition to routine cleanings) 	<p>Year 2, if preventive care received in previous plan year: 85%*</p> <p>Year 2, if preventive care NOT received in previous plan year: 80%</p> <p>Year 3, if preventive care received in previous two plan years: 90%*</p> <p>Year 3, if preventive care NOT received in previous two plan years: 80%</p>

<p>PROSTHODONTICS: (Does not provide for lost, misplaced or stolen bridges or dentures. 5-year waiting period for replacement last performed).</p> <ul style="list-style-type: none"> • Bridges • Partial Dentures • Complete Dentures 	<p>Year 1: 50%* Year 2, if preventive care received in previous plan year: 55%* Year 2, if preventive care NOT received in previous plan year: 50%*</p>
<p>BRIDGE AND DENTURE REPAIR: Repair of such appliances to their original condition including relining of dentures.</p>	<p>Year 3, if preventive care received in previous two plan years: 60%*</p>
<p>RESTORATIVE: (5-year waiting period for replacement last performed)</p> <ul style="list-style-type: none"> • Cast Crowns • Jackets • Onlays • Inlays • Synthetic posterior fillings (once per surface per 2 year period) 	<p>Year 3, if preventive care NOT received in previous two plan years: 50%*</p>
<p>IMPLANTS: (Implants are only a benefit to replace a single missing tooth, bounded by teeth on each side. Limited to \$1,000.00 per tooth, per lifetime and is applied to the patient's benefit year maximum.)</p>	

<p>ORTHODONTIC SERVICES</p>	<p>50%</p>
<p>The program will pay 50% of the Orthodontic Services for Adults & Children. Benefits are limited to a maximum of \$3,000 per lifetime of the patient payable in two (2) payments - upon initial banding and twelve months after. This maximum is separate from the plan year maximum for your other dental benefits</p>	

Plan Year Maximum: \$2,000

Annual Deductible: \$50 per person; \$100 per family

*Subject to annual deductible.

+ If you received preventive care every year, your benefit level will increase the following year until it reaches the level specified in your plan documents.

+ If you received preventive care in year 1, your benefit level will increase in year 2. If you do not receive preventive care in year 2, your benefit level in year 3 will return to year 1 benefit level.

+ If you never receive preventive care, your benefit level will remain the same and never decrease below your original benefit level

11001-RFP ATTACHMENT

MARICOPA COUNTY

**Health Insurance Portability and Accountability Act of 1996 ("HIPAA")
Business Associate Provisions**

This Attachment sets out the HIPAA-related responsibilities and obligations of Contractor pursuant to the Contract between Contractor and Department.

I. Definitions

- A. Applicable Law means any of the following items, including any amendments to any such item as such may become effective:
1. the Health Insurance Portability and Accountability Act of 1996 ("HIPAA");
 2. the federal regulations regarding privacy and promulgated with respect to HIPAA, found at 45 C.F.R. Parts 160 and 164 (the "Privacy Rule");
 3. the federal regulations regarding electronic data interchange and promulgated with respect to HIPAA, found at 45 C.F.R. Parts 160 and 162 (the "Transaction Rule");
 4. the federal regulations regarding security and promulgated with respect to HIPAA, found at 45 C.F.R. Parts 160 and 164 (the "Security Rule"); and
 5. the American Recovery and Reinvestment Act of 2009 ("ARRA"), §§ 13400-24, Public Law 111-5, 123 Stat 115 (Feb. 17, 2009), codified at 42 U.S.C. §§ 17921, 17931-40, 17951-53.
- B. Business Associate means an entity that performs or assists in the performance of a function on behalf of a Covered Entity, which involves the use or disclosure of Individually Identifiable Health Information as defined in 45 C.F.R. § 160.103. Contractor is a Business Associate of Department under this Contract, and for purposes of Contractor's obligations under this Attachment, the terms "Business Associate" and "Contractor" are synonymous. Notwithstanding this definition, if Contractor does not have access to or create PHI under this Contract, Contractor is not a Business Associate, and the terms of this Attachment do not apply to Contractor.
- C. Contract means the entire agreement between the parties.
- D. Contractor for purposes of this Attachment means any party to this Contract, which is not a department of Maricopa County government.

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Business Associate Provisions**

- E. Covered Entity means a health plan, a health care clearinghouse, or a health care provider that transmits any health information in electronic form in connection with a transaction covered by HIPAA as defined in 45 C.F.R. § 160.103. Department or a part of Department, as designated by Maricopa County, is a Covered Entity under this Contract.
- F. Department means the party to this Contract that is part of Maricopa County government.
- G. ePHI means electronic protected health information within the meaning of 45 C.F.R. § 160.103, limited to the information created, received, maintained, or transmitted by Business Associate from or on behalf of Department.
- H. Individual means the person who is the subject of PHI.
- I. Protected Health Information (“PHI”) is health information that (1) is created or received by a Covered Entity, (2) relates to the physical condition, mental health or other health condition of an Individual, or to the provision of health care to the Individual (including but not limited to the payment for such health care), and (3) identifies or can be used to identify the Individual, as defined in 45 C.F.R. § 160.103.
- J. Secretary means the Secretary of the United States Department of Health and Human Services (“HHS”) and her designees.
- K. Security Breach means (1) unauthorized access to, or acquisition, use, disclosure, modification or destruction, of Department’s Unsecured PHI, whether in paper or electronic form, or (2) the successful interference with system operations in an information system containing Department’s PHI. The term does *not* include (1) disclosure of PHI to an unauthorized person in circumstances where that person would not reasonably have been able to retain the information, or (2) good faith unintentional access to, or acquisition or use of, PHI by Business Associate’s employees, agents or subcontractors in the course of such person’s performance of services authorized by the Contract provided that such PHI is not further accessed, acquired, used, or disclosed by any person.
- L. Unsecured PHI means all PHI, *except*: (1) PHI in electronic form that is encrypted consistent with regulations promulgated by HHS or has been subject to disposal in a manner that renders the information irretrievable, or (2) PHI in paper form that has been shredded, burned, or otherwise rendered irrecoverable.

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**Health Insurance Portability and Accountability Act of 1996 (“HIPAA”)
Business Associate Provisions**

II. Rights and Obligations of Business Associate

A. General Obligations

1. Compliance with Privacy Rule

- a. Business Associate shall not use or further disclose PHI other than as permitted or required by HIPAA, the Privacy Rule, and this Attachment.
- b. Business Associate shall use appropriate safeguards to prevent use or disclosure of PHI other than as provided for by this Attachment.
- c. Business Associate shall report to Department any use or disclosure of PHI, known to Business Associate, that is not permitted by this Attachment.

2. Compliance with Security Rule

- a. Business Associate shall implement administrative, physical, and technical safeguards that reasonably and appropriately protect the confidentiality, integrity, and availability of ePHI.
- b. Business Associate shall report to Department any Security Breach of which Business Associate becomes aware.

3. Compliance with ARRA

- a. Business Associate shall comply with the Security Breach notice requirements provided in Section II.A.4 of this Attachment.
- b. Business Associate shall not receive remuneration, either directly or indirectly, in exchange for PHI, except as may be permitted by 42 U.S.C. § 17935(d). [This paragraph shall be effective 180 days after issuance of final regulations implementing 42 U.S.C. § 17935]

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Business Associate Provisions**

- c. Pursuant to the Privacy Rule, made applicable to Business Associate by ARRA, Business Associate shall adopt, implement, and follow privacy policies and procedures in the same manner and to the same extent as if it were a Covered Entity.
 - d. Pursuant to the Security Rule, made applicable to Business Associate by ARRA, Business Associate shall adopt, implement, and follow security policies and procedures in the same manner and to the same extent as if it were a Covered Entity.
4. **Notice of Security Breach**
- a. *Notice to Department.* Business Associate shall notify Department without unreasonable delay and within five (5) business days of Business Associate's discovery of a Security Breach. The notice to Department shall include the identity of each Individual whose Unsecured PHI was involved in the Security Breach, a brief description of the Security Breach, and any mitigation efforts. To the extent that Business Associate does not know the identities of all affected Individuals when it is required to notify Department, Business Associate shall provide such additional information as soon as administratively practicable after such information becomes available. For purposes of this paragraph, a Security Breach shall be treated as discovered as of the first day on which the Security Breach is known or should reasonably have been known to Business Associate (including any person, other than the one committing the Security Breach, who is an employee, officer, or other agent of Business Associate).
 - b. *Notice to Individuals.* On behalf of Department, Business Associate shall provide written notice of the Security Breach without unreasonable delay, but no later than sixty (60) calendar days following the date the Security Breach is discovered, or such later date as is authorized under 45 C.F.R. § 164.412, to each Individual whose Unsecured PHI has been, or is reasonably believed by Business Associate to have been, accessed, used, or disclosed as a result of the Security Breach. For purposes of this paragraph, a Security Breach shall be treated as discovered as of the first day on

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which the Security Breach is known or should reasonably have been known to Business Associate (including any person, other than the one committing the Security Breach, who is an employee, officer, or other agent of Business Associate).

The content, form, and delivery of such written notice shall comply in all respects with 45 C.F.R. § 164.404(c)-(d).

Business Associate and Department shall cooperate in all respects regarding the drafting and the content of the notice. To that end, before sending any notice to any Individual, Business Associate shall first provide a draft of the notice to Department. Department shall have five (5) business days (plus any reasonable extensions) to provide comments on Business Associate’s draft of the notice.

- c. *Notice to Media.* On behalf of Department, Business Associate shall provide written notice of a Security Breach to the media to the extent required under 45 C.F.R. § 164.406. Business Associate and Department shall cooperate in all respects regarding the drafting and the content of the notice. To that end, before sending any notice to the media, Business Associate shall first provide a draft of the notice to Department. Department shall have five (5) business days (plus any reasonable extensions) to provide comments on Business Associate’s draft of the notice.
- d. *Notice to Secretary.* On behalf of Department, Business Associate shall provide written notice of a Security Breach to the Secretary to the extent required under 45 C.F.R. § 164.408. Business Associate and Department shall cooperate in all respects regarding the drafting and the content of the notice. To that end, before sending any notice to the Secretary, Business Associate shall first provide a draft of the notice to Department. Department shall have five business days (plus any reasonable extensions) to provide comments on Business Associate’s draft of the notice.

If a Security Breach involves fewer than five hundred (500) Individuals, Business Associate shall maintain a log or other documentation of the Security Breach that contains such

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information as would be required to be included if the log were maintained by Department pursuant to 45 C.F.R. § 164.408, and provide such log to Department within five (5) business days of Department's written request.

5. Subcontractors and Agents. Business Associate shall ensure that any agent, including a subcontractor, to whom it provides PHI agrees to the same restrictions and conditions that apply through this Attachment to Business Associate with respect to PHI.
6. Access to Books and Records by Secretary. Business Associate shall make its internal practices, books, and records relating to the use, disclosure, and security of PHI available to the Secretary for purposes of the Secretary determining Department's and Business Associate's compliance with HIPAA.
7. Mitigation. Business Associate shall mitigate, to the extent practicable, any harmful effect that is known to Business Associate of (a) a use or disclosure of PHI by Business Associate in violation of the requirements of this Attachment, or (b) a Security Breach.

B. Obligations Relating to Individual Rights

1. Restrictions on Disclosures. Upon request by an Individual, Department shall determine whether the Individual shall be granted a restriction on disclosure of PHI pursuant to 45 C.F.R. § 164.522. Department shall not agree to any such restriction without the prior consent of Business associate if such restriction would affect Business Associate's use or disclosure of PHI, *provided, however*, that Business Associate's consent is not required for requests that must be granted under 42 U.S.C. § 17935(a). Department shall communicate any grant of a request to Business Associate. Business Associate shall restrict its disclosures of the Individual's PHI in the same manner as would be required for Department. If Business Associate receives an Individual's request for restrictions, Business Associate shall forward such request to Department within five (5) business days.
2. Access to PHI. Upon request by an Individual, Department shall determine whether an Individual is entitled to access his or her PHI pursuant to 45 C.F.R. § 164.524. If Department determines that an Individual is entitled to such access, and that such PHI is under the control of Business Associate, Department shall communicate the

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decision to Business Associate. Business Associate shall provide access to the PHI in the same manner as would be required for Department. If Business Associate receives an Individual’s request to access his or her PHI, Business Associate shall forward such request to Department within five (5) business days.

3. Amendment of PHI. Upon request by an Individual, Department shall determine whether the Individual is entitled to amend his or her PHI pursuant to 45 C.F.R. § 164.526. If Department determines that an Individual is entitled to such an amendment, and that such PHI is both in a designated record set and under the control of Business Associate, Department shall communicate the decision to Business Associate. Business Associate shall provide an opportunity to amend the PHI in the same manner as would be required for Department. If Business Associate receives an Individual’s request to amend his or her PHI, Business Associate shall forward such request to Department within five (5) business days.
4. Accounting of Disclosures. Upon request by an Individual, Department shall determine whether any Individual is entitled to an accounting pursuant to 45 C.F.R. § 164.528. If Department determines that an Individual is entitled to an accounting, Department shall communicate the decision to Business Associate. Business Associate shall provide information to Department that will enable Department to meet its accounting obligations. If Business Associate receives an Individual’s request for an accounting, Business Associate shall forward such request to Department within five (5) business days.

C. **Permitted Uses and Disclosures by Business Associate.** Except as otherwise limited in this Attachment or by Applicable Law, Business Associate may:

1. Use or disclose PHI to perform functions, activities, or services for or on behalf of Department, as specified in the Contract, *provided that* such use or disclosure (a) is consistent with Department’s Notice of Privacy Practices, and (b) would not violate Applicable Law if done by Department;
2. Use PHI for the proper management and administration of Business Associate or to carry out the legal responsibilities of Business Associate;

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3. Disclose PHI for the proper management and administration of Business Associate, *provided that* (a) Business Associate obtains reasonable assurances from the person to whom the information is disclosed that it will remain confidential and be used or further disclosed only as required by law or for the purpose for which it was disclosed to the person, and the person notifies the Business Associate of any instances of which it is aware in which the confidentiality of the information has been breached, or (b) the disclosures are required by law; and
4. Use PHI to provide Data Aggregation services to Department as permitted by 45 C.F.R. § 164.504(e)(2)(i)(B).

III. Rights and Obligations of Department

A. Privacy Practices and Restrictions

1. Upon request, Department shall provide Business Associate with the notice of privacy practices that Department produces in accordance with 45 C.F.R. § 164.520. If Department subsequently revises the notice, Department shall provide a copy of the revised notice to Business Associate.
2. Department shall notify Business Associate of any restriction to the use or disclosure of PHI that Department has agreed to in accordance with 45 C.F.R. § 164.522. Department shall provide Business Associate with any changes in, or revocation of, permission by an Individual to use or disclose PHI, if such changes affect Business Associate’s permitted or required uses and disclosures.

- B. Permissible Requests by Department.** Department shall not request Business Associate to use or disclose PHI in any manner that would not be permissible under the Privacy Rule if done by Department.

IV. Term and Termination

- A. Term.** This Attachment shall become effective upon execution by the Parties and shall supersede any existing Business Associate Agreement among the Parties. The requirements of this Attachment shall end upon the termination of the Contract or upon termination for cause as set forth in the following Section IV.B, whichever is earlier.

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B. Termination for Cause. Upon any Party’s knowledge of a material breach of this Attachment by another Party, the nonbreaching Party shall have the following rights:

1. If the breach is curable, the nonbreaching Party may provide an opportunity for the other Party to cure the breach or end the violation. Alternatively, or if the other Party fails to cure the breach or end the violation, the nonbreaching Party may terminate this Contract.
2. If the breach is not curable, the nonbreaching Party may immediately terminate this Contract.
3. If termination is not feasible, the nonbreaching Party may report the problem to the Secretary.

C. Effect of Termination.

1. Except as provided in Section IV.C.2, upon termination of this Contract, for any reason, Business Associate shall return or destroy all PHI within its possession or control, and all PHI that is in the possession or control of Business Associate’s subcontractors or agents. Business Associate shall retain no copies of the PHI.
2. If Business Associate determines that returning or destroying the PHI is infeasible, Business Associate shall provide to Department notification of the conditions that make return or destruction infeasible. Business Associate shall extend the protections of this Attachment to such PHI and limit further uses and disclosures of such PHI to those purposes that make the return or destruction infeasible, for so long as Business Associate maintains such PHI.

V. Miscellaneous

A. Electronic Health Records. The Parties agree that Business Associate shall not maintain any “electronic health record” or “personal health record,” as those terms are defined in ARRA, for or on behalf of Department. As such, Business Associate has no obligation to document disclosures that are exempt from the accounting requirement under 45 C.F.R. § 164.528(1)(i)-(ix), and Department agrees not to include Business Associate on any list Department produces pursuant to 42 U.S.C. § 17935(c)(3).

11001-RFP ATTACHMENT

MARICOPA COUNTY

**Health Insurance Portability and Accountability Act of 1996 ("HIPAA")
Business Associate Provisions**

DELTA DENTAL OF ARIZONA
FIRM NAME
CRAIG L NESAY
PERSON SIGNING (PLEASE PRINT)

Craig L Nesay
SIGNATURE
4/24/11
DATE

DELTA DENTAL OF ARIZONA, 5656 WEST TALAVI BLVD, GLENDALE, AZ 85306

PRICING SHEET: 95348

Terms:	NET 15
Vendor Number:	2011001482 0
Telephone Number:	602/588-3612
Fax Number:	602/288-3921
Contact Person:	Gary B. Feldman, Stacey Grosshans
E-mail Address:	sgrosshans@deltadentalaz.com
Certificates of Insurance	Required
Contract Period:	To cover the period ending June 30, 2015 2018.