

DEVIATION FROM CONTRACTUAL SERVICES CONTRACT PROCESS

52260-08

Agency: NE Department Health and Human Services Date: 8/23/10

Contract Number: (please attach DRAFT contract)
Service To Be Provided: Consultation, training, expert advice related to financial considerations of performance based contracting within the Nebraska child welfare and juvenile services reform. Development of specialized and unique software tool designed to use actuarial modeling and multiple variations of cost projections to predict financial implications associated with shifts in services cost and utilization.

Are Commodities Involved? Yes No x

Reason for Request of Waiver:

- 1. Sole Source - Sole availability at location
2. Sole Source - Uniqueness of service (marked with x)
3. Emergency
4. Other Circumstances

Justification: Dr. Broskowski is a nationally recognized expert in this field and has been providing advice and consultation to DHHS-CFS throughout planning and implementation stages of the current reform project. Dr. Broskowski is uniquely qualified to provide this service because of his experience and background, as well as his knowledge of the reform effort. Locating another expert and educating them about the details of the Nebraska NFOCUS data collection system, our reform, and our Lead Contractors and their systems would be prohibitively expensive and would unreasonably delay vital work needed to better analyze current expenditures and accurately focus efforts to obtain outcomes required in cost-effective manner.

Funding: (Indicate Percentage) Estimated Dollar Amount of Contract: \$ 75,000.00
Federal
State 100%

Signature of Requesting Agency Director: [Handwritten Signature]

Reviewed

Date: AS Director:

AB#
1868233

42367-04

CONSULTING AND SERVICES CONTRACT

CFS

SEP 24 2010

BETWEEN THE
NEBRASKA DEPARTMENT OF HEALTH AND HUMAN SERVICES
DIVISION OF CHILDREN AND FAMILY SERVICES
AND

POLICY UNIT

PARETO SOLUTIONS

AMENDMENT ONE, JULY 2010

This contract is entered into by and between the Nebraska Department of Health and Human Services, **DIVISION OF CHILDREN AND FAMILY SERVICES** (hereinafter "DHHS"), and **PARETO SOLUTIONS** (hereinafter "Contractor").

The Contract between the parties dated February 1, 2010 is hereby amended as follows:

Article II. A. Consideration is amended to read:

A. DHHS agrees to pay the Contractor the total amount not to exceed \$75,000.00 (seventy five thousand dollars) for the services specified herein. In addition, for the period of February 1, 2010 to April 30, 2010, DHHS will reimburse the Contractor for reasonable and necessary travel expenses incurred by the Contractor, as requested and approved by DHHS, including lodging, airfare, meals and incidentals, except as set forth in paragraph II.B iv. herein. For the period of May 1, 2010 to June 30, 2011, DHHS will reimburse the Contractor for reasonable and necessary travel expenses incurred by the Contractor as requested and approved by DHHS including car rental, lodging and airfare, plus a per diem payment of \$61.00 per day when in travel status or on-site at the request of the Department, except as set forth in paragraph II.B.iv. herein.

Article II. B. i. is amended to read:

i. The Contractor shall bill for the services provided under paragraph "A" of Attachment "1" hereto at the rate of \$225.00 per hour.

Attachment I is amended to reflect budget changes.

All other terms and conditions remain in full force and effect.

IN WITNESS THEREOF, the parties have duly executed this contract hereto, and each party acknowledges the receipt of a duly executed copy of this contract with original signatures.

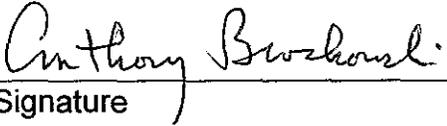
FOR DHHS:


Signature

Todd L. Reckling, Director
Department of Health and Human Services
Division of Children and Family Services

DATE: 09/14/2010

FOR CONTRACTOR:


Signature

Anthony Broskowski, Ph.D
Pareto Solutions

DATE: 9/21/2010

Pareto Solutions; Palm Beach Gardens, FL	
A	<p>Consultation shall include education, advice, and information to the DHHS regarding assessment, allocation, abatement, and distribution of risk as it relates to payment structures potentially applicable to the DHHS's current project to reform its contracting arrangements for non-treatment services, service delivery and service coordination in child welfare and juvenile justice matters. Consultation shall also include assistance in utilizing the data model and interpreting the results. Said education and information shall be provided to the DHHS by written, electronic and verbal presentation(s) at a location to be provided by the DHHS.</p> <p>To be billed at @225 per hour.</p>
	\$31,109
B	<p><u>Development of a Family Case Rate Model (FCRM).</u> This stochastic (probabilistic) model can be used by the State and/or contractors to enter assumptions about the distribution of values for those variables that drive Family Costs as well as the Aggregate costs for each Service Area, Contractor, and the State as a whole. The Model will have specific modules which will interact with one another to calculate the final, Summary Results.</p>
1	Population of Children and Adolescents (C/A) by Service Area and Total State
2	Caseload , where user can enter starting caseloads and monthly rates of new and closed cases, as well as reentries.
3	Casemix , a matrix of 3 columns for Wards, Non-Wards, and Parents and 8 rows to accommodate the following category combinations: Court and Non-Court cases, Medicaid and Non-Medicaid cases, and Child Welfare or JJ cases. This 24-cell matrix will require the user to enter the percentage of the total caseload falling into each of these 24 cohort combinations. The percentage values will drive the casemix volume of each of the 24 cohorts.
4	Living Arrangements ; using a typology of all possible living arrangements for each child, this matrix will be repeated 24 times, so in each one the user can enter the percentage of that particular cohort that is living in each LA. For each LA the user will enter statistical parameters to estimate the distribution of length of stay in that setting.
5	Per Diem Rates , where the user can enter the mean and standard deviations of per diems for each LA. This matrix will be repeated twice, or more frequently, to accommodate significantly different rates for the LAs of Child Welfare and JJ cases, or other cohorts.
6	Other Services ; This matrix will allow for the entry of the volume and cost of Other Services provided to cases (Services that fall outside an inclusive per diem cost). Again, this matrix may be repeated for separate entries for CW and JJ cases.
7	Unit Costs for Other Services : This module will contain entries to reflect the average and standard deviation of the Unit Costs for Services.

	8	Aftercare; this matrix will allow for the entry of statistical parameters that would drive the cost of Aftercare (cases, visits, transportation, other services, etc.) If necessary this matrix can be completed with different entries for each Service Area, based on differential travel or staff costs.	
	9	Cost Summaries and Other Indices; This module will bring together a summary of total costs, cost by case, cost by ward, cost by CW or JJ status, cost by living arrangement, etc.; and various ratios reflecting the relative percentage of caseload living in their home or out-of-home by CW by JJ status. These Cost Summary tables will be designed to draw data from separate Excel files that have been completed with alternative perspectives. For example, the Summary could reflect the entries of 7 different Contractors or 5 different Service Area Administrators. This design feature will also allow contractors to complete the model independently based on their best estimates of their own performance.	
		Fixed price for programming a Model as described above.	\$29,925
C		Working with State of Nebraska staff, Pareto Solutions will assist with <u>populating</u> the first draft copy of the Model with initial data entry values. These values will come from the most recent fiscal year for which NFOCUS has completed data. This draft of the Model, fully populated with values from the most recent fiscal year, will be used to <u>calibrate</u> the Model and assure that it yields values consistent with past history Cost for populating model and calibrating it to past history.	\$8,000
D		After the first draft of the Model is programmed, a 2-day training program will be provided to show State and Contractor staff how to use the model for making their own Family Case Rate estimates. This visit will also serve as an opportunity for the State to request any modification of the first draft for the Final copy. Minor modifications will be made at no additional charges. Major changes will require a written specification and may require additional charges if the required time and effort exceeds 8 hours. Cost for 2-day training event and related direct travel expenses	\$5,000
E		Cost of At-Risk Software (Standard Version 5.0) based on a 20% discount off retail price plus \$10 shipping See http://www.palisade.com/risk/ for standard pricing.	\$966
		Contractors will be expected to buy their own versions of At-Risk so they can run the Model.	
F		Travel Expenses as defined in Article II. A of the Contract.	\$5,000
Total Cost			\$75,000
The above figures represent estimates of <u>maximum</u> charges. Invoices will be based on actual time and expenses up to but not to exceed the maximum amount.			

AB# 1868233

47833-03
42367-04

CONSULTING AND SERVICE CONTRACT

BETWEEN THE

**NEBRASKA DEPARTMENT OF HEALTH AND HUMAN SERVICES
DIVISION OF CHILDREN AND FAMILY SERVICES
AND**

Pareto Solutions

This contract is entered into by and between the Nebraska Department of Health and Human Services, **DIVISION OF CHILDREN AND FAMILY SERVICES** (hereinafter "DHHS"), and **Pareto Solutions** (hereinafter "Contractor").

PURPOSE. Provide consulting and data analysis services to the DHHS to assist with determination of risk assessment, analysis and abatement, as well as the type, amount, length, and structure of possible case rate payment forms of compensation in contracts to provide service delivery and service coordination in child welfare and juvenile justice contracts.

I. TERM AND TERMINATION

- A. **TERM.** This contract is in effect from February 1, 2010 until June 30, 2011.
- B. **TERMINATION.** This contract may be terminated at any time upon mutual written consent or by either party for any reason upon submission of written notice to the other party at least Thirty (30) days prior to the effective date of termination. DHHS may also terminate this contract in accord with the provisions designated "FUNDING AVAILABILITY" and "BREACH OF CONTRACT." In the event either party terminates this contract, the Contractor shall provide to DHHS all work in progress, work completed, and materials provided to it by DHHS in connection with this contract immediately.

II. CONSIDERATION

- A. The DHHS agrees to pay the Contractor the total amount not to exceed \$46,141 (forty six thousand one hundred forty one dollars) for the services specified herein. In addition, the DHHS will reimburse the Contractor for reasonable and necessary expenses incurred for travel by the Contractor, as requested and approved by the DHHS, between Florida and Nebraska, including lodging, airfare, meals, and incidentals, except as set forth in paragraph II.B.iv. herein.
- B. **PAYMENT STRUCTURE.** The DHHS agrees to pay Contractor all properly billed amounts within 45 days of receiving an itemized billing statement from Contractor.
- i. The Contractor shall bill for its services provided under paragraph "A" of Attachment "1" hereto at the rate of \$225.00 per hour. Regardless of usage,

the DHHS agrees to pay contractor for two hours of consultation per month. Contractor agrees that payment for unused consultation hours shall be rolled over for use in future months during the duration of this contract.

- ii. The Contractor shall bill for its services provided under paragraph "B" of Attachment "1" hereto at the fixed rate of \$29,925.00 (twenty nine thousand nine hundred twenty five dollars), billed upon successful completion of all services set forth under said paragraph "B".
 - iii. The Contractor shall bill for its services provided under paragraph "C" of Attachment "1" hereto at the fixed rate of \$8,000.00 (eight thousand dollars), billed upon successful completion of all services set forth under said paragraph "C".
 - iv. The Contractor shall bill for its services provided under paragraph "D" of Attachment "1" hereto at the fixed rate of \$5,000.00 (five thousand dollars) billed upon successful completion of all services set forth under said paragraph "D". Contractor and DHHS specifically agree that the fee to be paid for services provided under paragraph "D" include Contractor's direct travel expenses in connection with said services and said travel expenses shall not be separately reimbursed by the DHHS.
 - v. Any "major change" as referenced in paragraph "D" of Attachment "1" hereto for which the Contractor seeks additional payment beyond that set forth in this agreement must be supported by a written proposal setting forth a detailed description of the change(s) to be made, the actions, steps, or activities required of the Contractor to successfully complete the "major change", the number of hours of Contractor's time required for each action, step or activity, the amount to be billed for each action, step, or activity, and the total amount in addition to this contract amount to be billed to the DHHS for such change. No "major change" shall be considered to be approved by the DHHS without specific, written approval from the Director of the Nebraska DHHS of Health and Human Services, Division of Children and Family Services.
- C. The Contractor agrees that it will not bill for time spent in travel activities related to services provided under this contract.

III. SCOPE OF SERVICES

- A. The Contractor shall do the following:
1. Contractor agrees to provide ongoing consultation to the DHHS as set forth in Paragraph "A" of Attachment 1, which is incorporated herein by reference. In addition to the terms set forth in Paragraph "A" of Attachment "1", said consultation shall include education, advice, and information to the DHHS regarding assessment, allocation, abatement, and distribution of risk as it relates to payment structures potentially applicable to the DHHS's current project to reform its contracting arrangements for non-treatment services, service delivery and service coordination in child welfare and juvenile justice matters. Said education and information shall be provided to the DHHS by written, electronic and verbal presentation(s) at a location to be provided by the DHHS.

2. The DHHS and Contractor agree that this contract represents a personal services contract between the DHHS and Anthony Broskowski, Ph.D. All services to be provided by the Contractor under this contract shall be provided by Anthony Broskowski, Ph.D. unless specific approval for substitute performance is provided in writing by the DHHS. Said approval shall not be unreasonably withheld. Notwithstanding this provision, the DHHS specifically agrees that the services set forth under paragraph "B" of Attachment "1" hereto may be provided in part by persons other than Anthony Broskowski, Ph.D., as directed and approved by the Contractor.

A. The DHHS shall do the following:

1. The DHHS agrees to provide the Contractor with data and system information necessary or beneficial to the Contractor for the provision of its services to the DHHS under this Contract, to provide direction, guidance, and other reasonable and necessary information, assistance, or support to assist the Contractor's performance.

IV. GENERAL PROVISIONS

A. ACCESS TO RECORDS AND AUDIT RESPONSIBILITIES.

1. All Contractor books, records, and documents regardless of physical form, including data maintained in computer files or on magnetic, optical or other media, relating to work performed or monies received under this contract shall be subject to audit at any reasonable time upon the provision of reasonable notice by DHHS. Contractor shall maintain all records for five (5) years from the date of final payment, except that records that fall under the provisions of the Health Insurance Portability and Accountability Act (HIPAA) shall be maintained for six (6) full years from the date of final payment. In addition to the foregoing retention periods, all records shall be maintained until all issues related to an audit, litigation or other action are resolved to the satisfaction of DHHS. All records shall be maintained in accordance with generally accepted business practices.
2. The Contractor shall provide DHHS any and all written communications received by the Contractor from an auditor related to Contractor's internal control over financial reporting requirements and communication with those charged with governance including those in compliance with or related to Statement of Auditing Standards (SAS) 112 *Communicating Internal Control related Matters Identified in an Audit* and SAS 114 *The Auditor's Communication with Those Charged With Governance*. The Contractor agrees to provide DHHS with a copy of all such written communications immediately upon receipt or instruct any auditor it employs to deliver copies of such written communications to DHHS at the same time copies are delivered to the Contractor, in which case the Contractor agrees to verify that DHHS has received a copy.

3. The Contractor shall immediately correct any material weakness or condition reported to DHHS in the course of an audit and notify DHHS that the corrections have been made.
 4. In addition to, and in no way in limitation of any obligation in this contract, the Contractor shall be liable for audit exceptions, and shall return to DHHS all payments made under this contract for which an exception has been taken or which has been disallowed because of such an exception, upon demand from DHHS.
- B. AMENDMENT. This contract may be modified only by written amendment, executed by both parties. No alteration or variation of the terms and conditions of this contract shall be valid unless made in writing and signed by the parties.
- C. ANTI-DISCRIMINATION. The Contractor shall comply with all applicable local, state and federal statutes and regulations regarding civil rights and equal opportunity employment, including Title VI of the Civil Rights Act of 1964; the Rehabilitation Act of 1973, Public Law 93-112; the Americans With Disabilities Act of 1990, Public Law 101-336; and the Nebraska Fair Employment Practice Act, NEB. REV. STAT. §§ 48-1101 to 48-1125. Violation of said statutes and regulations will constitute a material breach of contract. The Contractor shall insert this provision in all subcontracts.
- D. ASSIGNMENT. The Contractor shall not assign or transfer any interest, rights, or duties under this contract to any person, firm, or corporation without prior written consent of DHHS. In the absence of such written consent, any assignment or attempt to assign shall constitute a breach of this contract.
- E. ASSURANCE. If DHHS in good faith, has reason to believe that the Contractor does not intend to, is unable to, or has refused to perform or continues to perform all material obligations under this contract, DHHS may demand in writing that the Contractor give a written assurance of intent to perform. Failure by the Contractor to provide written assurance within the number of days specified in the demand may, at DHHS's option, be the basis for terminating this contract.
- F. BREACH OF CONTRACT. DHHS may terminate the contract, in whole or in part, if the Contractor fails to perform its obligations under the contract in a timely and proper manner. DHHS may, by providing a written notice of default to the Contractor, allow the Contractor to cure a failure or breach of contract within a period of thirty (30) days or longer at DHHS's discretion considering the gravity and nature of the default. Said notice shall be delivered by Certified Mail, Return Receipt Requested or in person with proof of delivery. Allowing the Contractor time to cure a failure or breach of contract does not waive DHHS's right to immediately terminate the contract for the same or different contract breach which may occur at a different time. DHHS may, at its discretion, contract for any services required to complete this contract and hold the Contractor liable for any excess cost caused by Contractor's default. This provision shall not preclude the pursuit of other remedies for breach of contract as allowed by law.

- G. CONFIDENTIALITY. Any and all information gathered in the performance of this contract, either independently or through DHHS, shall be held in the strictest confidence and shall be released to no one other than DHHS without the prior written authorization of DHHS, provided, that contrary contract provisions set forth herein shall be deemed to be authorized exceptions to this general confidentiality provision. This provision shall survive termination of this contract.
- H. CONFLICTS OF INTEREST. In the performance of this contract, the Contractor shall avoid all conflicts of interest and all appearances of conflicts of interest. The Contractor shall immediately notify DHHS of any such instances encountered so that other arrangements can be made to complete the work.
- I. DATA OWNERSHIP AND COPYRIGHT. All data collected as a result of this project shall be the property of DHHS. The Contractor shall not copyright any of the copyrightable material produced in conjunction with the performance required under this contract without written consent from DHHS. DHHS hereby reserves a royalty-free, nonexclusive, and irrevocable right to reproduce, publish, or otherwise use, and to authorize others to use the copyrightable material for state government purposes. This provision shall survive termination of this contract.
- J. DEBARMENT, SUSPENSION OR DECLARED INELIGIBLE. The Contractor certifies that neither it nor its principals are presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this transaction by any federal department or agency.
- K. DOCUMENTS INCORPORATED BY REFERENCE. All references in this contract to laws, rules, regulations, guidelines, directives, and attachments which set forth standards and procedures to be followed by the Contractor in discharging its obligations under this contract shall be deemed incorporated by reference and made a part of this contract with the same force and effect as if set forth in full text, herein.
- L. DRUG-FREE WORKPLACE. Contractor certifies that it maintains a drug-free workplace environment to ensure worker safety and workplace integrity. Contractor shall provide a copy of its drug-free workplace policy at any time upon request by DHHS.
- M. FORCE MAJEURE. Neither party shall be liable for any costs or damages resulting from its inability to perform any of its obligations under this contract due to a natural disaster, or other similar event outside the control and not the fault of the affected party ("Force Majeure Event"). A Force Majeure Event shall not constitute a breach of this contract. The party so affected shall immediately give notice to the other party of the Force Majeure Event. Upon such notice, all obligations of the affected party under this contract which are reasonably related to the Force Majeure Event shall be suspended, and the affected party shall do everything reasonably necessary to resume performance as soon as possible. Labor disputes with the impacted party's own

employees will not be considered a Force Majeure Event and will not suspend performance requirements under this contract.

- N. FUNDING AVAILABILITY. DHHS may terminate the contract, in whole or in part, in the event funding is no longer available. Should funds not be appropriated, DHHS may terminate the contract with respect to those payments for the fiscal years for which such funds are not appropriated. DHHS shall give the Contractor written notice thirty (30) days prior to the effective date of any termination. The Contractor shall be entitled to receive just and equitable compensation for any authorized work which has been satisfactorily completed as of the termination date. In no event shall the Contractor be paid for a loss of anticipated profit.
- O. GOVERNING LAW. The contract shall be governed in all respects by the laws and statutes of the State of Nebraska. Any legal proceedings against DHHS or the State of Nebraska regarding this contract shall be brought in Nebraska administrative or judicial forums as defined by Nebraska State law. The Contractor shall comply with all Nebraska statutory and regulatory law.
- P. HOLD HARMLESS.
1. The Contractor shall defend, indemnify, hold, and save harmless the State of Nebraska and its employees, volunteers, agents, and its elected and appointed officials ("the indemnified parties") from and against any and all claims, liens, demands, damages, liability, actions, causes of action, losses, judgments, costs, and expenses of every nature, including investigation costs and expenses, settlement costs, and attorney fees and expenses ("the claims"), sustained or asserted against the State of Nebraska, arising out of, resulting from, or attributable to the willful misconduct, negligence, error, or omission of the Contractor, its employees, subcontractors, consultants, representatives, and agents, except to the extent such Contractor liability is attenuated by any action of the State of Nebraska which directly and proximately contributed to the claims.
 2. DHHS's liability is limited to the extent provided by the Nebraska Tort Claims Act, the Nebraska Contract Claims Act, the Nebraska Miscellaneous Claims Act, and any other applicable provisions of law. DHHS does not assume liability for the action of its Contractors.
- Q. INDEPENDENT CONTRACTOR. The Contractor is an Independent Contractor and neither it nor any of its employees shall for any purpose be deemed employees of DHHS. The Contractor shall employ and direct such personnel as it requires to perform its obligations under this contract, exercise full authority over its personnel, and comply with all workers' compensation, employer's liability and other federal, state, county, and municipal laws, ordinances, rules and regulations required of an employer providing services as contemplated by this contract.

- R. **INVOICES.** Invoices for payments submitted by the Contractor shall contain sufficient detail to support payment. Any terms and conditions included in the Contractor's invoice shall be deemed to be solely for the convenience of the parties.
- S. **INTEGRATION.** This written contract represents the entire agreement between the parties, and any prior or contemporaneous representations, promises, or statements by the parties, that are not incorporated herein, shall not serve to vary or contradict the terms set forth in this contract.
- T. **NEBRASKA NONRESIDENT INCOME TAX WITHHOLDING.** Contractor acknowledges that Nebraska law requires DHHS to withhold Nebraska income tax if payments for personal services are made in excess of six hundred dollars (\$600) to any contractor who is not domiciled in Nebraska or has not maintained a permanent place of business or residence in Nebraska for a period of at least six months. This provision applies to individuals, to a corporation if 80% or more of the voting stock of the corporation is held by the shareholders who are performing personal services, and to a partnership or limited liability company if 80% or more of the capital interest or profits interest of the partnership or limited liability company is held by the partners or members who are performing personal services.

The parties agree, when applicable, to properly complete the Nebraska Department of Revenue Nebraska Withholding Certificate for Nonresident Individuals Form W-4NA or its successor. The form is available at:

http://www.revenue.ne.gov/tax/current/f_w-4na.pdf or
http://www.revenue.ne.gov/tax/current/fill-in/f_w-4na.pdf

- U. **NEBRASKA TECHNOLOGY ACCESS STANDARDS.** The Contractor shall review the Nebraska Technology Access Standards, found at <http://www.nitc.state.ne.us/standards/accessibility/tacfinal.html> and ensure that products and/or services provided under the Contract comply with the applicable standards. In the event such standards change during the Contractor's performance, the State may create an amendment to the Contract to request that Contract comply with the changed standard at a cost mutually acceptable to the parties.
- V. **NEW EMPLOYEE WORK ELIGIBILITY STATUS.** The Contractor shall use a federal immigration verification system to determine the work eligibility status of new employees physically performing services within the State of Nebraska. A federal immigration verification system means the electronic verification of the work authorization program authorized by the Illegal Immigration Reform and Immigrant Responsibility Act of 1996, 8 U.S.C. § 1324a, known as the E-Verify Program, or an equivalent federal program designated by the United States Department of Homeland Security or other federal agency authorized to verify the work eligibility status of a newly hired employee.

If the Contractor is an individual or sole proprietorship, the following applies:

1. The Contractor must complete the United States Citizenship Attestation Form, available on the Department of Administrative Services website at www.das.state.ne.us.
2. If the Contractor indicates on such attestation form that he or she is a qualified alien, the Contractor agrees to provide the U.S. Citizenship and Immigration Services documentation required to verify the Contractor's lawful presence in the United States using the Systematic Alien Verification for Entitlements (SAVE) Program.
3. The Contractor understands and agrees that lawful presence in the United States is required and the Contractor may be disqualified or the contract terminated if such lawful presence cannot be verified as required by NEB. REV. STAT. § 4-108.

W. PROMPT PAYMENT. Payment shall be made in conjunction with the State of Nebraska Prompt Payment Act, NEB. REV. STAT. §§ 81-2401 through 81-2408. Unless otherwise provided herein, payment shall be made by electronic means.

ACH Enrollment Form Requirements for Payment

"It is the responsibility of the vendor to complete and sign the State of Nebraska ACH Enrollment Form and to obtain the necessary information and signatures from their financial institution. The completed form must be submitted before payments to the vendor can be made."

Download ACH Form:

http://www.das.state.ne.us/accounting/nis/address_book_info.htm

- X. PUBLIC COUNSEL. In the event Contractor provides health and human services to individuals on behalf of DHHS under the terms of this contract, Contractor shall submit to the jurisdiction of the Public Counsel under NEB. REV. STAT. §§ 81-8,240 through 81-8,254 with respect to the provision of services under this contract. This clause shall not apply to contracts between DHHS and long-term care facilities subject to the jurisdiction of the state long-term care ombudsman pursuant to the Long-Term Care Ombudsman Act.
- Y. RESEARCH. The Contractor shall not engage in research utilizing the information obtained through the performance of this contract without the express written consent of DHHS. The term "research" shall mean the investigation, analysis, or review of information, other than aggregate statistical information, which is used for purposes unconnected with this contract.
- Z. SEVERABILITY. If any term or condition of this contract is declared by a court of competent jurisdiction to be illegal or in conflict with any law, the validity of the remaining terms and conditions shall not be affected, and the rights and obligations of the parties shall be construed and enforced as if this contract did not contain the particular provision held to be invalid.

AA. SUBCONTRACTORS. The Contractor shall not subcontract any portion of this contract without prior written consent of DHHS. The Contractor shall ensure that all subcontractors comply with all requirements of this contract and applicable federal, state, county and municipal laws, ordinances, rules and regulations.

BB. TIME IS OF THE ESSENCE. Time is of the essence in this contract. The acceptance of late performance with or without objection or reservation by DHHS shall not waive any rights of DHHS nor constitute a waiver of the requirement of timely performance of any obligations on the part of the Contractor remaining to be performed.

NOTICES. Notices shall be in writing and shall be effective upon receipt. Written notices, including all reports and other written communications required by this contract shall be sent to the following addresses:

FOR DHHS:

Sherri Haber, CQI/Operations Administrator
DHHS – CFS
Box 95026
Lincoln, NE 68509
402-471-7989

FOR CONTRACTOR:

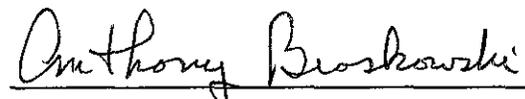
Anthony Broskowski, Ph.D.
Pareto Solutions
105 Sedona Way
Palm Beach Gardens, FL 33418
561-626-0053

IN WITNESS THEREOF, the parties have duly executed this contract hereto, and each party acknowledges the receipt of a duly executed copy of this contract with original signatures.

FOR DHHS:


Todd Reckling, Director
Division of Children and Family Services
Box 95026
Lincoln, NE 68509
402-471-1878

FOR CONTRACTOR:


Anthony Broskowski, Ph.D.
Pareto Solutions
105 Sedona Way
Palm Beach Gardens, FL 33418
561-626-0053

DATE: 02/01/2010

DATE: _____

Pareto Solutions; Palm Beach Gardens, FL		
A	Ongoing consultation on data analysis and interpretation of NFOCUS data with respect to risk related issues such as risk reserves, risk corridors and development of Family Case Rates.	
	2 hours per month to be billed at @225 per hour. Unused hours will be rolled over to future months.	\$2,250
B	<p><u>Development of a Family Case Rate Model (FCRM).</u> This stochastic (probabilistic) model can be used by the State and/or contractors to enter assumptions about the distribution of values for those variables that drive Family Costs as well as the Aggregate costs for each Service Area, Contractor, and the State as a whole. The Model will have specific modules which will interact with one another to calculate the final, Summary Results.</p>	
1	Population of Children and Adolescents (C/A) by Service Area and Total State	
2	Caseload , where user can enter starting caseloads and monthly rates of new and closed cases, as well as reentries.	
3	Casemix , a matrix of 3 columns for Wards, Non-Wards, and Parents and 8 rows to accommodate the following category combinations: Court and Non-Court cases, Medicaid and Non-Medicaid cases, and Child Welfare or JJ cases. This 24-cell matrix will require the user to enter the percentage of the total caseload falling into each of these 24 cohort combinations. The percentage values will drive the casemix volume of each of the 24 cohorts.	
4	Living Arrangements ; using a typology of all possible living arrangements for each child, this matrix will be repeated 24 times, so in each one the user can enter the percentage of that particular cohort that is living in each LA. For each LA the user will enter statistical parameters to estimate the distribution of length of stay in that setting.	
5	Per Diem Rates , where the user can enter the mean and standard deviations of per diems for each LA. This matrix will be repeated twice, or more frequently, to accommodate significantly different rates for the LAs of Child Welfare and JJ cases, or other cohorts.	
6	Other Services ; This matrix will allow for the entry of the volume and cost of Other Services provided to cases (Services that fall outside an inclusive per diem cost). Again, this matrix may be repeated for separate entries for CW and JJ cases.	
7	Unit Costs for Other Services : This module will contain entries to reflect the average and standard deviation of the Unit Costs for Services.	
8	Aftercare ; this matrix will allow for the entry of statistical parameters that would drive the cost of Aftercare (cases, visits, transportation, other services, etc.) If necessary this matrix can be completed with different entries for each Service Area, based on differential travel or staff costs.	

	9	Cost Summaries and Other Indices; This module will bring together a summary of total costs, cost by case, cost by ward, cost by CW or JJ status, cost by living arrangement, etc.; and various ratios reflecting the relative percentage of caseload living in their home or out-of-home by CW by JJ status. These Cost Summary tables will be designed to draw data from separate Excel files that have been completed with alternative perspectives. For example, the Summary could reflect the entries of 7 different Contractors or 5 different Service Area Administrators. This design feature will also allow contractors to complete the model independently based on their best estimates of their own performance.	
		Fixed price for programming a Model as described above.	\$29,925
C		Working with State of Nebraska staff, Pareto Solutions will assist with <u>populating</u> the first draft copy of the Model with initial data entry values. These values will come from the most recent fiscal year for which NFOCUS has completed data. This draft of the Model, fully populated with values from the most recent fiscal year, will be used to <u>calibrate</u> the Model and assure that it yields values consistent with past history Cost for populating model and calibrating it to past history.	\$8,000
D		After the first draft of the Model is programmed, a 2-day training program will be provided to show State and Contractor staff how to use the model for making their own Family Case Rate estimates. This visit will also serve as an opportunity for the State to request any modification of the first draft for the Final copy. Minor modifications will be made at no additional charges. Major changes will require a written specification and may require additional charges if the required time and effort exceeds 8 hours. Cost for 2-day training event and related direct travel expenses	\$5,000
E		Cost of At-Risk Software (Standard Version 5.0) based on a 20% discount off retail price plus \$10 shipping See http://www.palisade.com/risk/ for standard pricing.	\$966
		Contractors will be expected to buy their own versions of At-Risk so they can run the Model.	Total Cost \$46,141
The above figures represent estimates of <u>maximum</u> charges. Invoices will be based on actual time and expenses up to but not to exceed the maximum amount.			