

PERFORMANCE WORK STATEMENT

DATE: 3/4/2018

VISN 21 – VA Sierra Pacific Healthcare System has an ongoing requirement for the pickup, delivery, storage and routine service/refurbishment of Durable Medical Equipment (DME) to veteran patients served by its six medical centers and their associated outpatient clinics. The total number of DME each VA site is subject to change throughout the life span of this contract. Prior to the award, the Contractor must have Joint Commission of Health Care Organizations (Joint Commission) and the Center for Medicare and Medicaid Services (CMS) accreditation. Written documentation must be provided to support this requirement.

The period to be covered by this contract will be **(Insert Start Date)**, with four (4) one- year options to extend. The Department of Veterans Affairs reserves the right to exercise the option years, subject to the availability of funds.

This contract is for non-personal services. It does not create employment rights with the U.S. Government whether actual, inherent, or implied. By agreeing to perform the services described in these specifications, the Contractor acknowledges that he/she is not, and shall not become, an employee of the U.S. Government. The Contractor further agrees that he/she shall not bring any cause of action in any forum claiming that he/she has become an employee of the U.S. Government.

This contract is a “non-personal services contract” as defined in FAR 37.101. It is, therefore, understood and agreed that the Contractor and/or the Contractor’s employees or subcontractor:

- Shall perform the services specified herein as Independent Contractors, not as employees of the government.
- Shall manage and administer the work required and bear sole responsibility for complying with any and all technical, schedule, or financial requirements or constraints attendant to the performance of this contract.
- Shall be free from supervision or control by any government employee with respect to the manner or method of performance of the services specified; but
- Shall, pursuant to the government’s right and obligation to inspect, accept, or reject the work, comply with such general direction of the Contracting Officer, or the duly authorized representative of the Contracting Officer as is necessary to ensure accomplishment of the contract objectives.

3.1.1 DME – General Requirements:

3.1.1.1 Contractor shall provide all labor, parts, equipment, transportation, fuel, and supervision necessary to provide storage, delivery set up, in-house instruction, and/or pick-up of durable medical equipment for VA beneficiaries of the VAMC, in accordance with the terms, conditions, special provisions, and schedule contained herein.

- The vendor shall have (or put in place within one calendar month) an electronic computer system that shows all VA required forms and documentation. This system shall be accessible to all VA personnel, as determined by the VA COR, at no cost to the Government, with access codes provided by the Contractor. The system shall be secure and meet all applicable VA IT rules and regulations and HIPPA, privacy rules and regulations. This system does not preclude VA patient information being provided on a requested basis through PKI encrypted e-mail and/or by secure fax machine.

3.1.1.2 This is an Indefinite Delivery Indefinite Quantity (IDIQ) contract, quantities shown in PART I The Schedule (paragraph 2.1), are estimates only. VA makes no commitment concerning the minimum and/or maximum quantity of deliverables and/or services required herein; however, will comply with the minimum guarantee as specified in the contract. The amount of services required under the terms of an awarded contract shall be determined solely by the VA.

3.1.1.3 **Accreditation Requirements:** This contract requires Joint Commission accreditation and other regulatory requirements regarding worker competency, the Contractor must perform the required work in accordance with Joint Commission (JC) and CMS standards. The Contractor must demonstrate that it has met and/or exceeds the Joint Commission and CMS requirements; and provide documented evidence that it meets Joint Commission requirements for delivery, set up, repair, pick-up, and storage of durable medical equipment.

3.1.1.4 The VAMC will purchase DME devices that are part of the National Prosthetic Clinical Management Program (PCMP) contracts and/or Federal Supply Schedule (FSS) contracts, including Hospital Beds, Scooters, Standard, Rehab, and Power Wheelchairs – prior to any possible equipment purchases from the Contractor.

3.1.2 Area of Responsibility. Major sites with affiliated VA Medical Facilities are:

Palo Alto Health Care System

- Palo Alto VA Medical Center, 3801 Miranda Avenue, Palo Alto, CA 94304
- Menlo Park Clinic, 795 Willow Road, CA 94025
- Capitola Clinic, 1350 41st Avenue, Suite 102, Capitola, CA 95010
- Fremont Clinic, 39199 Liberty Street, Fremont, CA 94538
- Modesto Clinic, 1225 Oakdale Road, Modesto, CA 95335
- Monterey Clinic, 3401 Engineer Lane, Seaside, CA 93955
- San Jose Clinic, 80 Great Oaks Boulevard, San Jose, CA 95119
- Sonoma Clinic, 13663 Mono Way, Sonoma, CA 95370
- Stockton Clinic, 7777 South Freedom Road, French Camp, CA 95231
- Livermore Division, 4951 Arroyo Road, Livermore, CA 94550

San Francisco VA Health Care System

- San Francisco VA Medical Center, 4150 Clement Street, San Francisco, CA 94121
- San Bruno VA Outpatient Clinic, 1001 Sneath Lane, Suite 300, San Bruno, CA 94066
- San Francisco VA Downtown Clinic, 401 3rd Street, San Francisco, CA 94107
- Santa Rosa VA Outpatient Clinic, 3841 Brickway Blvd., Santa Rosa, CA 95403
- Clearlake VA Outpatient Clinic, 15145 Lakeshore Drive, Clearlake, CA 95422
- Ukiah VA Outpatient Clinic, 630 Kings Court, Ukiah, CA 95482
- Eureka VA Outpatient Clinic, 930 W. Harris, Eureka, CA 95503

Northern California Health Care System

Sacramento Valley Division

- Sacramento VA Medical Center, 10535 Hospital Way, Mather, CA. 95655
- McClellan VA Outpatient Clinic, 5342 Dudley BLVD., McClellan Park, CA. 95652
- Chico VA Outpatient Clinic, 280 Cohasset Road, Chico, CA. 95926
- Redding VA Outpatient Clinic, 351 Hartnell Avenue, Redding, CA. 96002
- Yreka Rural Health Clinic, 101 E. Oberlin Road, Yreka, CA 96097

- Yuba City VA Outpatient Clinic, 425 Plumas Street, Yuba City, CA 95991

East Bay Division

- Martinez VA Outpatient Clinic, 150 Muir Road, Martinez, CA. 94553
- Oakland / Alameda VA Outpatient Clinic, 2221 MLK Jr. Way, Oakland, CA 94612
- Mare Island Outpatient Clinic, 201 Walnut Ave., BLDG.201, Mare Island, CA 94592
- Fairfield VA Outpatient Clinic, 103 Bodin Circle, Travis AFB., CA 94535
- David Grant Medical Center, Travis AFB, 101 Bodin Circle, Travis AFB., CA 94535

Central California Health Care System

- Fresno VA Medical Center, 2615 E. Clinton Avenue, Fresno, CA 93703
- Merced CBOC, 340 E. Yosemite Ave., Merced, CA 95340
- Oakhurst CBOC, 40597 Westlake Dr., Oakhurst, CA 93644
- Tulare CBOC, 1050 N. Cherry St., Tulare, CA 93274

VA Sierra Nevada Health Care System

- Ioannis A. Lougaris VA Medical Center, 975 Kirman Avenue, Reno, NV 89502
- Lahontan Valley Outpatient Clinic, 345 West A Street, Fallon, NV 89406
- Carson Valley Outpatient Clinic, 1330 Waterloo Lane, Suite 101, Garnerville, NV 89410
- Sierra Foothills Outpatient Clinic, 11985 Heritage Oak Place, Auburn, CA 95603
- Diamond View Outpatient Clinic, 110 Bella Way, Susanville, CA 96130

VA Southern Nevada Healthcare System

- North Las Vegas VA Medical Center, 6900 North Pecos Road, North Las Vegas, NV 89086
- Laughlin Rural Outreach Clinic, 3650 South Point Crcl, Bldg.D, 2nd Flr., Ste. 200, Laughlin, NV 89029
- Northeast Primary Care Clinic, 4461 E Charleston Blvd., Las Vegas, NV 89104
- Northwest Primary Care Clinic, 3968 N Rancho Dr., Las Vegas, NV 89130
- Pahrump Community Based Outpatient Clinic, 2100 E. Calvada Blvd., Pahrump, NV 89048
- Southeast Primary Care Clinic, 1020 S. Boulder, Henderson, NV 89015
- Southwest Primary Care Clinic, 7235 South Buffalo Dr., Las Vegas, NV 89113

3.1.3 Pricing (DME)

- 3.1.3.1 The Offeror shall price each CLIN inclusive of all transportation, fuel cost, labor, storage, training instruction, supervision and any other required element to carry out the statement of work.
- 3.1.3.2 The Offeror shall ensure that its price is inclusive of mileage/fuel – as a separate line item for mileage is not included. There are no ranges, sections, separations, etc. of locations as it relates to mileage/fuel/tolls charges and/or pricing.
- 3.1.3.3 The Offeror Contractor shall provide to the VA a quote using the Medicare allowable rates for patients outside of the area of responsibility.
- 3.1.3.4 The VAMC is responsible for payment of mileage for only one-way – no round-trip mileage. The one- way charges apply to the distance where the request is complete; e.g. for a delivery, the mileage to the patient's home but not the return trip; and for pick-up, the distance from the patient's home to the vendor location and not the initial drive to get to the patient's home.

3.1.4 Contractor Telephone Accessibility (DME)

3.1.4.1 The Contractor shall provide a toll-free number and local phone number for veterans, their caregivers, and the VAMC and/or agrees to accept telephone orders from the VAMC for service on a collect-call basis if the Contractor's place of business is located beyond the local telephone call zone of the hospital.

3.1.4.2 The Contractor shall not place collect telephone calls to the VAMC or to any VA beneficiaries, family member or caregiver.

3.1.5 Storage Facility (DME):

3.1.5.1 Contractor shall provide a clean, pest/rodent free, secure, contained area, with adequate space, for the storage of government owned DME and supplies covered under this contract. The storage area shall be climate controlled throughout the year, and proper temperature and humidity shall be maintained. A temperature range of between 50 degrees Fahrenheit and 80 degrees Fahrenheit shall be maintained at all times. Storage units or storage containers (such as PODS) will not be an acceptable means of storing government owned equipment. DME shall be stored on a rack 12" off the floor and 18" from the ceiling. Storage area(s) must conform to all applicable State, Local and National Fire Protection Association (NFPA) codes. The contractor must be equipped to receive deliveries of DME to their storage location during normal business hours via regular trucking companies. The storage facility shall have a monitored burglar alarm, fire alarm and fire sprinkler system throughout in accordance with all local, Federal and State regulations (including, but not limited to OSHA requirements). In addition, the storage area shall meet all State requirements for insurance. There shall be no charge for storage of VA equipment but is expected to be built into the cost of the contract.

3.1.5.2 Contractor-provided storage will be separate from other areas of storage, which may be used by the Contractor. Contractor shall store all VA owned items in an orderly arrangement to allow for ready access to any item. Items that have been cleaned, refurbished and repaired should be identified as such and stored separately from those recently recovered awaiting necessary cleaning, etc. Contractor shall separate clean and dirty equipment, using a JC approved divider and protective covering. Contractor shall, at no time intermingle VA durable medical equipment and/or supplies with equipment and/or supplies from non-VA activities.

3.1.5.2.1 Contractor shall have written policies and procedures relating to cleaning and storage of all recovered/dirty/reusable equipment.

3.1.5.2.2 Prior to being placed in the clean equipment storage area, all recovered equipment shall be cleaned/disinfected using an appropriate cleaning solution according to manufacturer's instructions; checked for proper operation, safety, serviceability; and cover with clear plastic for protection. A device considered ready for re-issuance will also include a copy of the manufacturer's specification sheet based on the individual serial number and a list of the necessary repairs needed to make the device serviceable.

3.1.5.2.3 The Contractor shall store all home care equipment supplied by the VAMC if the equipment is usable and of value to the VA during the contract period. The COR

makes the determination regarding an item's usefulness. NOTE: Any equipment disposed of, e.g. any equipment deemed worn or beyond repair, will be listed, serialized and documented to the COR. This list will be approved by the COR before disposal. There will not be a separate charge for disposal but rather this should be built into the cost of the contract.

3.1.5.2.4 It is estimated that at any given time the following items will require storage:

- a. Home Care Beds, Electric – including side rails and trapeze assembly
- b. Mattresses, Foam, Innerspring, Specialty (Dry, Gel, Water, Air, Powered Pressure Reducing, Non-Powered Pressure Reducing)
- c. Trapeze Assemblies (floor and bed mounted)
- d. Over-bed Tables
- e. Wheelchairs, Electric/Power – including charger
- f. Wheelchairs, Manual
- g. Walkers (two and four- wheeled)
- h. Scooters
- i. Home Safety Equipment
- j. CPAP's and related supplies
- k. Power Lifts (Hoyer) and slings
- l. Other Durable Medical Equipment (e.g. exercise bicycle, shower chair, commodes, etc.)

3.1.5.2.5 The COR may make scheduled and/or unscheduled visits to the Contractor's facility to inspect the premises and VA equipment stored therein. All equipment, parts, and supplies will be arranged in such a manner as to afford immediate inspection of all appliances and supplies for inventory reconciliation.

3.1.5.2.6 The Contractor will have sufficient and appropriate staff and on-site equipment to handle/maneuver/off-load inventory deliveries or storage at the Contractor location without delay. No extra charges to the VA are allowed for any special types of equipment that the Contractor may need to store/maneuver/off-load equipment at the Contractor location.

3.1.5.2.7 When there is a change in Contractors, it is the responsibility of the new Contractor to pick up all government-owned equipment and supplies from the previous Contractor. These shall be stored at the new Contractor's facility. The COR will coordinate the change in storage locations with the previous Contractor and the new Contractor.

3.1.6 Driver/Technicians (DME):

3.1.6.1 The Contractor shall ensure that its employees performing services under the term and conditions of this contract will follow all applicable state and federal commercial motor vehicle requirements. All required health testing as required by state and federal law will be completed, maintained and documented in the employee's file and proof given to the VA COR. The employees shall have a current and valid state vehicle operator's license, as well as the applicable commercial motor vehicle licenses (including Hazmat) issued by the state's Department of Transportation. A copy of all current, valid licenses will be provided to the VISN and facility CORs upon the beginning of the contract, when staff changes occur, on an annual basis, and

when licenses are renewed/added/terminated, to include proof that all health testing is current as required by state and federal law.

3.1.6.2 The Contractor shall ensure that its employees be industry knowledgeable in the following elements:

- a. Set up and operation of inventoried Durable Medical Equipment (DME) and DME drop shipped to Contractor's facility.
- b. Ability to give clear and concise instructions on maintenance and operation of DME and supplies to veteran beneficiaries and/or caregivers/concerned persons.

Contractor employees must be certified to work on any manufacturer's DME prior to performing work. A non-exclusive list of manufacturers includes Invacare, Motion Concepts, Motion Composite, Sunrise Medical, Permobil, Ki Mobility, Pride or Quantum Rehab. Additionally, RESNA Certification is highly desirable and mandatory for at least one staff member.

3.1.6.3 The Contractor shall provide education to each veteran at the time of set-up, and assess the need for reinforcement during visits. This information is to be presented verbally, in demonstration and material covered shall be in written form to be left with the beneficiary/caregiver. The written material shall be in English as well as the foreign language of the beneficiary, should the beneficiary not speak English. In the case of such an occurrence, the Contractor is to advise the VAMC to facilitate adequate instructions. All patient education material must be presented in written form to the COR for approval prior to the award. The Contractor as directed by COR or designee will implement any new or revised education material. The VA will determine whether the Contractor shall use their forms or forms supplied by the VA for documentation of services provided to VA beneficiaries.

3.1.6.4 Veterans will be provided a copy of VA Patient Rights & Responsibilities. The Contractor shall document that the beneficiary/care giver is instructed in accordance with the Joint Commission Standards. Copies of signed documentation will be stored in the Veteran's records.

3.1.7 Service Hours Expectations (DME)

3.1.7.1 **Normal Hours.** The normal operating hours will be Monday-Saturday 7 am to 7 pm, Sunday 8am-5pm. The majority of the work requests for service will be between the hours 8:00 am until 4:30 pm, Monday through Friday, excluding Federal holidays. To accommodate the changing workload of the different Healthcare Systems; modifications to the normal operating hours may be necessary throughout the contract lifecycle.

Federal Holidays: The holidays observed by the Federal Government are:

New Year's Day	January 1
Martin Luther King Jr. Birthday	Third Monday in January
Presidents Day	Third Monday in February
Memorial Day	Last Monday in May
Independence Day	July 4
Labor Day	First Monday in September
Columbus Day	Second Monday in October

Veterans Day
Thanksgiving Day
Christmas Day

November 11
Fourth Thursday in November
December 25

Or any other day specifically declared by the President of the United States of America to be a Federal Holiday. When one of the holidays falls on Sunday, the following Monday shall be observed as a Federal Holiday. When a holiday falls on a Saturday, the preceding Friday shall be observed as a Federal Holiday.

3.1.7.2 Full Services. The Contractor shall provide coverage during the hours listed in section

3.1.7.3 Normal Service Delivery Orders:

- a. Unless otherwise approved by VAMC or if the veteran and/or guardian/relative requests additional time, the Contractor will contact the patient and/or family to set a time for delivery/set-up/pick-up of the equipment – this must be done within 24 hours of receipt of the VAMC order.
- b. The delivery/set-up/pick-up itself must be done within 72 hours of receipt of the order, unless otherwise approved by VA COR/VA Representative or if the veteran and/or guardian/relative requests additional time.

3.1.7.4 Emergency Delivery Orders: Emergency deliveries shall be completed within 4 hours after receipt of a delivery order (verbal and/or written), from an authorized VA representative or the Contracting Officer.

- a. Should the Contractor be unable to provide delivery or pick-up within the specified time, the Contractor shall immediately notify the Contracting Office's Representative (COR) as to why he/she will be unable to perform as required by the contract. Notification shall provide sufficient time to allow the VA to seek other alternatives or remedies necessary to complete the contract requirements for patient care.
- b. Should the Contractor fail to furnish services within specified time periods, after receipt of a delivery order, the VA reserves the right to obtain the service from another source and to charge the Contractor for all costs. The VA Contracting Officer or their designee shall be solely responsible for determining when to order service from another source.
- c. Failure to provide services as set forth in this contract shall be considered grounds for invoking the provisions of default.

3.1.8 Maintenance, Refurbishing and Repair Service (DME)

3.1.8.1 The maintenance, refurbishing, and repair service for DME shall be performed in accordance with the manufacturer's instructions by personnel who are qualified to service the specific equipment.

3.1.8.2 The Contractor shall be in accordance with Joint Commission & CMS standards – universal/standard precautions in the cleansing of recovered DME as required by VA in the recovery, delivery and storage process, etc.

- 3.1.8.3 The Contractor shall wash in detergent/disinfectant solution/hospital grade, label with a tag indicating the date of cleaning, return for storage in a non-contaminated storage area for future re-issuance.
- 3.1.8.4 **Refurbishing:** The Contractor shall also be responsible for refurbishing select DME equipment such as Power Wheelchairs, Patient Lifts, and Overhead Tables as requested by the COR. Personal type bathroom equipment shall not be refurbished, (e.g., commode chairs, raised toilet seats, bath seats, etc.), as well as no hospital beds & mattresses. Devices requiring battery electrical power will be placed on a routine trickle charge to maintain battery life. Equipment available for re-issue will have on file the manufacturer's specification sheet based on the individual serial number and the required repairs to bring it to operational status.
- 3.1.8.5 **Repairs:** The Contractor is granted the first right of refusal for the repair of DME. Before any repairs are made, the Contractor agrees to submit an estimate of charges so that an order can be issued by the COR. **Note: the VAMC retains the right to review and determine if the price offered is disadvantageous to the VA and may pursue repairs elsewhere.**
- 3.1.8.6 The Contractor shall perform the repairs at the residence of the veteran, unless there is a need to return the item to the Contractor's facility for extensive repairs.
- 3.1.8.7 The Contractor shall provide a quote for necessary repair work to be performed on equipment in storage at the Contractor's facility. When parts are needed for a repair case as an option, the contractor will provide a quote that will include the cost of parts at cost +10% dealer cost markup.
- 3.1.8.8 The Contractor shall inspect all home care equipment for damage when it is picked up from a beneficiary's home. If any damage has occurred, it will be reported to the VA COR along with an estimate for repairs. The Contractor will take no further action until the VA issues a purchase order to do the repair work at the estimated cost. Equipment will be repaired within 48 hours unless delayed due to lack of parts. Any delay must be immediately communicated to the VA COR.
- 3.1.8.9 **Repairs performed by the Contractor without the prior approval of the VA shall be at no additional cost to the VA.**
- 3.1.8.10 Repairs performed under warranty shall be performed by the manufacturer or its authorized representative. Accordingly, these repairs are not required to be performed by the Contractor unless they are an authorized manufacturer's representative to perform the repairs. Parts provided under warranty should have no additional mark up and the labor for installation will be authorized as appropriate.

3.1.9 Delivery, Set-up, Repair, and Pick-up of Equipment and Provision of Patient Instructions (DME)

- 3.1.9.1 Upon delivery of an item(s) to a veteran's residence, the Contractor is required to set-up and adjust the item(s). (Note – upon delivery, the equipment becomes the personal property of the veteran.) The veteran and/or caregiver should be fully instructed in the item's use, safety, care and cleaning and receive the manufacturer's owner's manual/guidebook. These instructions shall be documented per Joint Commission regulations. A signed copy (ies) of delivery/set-up and instructions will be filed in veteran's folder. Copy(ies) will also be sent to COR along with

the invoice for payment. A copy of the Contractor's checklist forms shall be forwarded with the solicitation package.

- 3.1.9.2 The Contractor shall make arrangements with individual veterans, family or in-home caregiver regarding time and place of delivery that are acceptable to them. The area is to be left clean and orderly. During the course of delivery or pick up service the Contractor is responsible for damages to a beneficiary's residence or Care Facility. Documentation is required if the time for the DME delivery, set-up, repair or pick-up is beyond the terms of the contract.
- 3.1.9.3 The VAMC is responsible for payment of mileage for only one-way – no round-trip mileage. The one-way charges apply to the distance where the request is complete; e.g. for a delivery, the mileage to the patient's home but not the return trip; and for pick-up, the distance from the patient's home to the vendor location and not the initial drive to get to the patient's home. The mileage shall be calculated using the distances provided by MapQuest or equivalent software. The reimbursement rate will be the GSA contract rate for Privately Owned Vehicle Mileage-- www.gsa.gov. When multiple Jobs routes are consolidated MapQuest or equivalent routes sheets with waypoints must be submitted for mileage reimbursements.
- 3.1.9.4 The Contractor shall furnish to the veteran, upon completion of delivery and set-up service of the DME, a manufacturer's instruction booklet.
- 3.1.9.5 On the rare occasion the Contractor is required to pick up used equipment from a Veterans residence; the Contractor shall attempt to retrieve all the information booklets and manufacturers notes from the veteran upon recovery of the DME device.
- 3.1.9.6 The Contractor shall submit written proof of delivery/pick-up to the COR.
- 3.1.9.7 The Contractor is not considered a furniture moving company. Prior to equipment delivery, the Veteran or Family must have cleared the room to accommodate the prescribed equipment.
- 3.1.9.8 The Contractor shall provide instructions to the patient and/or caregiver on the following:
- a. The safe and appropriate use of the medical equipment being supplied, as noted in the manufacturer's owner's manual/guidebook.
 - b. The storage and handling of the involved equipment, required maintenance, electrical safety, etc.
 - c. The proper procedure for obtaining repair services in the event of equipment malfunctions. The Veteran must contact his/her primary care provider or the local Prosthetic office.
 - d. The proper procedure for patient reporting equipment malfunction, damage or other defect that renders the DME device inoperable.
- 3.1.9.9 In most cases, the VA will be responsible for notifying the Contractor of the need for repair services. In the event the patient contacts the Contractor directly, the Contractor shall not make repairs without prior approval of the VA COR, Prosthetic designee, and/or Contracting Officer.
- 3.1.9.10 It is estimated that at any given time the following items will require delivery/set-up/repair/storage:

- a. Home Care Beds, Electric – including side rails and trapeze assembly
 - b. Mattresses, Foam, Innerspring, Specialty (Dry, Gel, Water, Air, Powered Press Reducing, Non-Powered Press Reducing)
 - c. Trapeze Assemblies (floor and bed mounted)
 - d. Overbed Tables
 - e. Wheelchairs, Electric/Power – including charger
 - f. Wheelchairs, Manual
 - g. Walkers (2 and 4 wheeled)
 - h. Scooters
 - i. Home Safety Equipment
 - j. CPAP's and related supplies
 - k. Power Lifts (Hoyer) and slings
 - l. Other Durable Medical Equipment (e.g. exercise bicycle, shower chair, commodes, etc.)
- 3.1.9.11 Complete the following: Equipment Delivery and Safety Check Confirmation, and Patient Information on Durable Medical Equipment (DME)
- 3.1.9.12 **BEDS/MATTRESSES:** The Contractor shall not re-issue or distribute used beds, used mattresses or mattress covers to veteran beneficiaries. The Contractor will ensure appropriate education is provided related to home care bed safety. Set-up of home care beds and support surfaces will comply with the guidelines established by the VA Center for Patient Safety. <http://www.patientsafety.gov/>
- 3.1.9.13 **PERMANENT FIXTURES AND INSTALLATION:** No permanent installation or alteration is authorized under this contract. Should there be a need to install or affix any permanent fixture to wall, ceilings, floors, etc., at the veteran's premises; the Contractor shall provide a quote to the VAMC Prosthetics Service for his/her review and approval. This service shall be quoted and invoiced as a separate charge after issuance of a separate procurement request. If the property is rented a written Landlord permission is required prior to any permanent fixture installation.
- 3.1.9.14 **DISPOSAL:** The Contractor at no charge to the VA will dispose of single-use patient equipment following use per established manufacturer's guidelines. For multi-use equipment, the Contractor will follow the guidance of the VA COR/VA Representative in following proper VA procedures for the disposal of equipment. The Contractor is responsible for replacement if this guidance is not followed.
- 3.1.9.15 **PICK-UP/DISCONTINUE:** The Contractor will not pick-up any DME items from the patient's home, unless they have a prior written VA authorization r designating the item(s). If the patient/family requests an item be picked up that is not already authorized, contact should be made to the VA COR/VA Representative for prior approval. At no time should an item be picked up during delivery of DME. (Example: During hospital bed, Veteran requests that old previously delivered bed be picked up. The bed is Veterans property and the Veteran is responsible for disposal).

3.1.10 Inventory Management (DME)

- 3.1.10.1 The Contractor shall perform an inventory review, with the VA COR of all DME upon commencement of the contract. This inventory shall be conducted jointly by the COR and the Contractor and signed by both parties.

3.1.10.2 The inventory documentation will fully identify each item by the following:

- 3.1.10.2.11 Patient Name
- 3.1.10.2.12 Patient last four of Social Security Number (SSN)
- 3.1.10.2.13 DME Nomenclature
- 3.1.10.2.14 Serial and Lot Numbers (if applicable)
- 3.1.10.2.15 Make and Model Number
- 3.1.10.2.16 Physical condition (new/used)
- 3.1.10.2.17 Price when purchased, if available.
- 3.1.10.2.18 Appropriate HCPC code.
- 3.1.10.2.19 Items in possession of the Contractor which are not available for reissue shall also be identified and the reason for their non-availability noted.

3.1.10.3 The Contractor shall establish and maintain a system of inventory control to protect and preserve all DME and will use an integrated commercially available inventory management system ie. Tecsyst Inc, Fishbowl Inventory (QuickBooks). Manually maintained Excel spreadsheets or other type of documents will not be an acceptable form of inventory management.

3.1.10.4 The Contractor shall establish written procedures to deliver, recover, receive, clean and, when appropriate, sterilize reusable items.

3.1.10.5 Regarding reusable items, the Contractor shall address the separation of clean and unclean equipment in the storage, delivery and recovery of DME. All DME shall be labeled or tagged and dated to document such procedures. All DME items should be bagged in clear plastic, unless it is stored in a closed box.

3.1.10.6 The Contractor shall provide a weekly computer generated inventory of equipment in storage, delivered and picked-up, to be submitted to the VISN and Facility CORs by PKI encrypted e-mail, in-person delivery or by fax. This inventory shall include the specific equipment items by Patient Name and last four of SSN, date issued/picked up, conditions thereof, whether they are new or used, the model and serial numbers, and the total dollar value, which will be used in comparison and update the VAMC Prosthetics Inventory package.

- 3.1.10.6.1 Packing slips from deliveries to the Contractor's location will be faxed and/or scanned via email to the Facility Prosthetics Managers upon receipt of the package (the original packing slips will be mailed to the Facility Prosthetics Managers as well.)

3.1.10.7 The VISN and/or facility CORs may make scheduled or unscheduled visits to the Contractor's facility to inspect the premises and VA equipment stored within and the vehicles used by the company to ensure they are in working order. and have a separation of clean and dirty equipment. All equipment, parts and supplies shall be arranged in such a manner as to afford immediate inspection of all appliances and supplies for inventory reconciliation. Equipment shall also be organized into separate clean and dirty group sections. Any federal, state or local citations of the location should be reported to the VISN CORs within 2 business days of the citation.

- 3.1.10.7.1 On a weekly basis, the Contractor shall provide a summary to the VISN CORs and/or facility Prosthetics Managers of all durable medical equipment delivered and picked-up. The summary can be sent by PKI encrypted e-mail,

in-person delivery or by fax. And will include patient names, last four of SSNs, date issued/, model and serial numbers, equipment description, issuance or pick up condition, the total dollar value, and any other comments which will be used in comparison to update the VAMC Prosthetics Inventory package. The Contractor will complete the report by the 1st or 2nd day of the following week.

- 3.1.10.8 A bi-annual report of the vehicles (to be due in the month of June) used by all of the Contractor's locations shall be submitted to the VISN CORs, to include whether the vehicles are new/used, current/previous owners, mileage, make and model, type of vehicle (car/minivan/van/truck), repair record to include oil changes/tire changes, and to ensure they meet all federal, state and local regulations. If a citation has been received by any location on its vehicles, it should be reported as part of the bi-annual report and the VISN CORs should be notified within two business days of the citation. At all times, the Contractor is to have sufficient capacity of vehicles to handle all forms of equipment delivery. Delivery/pick-up delays are not to be encountered due to Contractor vehicle maintenance or breakdown of any kind.

VEHICLES: The vehicles used in the performance of this contract must be licensed and meet the minimum requirements as mandated by each state/county/city in which work performance occurs.

- Recovered equipment will be separated from new and cleaned equipment during transport, in accordance with Joint Commission requirements.
- The delivery truck shall be kept in a sanitary condition, so that contamination of the equipment will not occur during transport.
- The Contractor shall have all vehicles used in the performance of services under the contract in good working condition, clearly marked with company identification/logo, and conform to CDL weight capacity for the types and weight of equipment being transported. They will be able to handle all forms of DME for safe delivery and pick-up.
- Documentation of regular maintenance, and any inspections related to the vehicles or their contents are subject to review upon request of the VA COR.

- 3.1.10.9 Inventory Reduction. Disposition of non-serviceable DME equipment including electric motors, batteries, etc. will be done in accordance with local regulations and manufacturers' recommendations concerning waste disposal. The COR must approve of the disposal prior to its occurrence and it will be performed at no additional cost to the VAMC, with proper VAMC documentation.

- 3.1.10.10 VA DME devices shall be stored separately from non-VA equipment and clearly tagged (marked) as VA equipment. All VA DME devices should be covered in clean plastic sheeting to protect it from dust and dirt.

- 3.1.10.11 The Contractor shall maintain all returned VAMC DME and parts in separate locations denoting "clean/ready-to-use".

3.1.11 Equipment Cleaning/Disinfecting (DME)

- 3.1.11.1 The Contractor shall sanitize all DME with an appropriate disinfectant solution that meets Joint Commission, CMS and/or manufacturer disinfectant standards for durable medical equipment. Cleaning is preliminary to disinfecting. The manual process usually involves surface cleaning to remove gross soil from the object and reduce the number of microorganisms for the object to a level, which is considered safe for human use.
- 3.1.11.2 The Contractor shall disinfect/sanitize according to the following:
- 3.1.11.2.1 Joint Commission Infection Control (IC) Standards;
 - 3.1.11.2.2 Manufacturers' established guidelines;
 - 3.1.11.2.3 Company's policies and procedures – in line with manufacturers' guidelines and Department of Veterans Affairs guidelines on reusable medical equipment.
 - 3.1.11.2.4 Also, incorporated US Title 29 Code of Federal Regulations (CFR), Part 1910 (Dated July 1, 1998). Title 29 CFR, Part 1910 may be viewed at the internet web-site: <http://www.access.gpo.gov/nara/cfr/cfr-table-serach.html#page1>
 - 3.1.11.2.5 The Contractor shall ensure that returned DME shall be cleaned and thoroughly rinsed and dried to prevent corrosion/rusting before reissue utilizing sound infection control techniques. Clean plastic sheeting should cover all clean equipment.
- 3.1.11.3 Contaminated equipment placed in the same vehicle shall be separated from the clean to avoid cross contamination (i.e., curtain in vehicle or wall).
- 3.1.11.4 Returned equipment shall be inspected and placed in operating condition for reissue per the manufacturer's instruction. All equipment shall be checked to ensure that it functions correctly prior to reissue and then covered with a clean dust cover during storage.
- 3.1.11.5 The Contractor shall maintain all returned contaminated DME in separate locations denoting "contaminated/awaiting proper cleansing procedures." The Contractor shall separate clean and dirty equipment, using a Joint Commission approved divider and protective covering.
- 3.1.11.6 The Contractor shall be compliant with the appropriate provisions of the VHA Directives on RME (Reusable Medical Equipment).

Electrical Safety Testing Services (DME)

- 3.1.11.7 The Contractor shall report all accidents, malfunctions, injuries, deaths, and equipment recalls related to the delivery and use of DME devices to the COR and Contracting Officer.
- 3.1.11.8 The Contractor shall perform an electric safety test check the adequacy of the electrical outlets in the patient homes upon initial issue or repair of all electric equipment.
- 3.1.11.9 If equipment being furnished requires electrical power, prior to delivery the Contractor shall contact the Veteran beneficiary to ensure that adequate three- pronged grounded outlets are available. If the veterans and/or beneficiaries do not have three-pronged outlets in the area where the equipment is being installed, or if the electrical outlets appear unsafe to the Contractor and/or his representative, he/she will immediately notify the COR, the VA Prosthetics Representative/Purchasing Agent, and/or Contracting Officer requesting the service to determine if alternate equipment may be provided.

3.1.11.10 The Contractor shall also ensure that the electrical outlet is not being used for a series of other appliances.

3.1.11.11 The Contractor shall document the electrical safety check on its invoice. A label documenting said inspection shall be affixed to each DME devices stating the date of inspection and inspectors name. An initial inspection should be completed on all previous patient-owned equipment prior to re-issue.

3.1.11.12 Frequency of Testing - The electric safety test shall be performed in accordance with manufacturers' instructions and/or provisions contained herein, unless it is associated with a repair.

3.1.11.12.1 Electrical Safety Inspection: The Contractor shall perform electrical safety inspections, in accordance with manufacturers' instructions and provisions contained in Attachment C.

3.1.11.12.2 Substandard Electrical Notification. Refer to Attachment C.

3.1.12 General Mechanical Inspection (DME)

3.1.13 Inventory Security (DME)

3.1.13.1 The Contractor shall be responsible for the security of the entire inventory received from the VA. Loss, misuse, abuse, misappropriation, or destruction of any materials issued to the Contractor shall subject the Contractor to a damage claim equal to the full cost of repair or replacement by the Government in accordance with the default provisions as included in Part V of this solicitation.

3.1.13.2 The Contractor shall assure that adequate security of material/information received from the VAMC or from VA beneficiaries is in compliance with the Privacy Act of 1974 and HIPPA – see section 1.11 #3 and #4. As a minimum, the security shall consist of, but not limited to, the methods discussed as follows:

3.1.13.2.1 Conduct reasonable screening of employees so that the workforce consists of responsible, qualified and trustworthy personnel;

3.1.13.2.2 Develop and maintain current access list of personnel who are authorized to enter those areas where DME is stored and/or processed;

3.1.13.2.3 Develop a highly visible identification system which will clearly differentiate between authorized and unauthorized personnel, for example, a system of controlled badges (to be worn at all times) or uniforms – NOTE – each employee possess and wear a prominent and visible identification badge when performing official duties with VA patients/families and meeting with VA personnel;

3.1.13.2.4 Develop and ensure the use of positive control systems by use of logs or other recording devices listing manufacturer, make, model number, and/or serial number (if applicable). Its use will begin when inventory is received at the Contractor's facility and shall continue until the inventory is returned to the Government or issued to a veteran. Positive signature control shall be maintained at all steps of the process by the Contractor.

- 3.1.13.3 All rooms and areas of the Contractor facility where DME devices or data is stored or processed shall be capable of being fully secure and locked.
- 3.1.13.4 All DME devices shall be secured inside locked areas, and outside of normal business hours shall be secured within appropriate areas. A system shall be developed to ensure that these areas are locked after normal business hours. Such a system could be a checklist countersigned by the Contractor employees.
- 3.1.13.5 All DME data stored shall be fully secure and/or locked. The Contractor shall develop a system of procedures to insure DME is locked outside of normal business hours.
- 3.1.13.6 The Contractor shall ensure that the DME devices are not co-mingled with inventory for another agency or customer.
- 3.1.13.7 Any instances of possible breakdowns of security procedures shall be immediately reported to the VA.

3.1.14 Subcontracting (DME): The Contractor shall not subcontract services, with the exception of ground transport (i.e. UPS or Greyhound) service for delivery of small items, with payment for said services using the actual invoice from the Sub-Contractor – unless it is approved by the Contracting Officer.

3.1.15 Training (DME)

- 3.1.15.1 Contractor shall provide and document appropriate orientation programs for all Contractor employees involved in the delivery, recovery and repair of DME devices, e.g., safety and equipment management appropriate to the service provided, electrical requirements, backup system, equipment safety checks, troubleshooting, equipment set up, infection control procedures, patient confidentiality, handling emergencies, etc. Copies of the orientation/training programs attendance sheets (with employee signatures) should be provided to the VISN and facility CORs within five business days. Contractor employees must be certified to work on any manufacturer's DME prior to performing of work. A non-exclusive list of manufactures includes Invacare, Motion Concepts, Motion Composite, Sunrise Medical, Permobil, Ki Mobility, Pride or Quantum Rehab. Additionally, RESNA Certification is highly desirable and mandatory for at least one staff member.
- 3.1.15.2 In addition, the Contractor shall perform in-home training and assessments for the veteran beneficiary and/or caregiver, in accordance with Joint Commission regulations
- 3.1.15.3 The Contractor shall have established written procedures to delivery, recover, receive, clean and when appropriate, sterilize reusable items. Such procedures shall address the separation of clean and unclean equipment in the storage, delivery, and recovery of DME devices. All equipment shall be labeled or tagged and dated to document such procedures.

3.1.16 Unauthorized Transactions (DME):

The Contractor shall transact business only with VAMC Prosthetics for DME Services and devices and under no circumstances deal directly with, or solicit from VA beneficiaries, caregivers, family members, or insurance plan providers. Contractor shall contact a beneficiary only for delivery and/or pick-up arrangements as ordered by the COR, Prosthetic Designee and/or Contracting Officer.

3.1.17 Optional Emergency Procurements (DME):

- 3.1.24.1 In case there is an urgent and/or compelling need to provide DME Services to a VA beneficiary, for which the VA does not have items in stock or stored at the Contractor location, and time does not permit the VA procurement. VA may request that the Contractor procures said items from the Contractor for delivery to Veteran's homes (See Part I Schedule, "Option for Emergency Purchase from Contractor). Said purchase by the Contractor shall be charged to VA at the Contractor's cost.
- 3.1.24.2 Contractor shall submit to VA, a copy of the invoice/receipt for the procurement submitted for payment. Only an authorized VA representative may request a procurement be made by the Contractor. Contractor shall add all equipment purchased on behalf of the VA to the VA inventory control record with a copy of the record forwarded to the COR.

3.1.18 Privacy Act (DME)

Contractor agrees to maintain individual records on each veteran, which shall include name, last four of social security number, items received, delivery date, pick up date and any repairs in a secure, safe location. Upon completion of the contract, Contractor shall turn over all records to the COR. Contractor shall comply with all requirements of the Privacy Act of 1974, with regards to information obtained on VA beneficiaries.

3.1.19 Inspection (DME)

A VA Inspection Team and/or Safety Engineer, or Joint Commission may inspect the condition or quality of the vehicles/equipment and the Contractors ability to maintain records of vehicles/equipment, be compliant with contract requirements, and keep accurate general records at any time during the term of the contract. Any report from these inspections should be provided to the VISN and Facility CORs within three business days of the inspection visit.

3.1.20 Metric Products (DME)

Products manufactured to metric dimensions will be considered on an equal basis with those manufactured using inch-pound units, providing they fall within the tolerances specified using conversion tables contained in the latest revision of Federal Standard Number 376, and all other requirements of this document are met. If a product is manufactured to metric dimensions and those dimensions exceed the tolerances specified in the inch-pound units, a request shall be made to the Contracting Officer to determine if the product is acceptable. The Contracting Officer, in concert with the COR, will accept or reject the product.

3.1.21 Quarterly Quality Improvement Meeting (DME)

The Contractor shall meet with the VAMC on at least a quarterly basis to review performance and quality service to VA Patients. The COR will work in conjunction with the Contractor to complete the Quality Improvement Surveillance Plan as outlined in section IV. Coordination of meeting shall be determined by the COR and/or Prosthetics Chief of Service in consultation with the Contractor. A meeting via a conference call can be considered acceptable to meeting the intent of this criteria.

3.1.22 Recall

The Contractor is required to notify the COR immediately upon becoming aware of any manufacturer's product alert recall for any items used in the performance of the contract. Any items subject to such action will be discontinued from use until otherwise authorized by the COR.

3.1.23 Transition of Patients Equipment after Contract Conclusion

Upon conclusion of the contract period, the Contractor shall work with the VA to transition all records, patient information, and equipment to any successor Contractor.

3.1.24 The Contractor will educate, evaluate and document employee education in strict accordance with current Joint Commission accreditation standards.

3.1.24.1 HIPAA and Privacy training is required for all Contractor employees for those working in VISN 21 and for those staff at other offices in the country that handle VA patient-specific information – **at the minimum on an annual basis.**

3.1.25 Only employees that have been properly trained and who have demonstrated competency may perform DME services, equipment deliveries, recoveries, and patient education.

3.1.26 Documentation

Site Visits. Periodic, unscheduled on-site Contractor location visits may be made by COR or designee to monitor the Contractor's performance under this contract. The Contractor agrees to make available all records and documentation necessary during the monitoring visits, including all paper and electronic records. Any electronic systems containing appropriate VA related information require VA CORs to have access to them.

Safety Requirements. In the performance of this contract, the Contractor shall take such safety precautions as the Contracting Officer or the COR may determine to be reasonably necessary to protect the lives and health of all persons affected by this contract. The Contracting Officer or COR will notify the Contractor of any noncompliance with the foregoing provisions and the action to be taken. The Contractor shall, after receipt of such notice, immediately correct the conditions to which attention has been directed. Such notice, when served on the Contractor or his/her representative at the site of the work, shall be deemed sufficient for the purposes aforesaid. If the Contractor fails or refuses to comply promptly, the Contracting Officer may issue an order stopping all or any part of the work and hold the Contractor in default.

Weekly Report. Contractor shall provide to the VAMC COR and VA Prosthetics Representative on a weekly basis an itemized list of all new DME deliveries/starts, repairs and pick-ups – to include the patient's name and last four of SSN, date of consult, data of visit to the patient, DME device involved, designated progress notes by the provider and any further comments by the Contractor.

Quarterly Summary Report. Contractor shall provide to the Contracting Officer and the VAMC a Quarterly Summary Report of services performed by Contract Line Item Numbers (CLIN). Quarters will end September, December, March, and June. The report shall be due no later than the 10th day after the end of the quarter. The Quarterly Summary Report will include the period of report, date, and signature of person assembling the report. The body of the report will be a summary of all transactions by Contract Line Items Numbers (e.g. 0001, 0002, 0003, etc.) to include number of transactions per month per CLIN and totaled per quarter; Total price per month per and totaled per quarter. The total quarterly price will be indicated at the bottom of the page.

Log of Service Calls. Contractor shall maintain a log that tracks transactions made by the Contractor with the VAMC. A transaction is defined as any encounter that is billable under the CLINS above, with required information of dates and times of performance, the location of performance and Contractor employee performing the service.

Log of Issues/Complaint Log. Contractor shall maintain a log that tracks all patient and VA staff issues or concerns for all northern and southern area facilities, as applicable, and provide a timely, appropriate response within 3 business days of receiving the complaint. The log will be sent back to the COR via PKI encryption and include the patient's name and last four of SSN, date of complaint, statement of the actual complaint, the action/resolution taken, statement of whether the complaint was valid or not, and what is being done to prevent a reoccurrence in the future.

Emergent Patient Safety Reports. The Contractor shall provide the following emergent patient safety reports in writing, within three (3) business days of the action, throughout the contract period.

- **Sentinel Events** - The Contractor is required to inform the Facility Prosthetics Chief and VISN COR(s) within one business day of a sentinel event (as defined by The Joint Commission) that occurs during the performance of this contract that involves VAMC beneficiaries.
- **Refusal of service** - All beneficiaries have the right of refusal of service. In the event a beneficiary refuses service or orders the equipment to be removed from the home, the Contractor shall comply with the beneficiary's wishes. However, in addition to a written report, the Contractor shall report the specifics of the refusal to the COR by telephone within 1 hour. If the refusal occurs during a home visit, the Contractor's staff shall make an attempt to notify the COR or designee of the refusal during the home visit.
- The Contractor shall report suspected incidents of abuse or neglect to the patient by family members or caregivers. Suspected incidents shall be reported immediately (within 24 hours during business hours) to the COR or designee, as well as to the local adult protective agency. The Contractor will follow all state and local laws in reporting suspected incidents of abuse or neglect.

All other incidents involving patients should be reported to the VA COR in a timely manner, within 48 hours of the incident.

A summary of events related to any weather events (hurricanes, tropical storms, snowstorms, etc.) are to be provided in writing, within three (3) business days of the action, throughout the contract period.

Performance Improvement Review. On a quarterly basis, a performance improvement review by the Contractor will be performed to check on the prescription accuracy on compliance with VA requests for DME services for VA patients by vendor staff and will be reported to the VA COR. This includes a minimum of 10 DME records for each vendor location (if less than 10 set-ups/deliveries/repairs in the quarter, then the total performed would be reviewed

3.1.27 National Prosthetic Clinical Management Program (PCMP) & Federal Supply Schedule (FSS) Contracts

In accordance with National Prosthetic Clinical Management Program (PCMP) Contracts for Hospital Beds, Scooters and any other DME items to be placed on national contract, the VAMC is required to purchase these items on the PCMP and/or FSS contract.

3.1.28 Contractor Policies/Procedures

The Contractor provides a complete set of its policies and procedures, specific to Durable Medical Equipment (DME), to the VISN CORs and facility CORs upon the beginning of the contract and is updated annually. The copies can be provided electronically and/or via paper copy.

The Contractor shall assume full responsibility for the protection of its personnel furnishing services under this contract, in accordance with the personnel policy of the Contractor, such as providing worker's compensation, professional liability insurance, health examinations, income tax withholding, and social security payments. The parties agree that the Contractor, its employees, agents, and subcontractors shall not be considered VA employees for any purpose.

The Contractor shall educate, evaluate and document employee education in strict accordance with current Joint Commission accreditation standards.

- HIPAA and Privacy training is required for all Contractor employees for those working in VISN 21 and for those staff at other offices in the country that handle VA patient-specific information – at the minimum on an annual basis.
- Only employees that have been properly trained and who have demonstrated competency may perform DME services, equipment deliveries, recoveries, and patient education.

The Contractor shall be staffed and have sufficient supplies to render satisfactory and courteous service at all times to the beneficiary. The Contractor shall be responsible for the acts and omissions of his/her employees, his/her Subcontractors or satellite offices and their employees. Sub-Contractors are required to adhere to the same requirements of this contract.

3.1.29 Contractor Staffing Levels

The Contractor will provide a weekly update via e-mail on staffing levels for deliveries, repairs and office staff for all locations serving the VA Sierra Pacific Healthcare System Northern and Southern area facilities. This includes existing and/or anticipated staffing changes and the plan to recruit for vacant positions.

- 3.1.29.1 The Contractor shall be staffed and have sufficient supplies to render satisfactory and courteous service at all times to the beneficiary. The Contractor shall be responsible for the acts and omissions of his/her employees, his/her Subcontractors or satellite offices and their employees. Sub-Contractors are required to adhere to the requirements of this contract.

3.1.30 Bereavement

The Contractor shall establish a written policy detailing how employees are to approach and deal with bereaved family members when picking up or delivering equipment for a deceased beneficiary. This plan shall include provision of training to all employees who work with veterans and/or their families. The COR shall review and approve the policy and training plan prior to implementation by the Contractor.

3.1.31 Ordering Procedures

VA Medical Facility PSAS personnel will issue individual orders to the contractor authorizing the DME services via a Prosthetic Authorization and Invoice (VA Form 10-2421) or, for orders exceeding the micro-purchase threshold, via a Standard Form 1449. Individual orders shall clearly describe all services to be performed and supplies to be delivered. Orders shall be within the scope, issued within the period of performance, and for the costs described on the schedule.

3.1.32 Billing

The Contractor shall prepare and submit a proper invoice in arrears to the authorizing PSAS agent and/or Contracting Officer. Contractor shall not bill the VA until authorized delivery/set-up and repairs are complete. VA shall not pay for unauthorized repairs.

Authorization shall be provided to the Contractor with a Purchase Order, which may have Government purchase card information. If the purchase card information is not included, the Contractor is to contact the authorizing agent for that information upon completion of the work. This purchase card information shall only be used by the Contractor for that authorization. Under no circumstance shall the Contractor retain any Government Purchase Card information, for future authorizations.

Invoices will be provided to the authorizing agent via secure email or fax within two work days (48 hours), of charging the purchase card.

The labor rate for repairs pertains to equipment purchased by PSAS for Veteran's use.

This rate is NOT to be used for any requested equipment set-ups or pick-ups as these are a flat fee and no additional labor charge is permitted unless the setup is more complex and will require pre-authorization by the PSAS authorizing agent.

A report of outstanding unpaid or incomplete jobs will be submitted via e-mail to the COR, Purchasing Agent, and/or Contracting Officer on or before the 5th workday of each month.

3.1.33 Proper Invoice

Invoices submitted for payment of services provided under this contract must contain the contract identification number, ordering facility, and other substantiating documentation as required by the contract. Attached to each invoice will be a completed Delivery Ticket, signed by the Veteran or their designee.

The consolidated invoice shall include:

1. Patient Name
2. Date of Performance
3. Point of Origin and Destination
4. Description and Condition (new or used) of item delivered/picked-up/repared
5. Serial number (if applicable)
6. HCPC Code of service or item
7. Itemized Charges assessed for this service
8. Purchase Order Number assigned by Purchasing Agent
9. Stamped unique Quote Number for repair (if applicable)
10. Stamped unique Invoice Number

3.1.34 Payment

Payments may be made by a PSAS agent, and/or Contracting Officer using either the Government Purchase Card and/or purchase order depending on the invoice amount.

Vendor shall have level II credit card equipment capable of showing appropriate VA assigned Purchase Order number in each charge processed for payment. Charge for each purchase order shall be processed

individually; utilizing the provided purchase card account number, referencing the VA assigned Purchase Order number.

3.1.35 Government Quality Assurance Surveillance Plan (QASP):

A. Performance Requirement Summary

The following Performance Requirement Summary (PRS) lists the contract's primary service requirements, their associated performance standards, the acceptable quality levels (AQL), and the methods of surveillance.

#	Service Requirement	Performance Standard	AQL	Method of Surveillance
1	<u>Privacy Policy Training</u>	Contractor personnel complete Privacy Policy Training annually	100%	Review Documents
2	<u>Delivery & Pickup Timeframes</u>	DME will be delivered within 72 hours of task order receipt; unneeded DME will be picked up within 48 hours of task order receipt	98% Monthly	Home Visits Telephonic Surveys Quarterly Reports Patient Surveys
3	<u>Storage of Government Furnished Property</u>	Contaminated DME is stored separately from clean DME; vehicles used for delivery and/or pickup are clean and covered	100% Quarterly	Quarterly Inspection
4	<u>Weekly Inventory List</u>	Inventory list is provided to COR each week	95% Monthly	Review received lists
5	<u>Delivery Certification</u>	Delivery Certification is received by PSAS the same day the service is provided	95%	Review returned documents
6	<u>DME Repairs</u>	Contractor repairs & returns DME within 48 hours of notification by PSAS. Unless non-stocked parts are required for completion.	98%	Telephonic Survey

B. Quality Assurance Surveillance Plan (QASP)

The QASP (See Section D) will be used to document the contractor's performance. The QASP includes various methods of assessing performance, including contractor-site and patient-home reviews, along with telephonic surveys to ensure contract requirements are being met. The Government will monitor the Contractor's performance under this contract using on-site inspections and customer feedback. The Contractor will be given the opportunity to correct or address any adverse findings resulting from observations and feedback consistent with the Inspection/Acceptance clause in the contract. When supplies or services are accepted with major nonconformance, the contracting officer must modify the contracted terms to provide for an equitable price reduction or other consideration. Amounts withheld from payments generally will be at least sufficient to cover the estimated cost and related profit to correct deficiencies and complete unfinished work. For services, the contracting officer may identify the value of the individual work requirements or tasks (subdivisions) that may be subject to price or fee reduction. This value may be used to determine an equitable adjustment for nonconforming services. However, when supplies or services involving minor nonconformance incidents are accepted, the contract may not be modified unless it appears that the savings to the contractor in performing the nonconforming services will exceed the cost to the Government of processing the modification. Furthermore, failure to correct any major nonconformance could result in termination of the contract for cause and/or adversely impact

the Contractor's ability to be selected for future contracts as documented in the Contractor Performance Assessment Report System (CPARS).

ADDITIONAL REQUIREMENTS:

HEALTH INSURANCE PORTABILITY AND ACCOUNTABILITY ACT OF 1996 (HIPAA):

Contractors and any subcontractors must adhere to the provisions of Public Law 104-191, Health Insurance Portability and Accountability Act (HIPAA) of 1996. This includes both the Privacy and Security Rules published by the Department of Health and Human Services (HHS). As required by HIPAA, HHS has promulgated rules governing the use and disclosure of protected health information by covered entities. The covered entity component of the Department of Veterans Affairs is the Veterans Health Administration (VHA). In accordance with HIPAA, the Contractor may be required to enter into a Business Associate Agreement (BAA) with VHA.

Business Associates must follow VHA privacy policies and practices. All Contractors and business associates must receive privacy training annually. For Contractors and business associates who do not have access to VHA computer systems, this requirement is met by completing the VHA National Policy Training, other VHA approved privacy training or Contractor furnished training that meets the requirement of the HHS Standards for Privacy of Individual Identifiable Health Information as determined by VHA. For Contractors and business associates who are granted access to VHA computer systems, this requirement is met by completing VHA Privacy Policy training. Proof of training is required.

Contractors shall require its employees who have access to patient information to take annual privacy training at the Dept. of Veterans Affairs web site. The web site is available at <https://www.ees-learning.net> and <https://www.tms.va.gov/plateau/user/login.jsp>

REQUIRED REGISTRATION WITH CONTRACTOR PERFORMANCE ASSESSMENT SYSTEM (CPARS):

a. As prescribed in Federal Acquisition Regulation (FAR) Part 42.15, the Department of Veterans Affairs (VA) evaluates Contractor past performance on all contracts that exceed \$150,000 and shares those evaluations with other Federal Government contract specialists and procurement officials. The FAR requires that the Contractor be provided an opportunity to comment on past performance evaluations prior to each report closing. To fulfill this requirement VA uses an online database, CPARS, which is maintained by the Naval Seal Logistics Center in Portsmouth, New Hampshire. CPARS has connectivity with the Past Performance Information Retrieval System (PPIRS) database, which is available to all Federal agencies. PPIRS is the system used to collect and retrieve performance assessment reports used in source selection determinations and completed CPARS report cards transferred to PPIRS. CPARS also includes access to the federal awardee performance and integrity information system (FAPIIS). FAPIIS is a web-enabled application accessed via CPARS for Contractor responsibility determination information.

b. Each Contractor whose contract award is estimated to exceed \$150,000 is required to register with CPARS database at the following web address: www.cpars.csd.disa.mil. Help in registering can be obtained by contacting Customer Support Desk @ DSN: 684-1690 or COMM: 207-438-1690. Registration should occur no later than thirty days after contract award, and must be kept current should there be any change to the Contractor's registered representative.

c. For contracts with a period of one year or less, the contracting officer will perform a single evaluation when the contract is complete. For contracts exceeding one year, the contracting officer will evaluate the

Contractor's performance annually. Interim reports will be filed each year until the last year of the contract, when the final report will be completed. The report shall be assigned in CPARS to the Contractor's designated representative for comment. The Contractor representative will have thirty days to submit any comments and re-assign the report to the VA contracting officer.

d. Failure to have a current registration in the CPARS database, or to re-assign the report to the VA contracting officer within those thirty days, will result in the Government's evaluation being placed on file in the database with a statement that the Contractor failed to respond.

CONTRACTING WITH PARTIES LISTED ON THE OIG LIST OF EXCLUDED INDIVIDUALS/ENTITIES:

a. In accordance with The Health Insurance Portability and Accountability Act (HIPAA) and the Balanced Budget Act (BBA) of 1977, the Office of Inspector General has established a list of parties and entities excluded from Federal health care programs. Specifically, the listed parties and entities may not receive Federal Health Care program payments due to fraud and/or abuse of the Medicare and Medicaid programs.

b. Therefore, all offerors shall review the OIG List of Excluded Individuals/Entities on the OIG web site at www.hhs.gov/oig to ensure that the proposed candidate(s) and/or firm(s) are not listed. Offerors should note that any excluded individual or entity that submits a claim for reimbursement to a Federal health care program, or causes such a claim to be submitted, may be subject to a minimum and maximum Civil Monetary Penalty (CMP) for each item or service furnished during a period that the person or entity was excluded and may also be subject to treble damages for the amount claimed for each item or service. CMP's may also be imposed against health care providers and entities that employ or enter into contracts with excluded individuals or entities to provide items or services to Federal program beneficiaries.

By signing the offer, the Contractor certifies that he/she has reviewed the OIG List of Excluded Individuals/Entities and that the proposed candidate(s) and/or firm are not listed as of the date the offer was signed.

TORT CLAIMS:

Contractor employees are not covered by the Federal Tort Claims Act. When a Contractor employee has been identified as a provider in a tort claim, the Contractor employee is responsible for notifying the Contractor's legal counsel and/or insurance carrier. Any settlement or judgment arising from a Contractor employee's action or non-action is the responsibility of the Contractor and/or insurance carrier.

CITIZENSHIP-RELATED REQUIREMENTS:

Each affected Contractor employee as described in paragraph shall be:

A United States (U.S.) citizen; or

A national of the United States (see 8 U.S.C. 1408); or

An alien lawfully admitted into the United States for permanent residence as evidenced by an Alien Registration Receipt Card Form I-151.

Contractor shall return a signed certification as found in this solicitation.

This certification concerns a matter within the jurisdiction of an agency of the United States, and the making of a false, fictitious, or fraudulent certification may render the maker subject to prosecution under 18 U.S.C. 1001.

CONFIDENTIALITY & SECURITY MEASUREMENTS:

Confidentiality: VA will provide the Contractor with access to pertinent medical information for the purposes of providing a service to the VA. The Contractor shall ensure the confidentiality of all patient information and shall be held liable in the event of breach of confidentiality. Contractor shall adhere to Health Insurance Portability and Accountability Act (HIPAA) standards when available. Any person who knowingly or willingly discloses confidential information from the VA may be subject to criminal penalties. Any and all documentation related to the patient's records during the duration of this contract is the property of the VA and will be returned to the VA by the Contractor upon the termination of non-renewal of this contract.

Authorization to Release Information: The Contractor shall be subject to the Privacy Act of 1974. Federal Acquisition Regulations 52.224-I, Privacy Act Notification, and 52.224-2 Privacy Act, are provided in full text in the Addendum. The Contractor is not authorized to release any information. The VA is the sole entity authorized to release any information upon written authorization from the patient.

Patient Medical Information: Contractor personnel who obtain access to medical records or access hardware/software that may store drug or alcohol abuse data, sickle cell anemia treatment records, records or tests or treatment for infection with HIV, medical quality assurance records, or any other sensitive information protected under 38 U.S.C. §4132 or §3305, as defined by VA, shall not have access to the records unless explicitly necessary to perform the requirement. Any Contractor employee required to access pertinent data shall not disclose to other Contractor employees that are not involved in the performance of this task. Any violation of these provisions may involve the imposition of criminal penalties.

Patient Medical Records Handling, Storage, and Retention: The Contractor shall store all medical records in a locked/secured room during the performance period of this requirement. The Contractor shall retain the records in a secure storage area for a period of 60 days after final delivery. The Contractor shall dispose/destroy the medical records at the Contractor's primary place of performance by means of shredding all documents so that none of the data is legible.

Property in Possession of Subcontractors: In accordance with FAR Sub-Part 45.510, the Contractor shall require any of its subcontractors possessing or controlling government property to adequately care for and maintain that property and assure that it is used only as authorized by the contract. The Contractor's approved property control system shall include procedures necessary for accomplishing this responsibility.

The Contractor shall maintain a VA beneficiary account folder in compliance with the Privacy Act and Health Insurance Portability and Accountability Act (HIPAA). All beneficiary files are subject to review by designated VAMC officials and accreditation surveyors on behalf of the VAMC during accreditation surveys or consultation. At a minimum, the VA beneficiary folder will adhere to current Joint Commission standards or equivalent for patient record keeping.

VA INFORMATION AND INFORMATION SYSTEM SECURITY/PRIVACY LANGUAGE: **GENERAL**

All Contractors and Contractor personnel shall be subject to the same Federal laws, regulations, standards and VA policies as VA, and VA personnel, regarding information and information system security. Contractor must follow policies and procedures outlined in VA Directive 6500, Information Security Program and its handbooks to ensure appropriate security controls are in place.

VA INFORMATION CUSTODIAL LANGUAGE

- a. Information made available to the Contractor or subcontractor by VA for the performance or administration of this contract or information developed by the Contractor/subcontractor in performance or administration of the contract shall be used only for those purposes and shall not be used in any other way without the prior written agreement of the VA. This clause expressly limits the Contractor/subcontractor's rights to use data as described in Rights in Data- General, FAR 52.227-14(d) (1).
- b. VA information should not be co-mingled, if possible, with any other data on the Contractor/subcontractor's information systems or media storage systems in order to ensure VA requirements related to data protection and media sanitization can be met. If co-mingling must be allowed to meet the requirements of the business need, the Contractor must ensure that VA's information is returned to the VA or destroyed in accordance with VA's sanitization requirements. VA reserves the right to conduct onsite inspections of Contractor and subcontractor IT resources to ensure data security controls, separation of data and job duties, and destruction/media sanitization procedures are in compliance with VA Directive requirements.
- c. Prior to termination or completion of this contract, Contractor/subcontractor must not destroy information received from VA, or gathered/created by the Contractor in the course of performing this contract without prior written approval by the VA. Any data destruction done on behalf of VA by a Contractor/subcontractor must be done in accordance with National Archives and Records Administration (NARA) requirements as outlined in VA Directive 6300, *Records and Information Management* and its Handbook 6300.1 *Records Management Procedures*, applicable VA Records Control Schedules, and VA Handbook 6500.1, *Electronic Media Sanitization*. Self-certification by the Contractor that the data destruction requirements above have been met must be sent to the VA Contracting Officer within 30 days of termination of the contract.
- d. The Contractor/subcontractor must receive, gather, store, back up, maintains, use, disclose and dispose of VA information only in compliance with the terms of the contract and applicable Federal and VA information confidentiality and security laws, regulations and policies. If Federal or VA information confidentiality and security laws, regulations and policies become applicable to the VA information or information systems after execution of the contract, or if NIST issues or updates applicable FIPS or Special Publications (SP) after execution of this contract, the parties agree to negotiate in good faith to implement the information confidentiality and security laws, regulations and policies in this contract.
- e. The Contractor/subcontractor shall not make copies of VA information except as authorized and necessary to perform the terms of the agreement or to preserve electronic information stored on Contractor/subcontractor electronic storage media for restoration in case any electronic equipment or data used by the Contractor/subcontractor needs to be restored to an operating state. If copies are made for restoration purposes, after the restoration is complete, the copies must be appropriately destroyed.
- f. If VA determines that the Contractor has violated any of the information confidentiality, privacy, and security provisions of the contract, it shall be sufficient grounds for VA to withhold payment to the Contractor or third party or terminate the contract for default or terminate for cause under Federal Acquisition Regulation (FAR) part 12.
- g. If a VHA contract is terminated for cause, the associated BAA must also be terminated and appropriate actions taken in accordance with VHA Handbook 1600.01, *Business Associate Agreements*. Absent an agreement to use or disclose protected health information, there is no business associate relationship.

h. The Contractor/subcontractor must store, transport, or transmit VA sensitive information in an encrypted form, using VA-approved encryption tools that are, at a minimum, FIPS 140-2 validated.

i. The Contractor/subcontractor's firewall and Web services security controls, if applicable, shall meet or exceed VA's minimum requirements. VA Configuration Guidelines are available upon request.

j. Except for uses and disclosures of VA information authorized by this contract for performance of the contract, the Contractor/subcontractor may use and disclose VA information only in two other situations: (i) in response to a qualifying order of a court of competent jurisdiction, or (ii) with VA's prior written approval. The Contractor/subcontractor must refer all requests for, demands for production of, or inquiries about, VA information and information systems to the VA contracting officer for response.

k. Notwithstanding the provision above, the Contractor/subcontractor shall not release VA records protected by Title 38 U.S.C. 5705, confidentiality of medical quality assurance records and/or Title 38 U.S.C. 7332, confidentiality of certain health records pertaining to drug addiction, sickle cell anemia, alcoholism or alcohol abuse, or infection with human immunodeficiency virus. If the Contractor/subcontractor is in receipt of a court order or other requests for the above-mentioned information, that Contractor/subcontractor shall immediately refer such court orders or other requests to the VA contracting officer for response.

l. For service that involves the storage, generating, transmitting, or exchanging of VA sensitive information but does not require C&A or an MOU-ISA for system interconnection, the Contractor/subcontractor must complete a Contractor Security Control Assessment (CSCA) on a yearly basis and provide it to the COR.

INFORMATION SYSTEM HOSTING, OPERATION, MAINTENANCE, OR USE

a. For information systems that are hosted, operated, maintained, or used on behalf of VA at non-VA facilities, Contractors/subcontractors are fully responsible and accountable for ensuring compliance with all HIPAA, Privacy Act, FISMA, NIST, FIPS, and VA security and privacy directives and handbooks. This includes conducting compliant risk assessments, routine vulnerability scanning, system patching and change management procedures, and the completion of an acceptable contingency plan for each system. The Contractor's security control procedures must be equivalent, to those procedures used to secure VA systems. A Privacy Impact Assessment (PIA) must also be provided to the COR and approved by VA Privacy Service prior to operational approval. All external Internet connections to VA's network involving VA information must be reviewed and approved by VA prior to implementation.

b. Adequate security controls for collecting, processing, transmitting, and storing of Personally Identifiable Information (PII), as determined by the VA Privacy Service, must be in place, tested, and approved by VA prior to hosting, operation, maintenance, or use of the information system, or systems by or on behalf of VA. These security controls are to be assessed and stated within the PIA, and if these controls are determined not to be in place, or inadequate, a Plan of Action and Milestones (POA&M) must be submitted and approved prior to the collection of PII.

c. Outsourcing (Contractor facility, Contractor equipment or Contractor staff) of systems or network operations, telecommunications services, or other managed services requires certification and accreditation (authorization) (C&A) of the Contractor's systems in accordance with VA Handbook 6500.3, *Certification and Accreditation* and/or the VA OCS Certification Program Office. Government-owned (government facility or government equipment) Contractor-operated systems, third party or business partner networks require memorandums of understanding and interconnection agreements

(MOU-ISA) which detail what data types are shared, who has access, and the appropriate level of security controls for all systems connected to VA networks.

d. The Contractor/subcontractor's system must adhere to all FISMA, FIPS, and NIST standards related to the annual FISMA security controls assessment and review and update the PIA. Any deficiencies noted during this assessment must be provided to the VA contracting officer and the ISO for entry into VA's POA&M management process. The Contractor/subcontractor must use VA's POA&M process to document planned remedial actions to address any deficiencies in information security policies, procedures, and practices, and the completion of those activities. Security deficiencies must be corrected within the timeframes approved by the government. Contractor/subcontractor procedures are subject to periodic, unannounced assessments by VA officials, including the VA Office of Inspector General. The physical security aspects associated with Contractor/subcontractor activities must also be subject to such assessments. If major changes to the system occur that may affect the privacy or security of the data or the system, the C&A of the system may need to be reviewed, retested and re-authorized per VA Handbook 6500.3. This may require reviewing and updating all of the documentation (PIA, System Security Plan, and Contingency Plan). The Certification Program Office can provide guidance on whether a new C&A would be necessary.

e. The Contractor/subcontractor must conduct an annual self-assessment on all systems and outsourced services as required. Both hard copy and electronic copies of the assessment must be provided to the COR. The government reserves the right to conduct such an assessment using government personnel or another Contractor/subcontractor. The Contractor/subcontractor must take appropriate and timely action (this can be specified in the contract) to correct or mitigate any weaknesses discovered during such testing, generally at no additional cost.

f. VA prohibits the installation and use of personally-owned or Contractor/subcontractor owned equipment or software on VA's network. If non-VA owned equipment must be used to fulfill the requirements of a contract, it must be stated in the service agreement, SOW or contract. All the security controls required for government furnished equipment (GFE) must be utilized in approved other equipment (OE) and must be funded by the owner of the equipment. All remote systems must be equipped with, and use, a VA-approved antivirus (AV) software and a personal (host-based or enclave based) firewall that is configured with a VA approved configuration. Software must be kept current, including all critical updates and patches. Owners of approved OE are responsible for providing and maintaining the anti-viral software, and the firewall on the non-VA-owned OE.

g. All electronic storage media used on non-VA leased or non-VA owned IT equipment that is used to store, process, or access VA information must be handled in adherence with VA Handbook 6500.1, *Electronic Media Sanitization* upon: (i) completion or termination of the contract or (ii) disposal or return of the IT equipment by the Contractor/subcontractor or any person acting on behalf of the Contractor/subcontractor, whichever is earlier. Media (hard drives, optical disks, CDs, back-up tapes, etc.) used by the Contractors/subcontractors that contain VA information must be returned to the VA for sanitization or destruction or the Contractor/subcontractor must self-certify that the media has been disposed of per 6500.1 requirements. This must be completed within 30 days of termination of the contract.

h. Bio-Medical devices and other equipment or systems containing media (hard drives, optical disks, etc.) with VA sensitive information must not be returned to the vendor at the end of lease, for trade-in, or other purposes. The options are:

1. Vendor must accept the system without the drive;

2. VA's initial medical device purchase includes a spare drive which must be installed in place of the original drive at time of turn-in; or
3. VA must reimburse the company for media at a reasonable open market replacement cost at the time of purchase.
4. Due to the highly specialized and sometimes proprietary hardware and software associated with medical equipment/systems, if it is not possible for the VA to retain the hard drive, then;
 - a) The equipment vendor must have an existing BAA if the device being traded in has sensitive information stored on it and hard drive(s) from the system are being returned physically intact; and
 - b) Any fixed hard drive on the device must be non-destructively sanitized to the greatest extent possible without negatively impacting system operation. Selective clearing down to patient data folder level is recommended using VA approved and validated overwriting technologies/methods/tools. Applicable media sanitization specifications need to be preapproved and described in the purchase order or contract.
 - c) A statement needs to be signed by the Director (System Owner) that states that the drive could not be removed and that (a) and (b) controls above are in place and completed. The ISO needs to maintain the documentation.

SECURITY INCIDENT INVESTIGATION

- a. The term "security incident" means an event that has, or could have, resulted in unauthorized access to, loss or damage to VA assets, or sensitive information, or an action that breaches VA security procedures. The Contractor/subcontractor shall immediately notify the COR and simultaneously, the designated ISO and Privacy Officer for the contract of any known or suspected security/privacy incidents, or any unauthorized disclosure of sensitive information, including that contained in system(s) to which the Contractor/subcontractor has access.
- b. To the extent known by the Contractor/subcontractor, the Contractor/subcontractor's notice to VA shall identify the information involved, the circumstances surrounding the incident (including to whom, how, when, and where the VA information or assets were placed at risk or compromised), and any other information that the Contractor/subcontractor considers relevant.
- c. With respect to unsecured protected health information, the business associate is deemed to have discovered a data breach when the business associate knew or should have known of a breach of such information. Upon discovery, the business associate must notify the covered entity of the breach. Notifications need to be made in accordance with the executed business associate agreement.
- d. In instances of theft or break-in or other criminal activity, the Contractor/subcontractor must concurrently report the incident to the appropriate law enforcement entity (or entities) of jurisdiction, including the VA OIG and Security and Law Enforcement. The Contractor, its employees, and its subcontractors and their employees shall cooperate with VA and any law enforcement authority responsible for the investigation and prosecution of any possible criminal law violation(s) associated with any incident. The Contractor/subcontractor shall cooperate with VA in any civil litigation to recover VA information, obtain monetary or other compensation from a third party for damages arising from any incident, or obtain injunctive relief against any third party arising from, or related to, the incident.

LIQUIDATED DAMAGES FOR DATA BREACH

a. Consistent with the requirements of 38 U.S.C. §5725, a contract may require access to sensitive personal information. If so, the Contractor is liable to VA for liquidated damages in the event of a data breach or privacy incident involving any SPI the Contractor/subcontractor processes or maintains under this contract

b. The Contractor/subcontractor shall provide notice to VA of a “security incident” as set forth in the Security Incident Investigation section above. Upon such notification, VA must secure from a non-Department entity or the VA Office of Inspector General an independent risk analysis of the data breach to determine the level of risk associated with the data breach for the potential misuse of any sensitive personal information involved in the data breach. The term 'data breach' means the loss, theft, or other unauthorized access, or any access other than that incidental to the scope of employment, to data containing sensitive personal information, in electronic or printed form, that results in the potential compromise of the confidentiality or integrity of the data. Contractor shall fully cooperate with the entity performing the risk analysis. Failure to cooperate may be deemed a material breach and grounds for contract termination.

c. Each risk analysis shall address all relevant information concerning the data breach, including the following:

1. Nature of the event (loss, theft, unauthorized access);
2. Description of the event, including:
 - a) date of occurrence;
 - b) data elements involved, including any PII, such as full name, last four of social security number, date of birth, home address, account number, disability code;
3. Number of individuals affected or potentially affected;
4. Names of individuals or groups affected or potentially affected;
5. Ease of logical data access to the lost, stolen or improperly accessed data in light of the degree of protection for the data, e.g., unencrypted, plain text;
6. Amount of time the data has been out of VA control;
7. The likelihood that the sensitive personal information will or has been compromised (made accessible to and usable by unauthorized persons);
8. Known misuses of data containing sensitive personal information, if any;
9. Assessment of the potential harm to the affected individuals;
10. Data breach analysis as outlined in 6500.2 Handbook, *Management of Security and Privacy Incidents*, as appropriate; and

11. Whether credit protection services may assist record subjects in avoiding or mitigating the results of identity theft based on the sensitive personal information that may have been compromised.

d. Based on the determinations of the independent risk analysis, the Contractor shall be responsible for paying to the VA liquidated damages in the amount of \$37.50 per affected individual to cover the cost of providing credit protection services to affected individuals consisting of the following:

1. Notification;
2. One year of credit monitoring services consisting of automatic daily monitoring of at least three relevant credit bureau reports;
3. Data breach analysis;
4. Fraud resolution services, including writing dispute letters, initiating fraud alerts and credit freezes, to assist affected individuals to bring matters to resolution;
5. One year of identity theft insurance with \$20,000.00 coverage at \$0 deductible; and

e. Necessary legal expenses the subjects of an SPI data breach may incur to repair falsified or damaged credit are not included in the liquidated damages amount and will be handled as actual damages, which the Contractor should anticipate as among the costs of doing business, and should consider in developing its cost estimates.

SECURITY CONTROLS COMPLIANCE TESTING

On a periodic basis, VA, including the Office of Inspector General, reserves the right to evaluate any or all of the security controls and privacy practices implemented by the Contractor under the clauses contained within the contract. With 10 working-days' notice, at the request of the government, the Contractor must fully cooperate and assist in a government-sponsored security controls assessment at each location wherein VA information is processed or stored, or information systems are developed, operated, maintained, or used on behalf of VA, including those initiated by the Office of Inspector General. The government may conduct a security control assessment on shorter notice (to include unannounced assessments) as determined by VA in the event of a security incident or at any other time.

TRAINING

a. All Contractor employees and Contractor employees requiring access to VA information and VA information systems shall complete the following before being granted access to VA networks:

1. Sign and acknowledge understanding of and responsibilities for compliance with the attached National Rules of Behavior relating to access to VA information and information systems;
2. Successfully complete VA Cyber Security Awareness training and annual refresher training as required;
3. Successfully complete VA General Privacy training and annual refresher training as required; and

4. Successfully complete any additional cyber security or privacy training, as required for VA personnel with equivalent information system access.
- b. Contractor shall provide to the COR a copy of the training certificates for each applicable employee within three (3) weeks of the initiation of the contract and annually thereafter, as required. These online courses are located at the following web site: <https://www.ees-learning.net/>
- c. Failure to complete this mandatory training within the timeframe required shall be grounds for suspension or termination of all physical and/or electronic access privileges and removal from work on the contract until such time as the training is completed.

VETS 100: SPECIAL NOTE – ALL CONTRACTORS MUST REGISTER AS INDICATED BELOW:

Notice: Clause FAR 52.222-37 Employment Reports on Disabled Veterans and Veterans of the Vietnam Era is incorporated by reference in this contract. This clause requires the Contractor to file a VETS-100 report for the preceding fiscal year under Title 38 Section 4212(d). **You are strongly urged to complete this report as soon as possible.** This can be done "on-line" at: <http://vets100.cudenver.edu/>.

DEFINITIONS and ACRONYMS:

AQL: Acceptable Quality Level

Acceptable Quality Level: An AQL is the maximum allowable degree of deviation from the standard and it is expressed as either a percentage of deviation from the performance standard or as an absolute number; an AQL with a deviation of zero, for example, means that no deviation from the standard is acceptable.

Caregiver: An individual providing or assisting the Veteran patient with personal care. This may also be a family member.

CBOC: Community Based Outpatient Clinics

CDR: Contract Discrepancy Report

Contract Discrepancy Report: Formal documentation of a contractor's failure to some aspect of a contract that explains why performance was unsatisfactory, how performance will be returned to satisfactory levels and how recurrence of the problem will be prevented in the future.

CO: Contracting Officer

COR: Contracting Officer Representative

Contracting Officer: A Government official with designated authority to enter into, administer, and terminate a contract and to make related determinations and findings on behalf of the Government.

Contracting Officer's Representative: A Government official designated by the CO that's responsible for providing contract oversight and technical guidance to the Contracting Officer.

Contractor: The entity that enters into a contract with the government.

DME: Durable Medical Equipment.

Durable Medical Equipment: any equipment that provides therapeutic benefits to a patient in need because of certain medical conditions and/or illness. DME consists of items which: (1) are primarily and customarily used to serve a medical purpose; (2) are not useful to a person in the absence of illness or injury; (3) are ordered or prescribed by a physician; (4) are reusable; (5) can stand repeated use, and; (6) are appropriate for use in the home. DME includes, but is not limited to, wheelchairs (manual and electric), hospital beds, traction equipment, canes, crutches, walkers, grab bars, pressure mattresses, stair glides, seat lift mechanisms, and nebulizers.

FAR: Federal Acquisition Regulation.

First Class Operating Condition: Cleaned, disinfected, and meeting all original mechanical and operational standards as outlined by the manufacturer.

F.O.B. Destination: Free on Board at Destination. The seller or consignor pays for the cost of shipping and assumes the risk of loss.

Government Furnished Equipment (GFE): is equipment that is owned by the government and delivered to, or made available to a contractor.

HIPAA: Health Insurance Portability and Accountability Act.

IAW: In accordance with.

Patient: Veteran who is authorized by VHA Prosthetics and Sensory Aids Service (PSAS) to receive health care services as a VA beneficiary.

PSAS: Prosthetics and Sensory Aids Service.

PSAS Representative: VHA Employee of the Prosthetics and Sensory Aids Service.

Quality Assurance Surveillance Plan (QASP): A written document that's used by the Government to monitor a contractor's quality assurance program.

Reclaimed DME: DME that has been issued to a patient by PSAS and subsequently retrieved from a patient's home, by the contractor, upon request from PSAS.

Sentinel Event: A sentinel event is an unexpected occurrence involving death or serious physical or psychological injury, or the risk thereof. Serious injury specifically includes loss of limb or function. The phrase, "or the risk thereof" includes any process variation for which a recurrence would carry a significant chance of a serious adverse outcome. Such events are called "sentinel" because they signal the need for immediate investigation and response.

Solicitation: A request to submit offers or quotations to the government.

Order: An order for services placed against an established Indefinite Delivery, Indefinite Quantity (IDIQ) contract.

TJC: The Joint Commission

The Joint Commission: An organization that sets standards by which health care quality is measured.

The Schedule: The following portions of a contract and are the schedule: form (SF 1449), supplies or services and prices or costs, specification or performance work statement, packaging and marking, inspection and acceptance, deliveries or performance, contract administration data, and special contract requirements.