

**ATTACHMENT ONE
Liquidated Damages**

RFP 114897 O3

Payment will be reduced for Contractor's failure to resolve problems in accordance with the following schedule. If the Contractor is awaiting additional information from DHHS regarding an incident for more than one (1) business day, the Liquidated Damages calculation will pause when the information is requested, and resume when the information is provided. Additionally, Liquidated Damages do not apply if the issue is not related in any way to the Contractor's software or interaction with it (e.g., DHHS network not functioning). A problem will be considered resolved when both parties agree that the Contractor has provided a permanent solution to the software issue.

Pre-Implementation Incidents	Liquidated Damages
Contractor shall thoroughly test the Licensure System and demonstrate proof of successful testing for 100% of the specifications and configuration updates presented in the contract in accordance with testing schedule presented in the Detailed Project Work Plan. Critical and high defects must be corrected before go-live. Other defects will be reviewed by Contractor and DHHS and remediation approach will be agreed to.	\$ 1,500 per calendar day in damages may be assessed for failure to complete testing as specified in the Detailed Project Work Plan.
Updated training materials shall be received by DHHS for review and approval fifteen (15) state business days prior to a scheduled training, as provided in the Detailed Project Work Plan. Changes to previous version must be identified for ease of review of the changes.	\$500 per State business day, per occurrence of failure to produce materials for a scheduled training as specified in the Detailed Project Work Plan.
Solution shall have SIT environment available prior to UAT availability to facilitate interface testing with DHHS as provided in the Detailed Project Work Plan. Solution shall have UAT environment available before UAT scheduled start date as provided in the Detailed Project Work Plan. Solution shall have production environment available for production to facilitate the Licensure System operations prior to the scheduled the Licensure System go-live date as provided in the Detailed Project Work Plan. SIT and UAT environments shall be available at least ninety-nine percent (99%) of the time during State business days and core working hours (6am CT to 7pm CT) with access on weekends and holidays as mutually agreed in advance by the parties.	\$500 per State business day, per environment, until required environments are available as specified in the Detailed Project Work Plan.
Operations and Maintenance	Liquidated Damages
Contractor shall implement the Case Management System by mutually agreed project implementation dates	\$2,000 per calendar day, until completed, in damages may be assessed for failure to implement on agreed dates.
Contractor shall provide a written report and an initial assessment to DHHS within twenty-four (24) hours following the identification of any security incident 100% of the time. The report shall detail the incident, initial assessment, including type of incident, the	\$1,500 per calendar day, per report in damages may be assessed for failure to produce reports and notification.

current status, and any potential impact(s). Detail must include time of original incident, time of discovery of incident, and time reported to DHHS.	
Solution application functionality shall be available to end users and integration partners 99.5% of the time, 24 hours a day, seven days a week, excluding DHHS-approved planned downtime. This will be calculated and reported weekly to DHHS and calculated and rolled up to monthly availability for service level delivery tracking and reporting.	\$250 per hour of system unavailable time over the required uptime in damages may be assessed for failure to comply with this performance standard.
Scheduled System downtime notification reminders shall be communicated to all users forty-eight (48) hours prior to the scheduled downtime.	\$1,500 per event in damages may be assessed for failure to notify for every scheduled downtime event
Immediate notification shall be communicated to all Solution users when unscheduled system downtime occurs. Notification shall be distributed within an hour of discovery of the event, and a flash on the web application and mobile application will be posted at the time the notification is sent.	\$1,500 per event in damages may be assessed for failure to notify for every unscheduled system downtime.
Contractor shall ensure availability of accurate data for reporting as follows: A. Current data must be available for ad hoc or scheduled reporting by authorized users 24 hours per day; B. Requests for ad hoc reports shall be fulfilled and available to the end user within forty-eight (48) hours of request submission; and C. Reports generated on occurrence (event based) shall be available within twenty-four (24) hours of the occurrence.	\$500 per calendar day, per report in damages may be assessed for failure to produce reports.
Contractor shall provide technical support by phone and online every calendar day (7 days per week during the hours of 8 a.m. to 6 p.m. CT), for all stakeholders through the first ninety (90) days of the Operations following the final implementation Phase in accordance with the DHHS-approved Customer Support Plan.	\$375 per hour may be assessed for failure to provide technical support as specified.
Customer Support shall respond to all received telephone and email contacts within two (2) working days of receipt of the inquiry for 99.99% of the inquiries. This SLA shall be calculated monthly.	1% of the Monthly Operational Invoice may be assessed as penalties for failure to comply as specified.
Respond to all DHHS inquiries within two (2) state business days.	\$375 per state business day may be assessed for failure to comply as specified.
Updated training and communication materials shall be submitted to DHHS for review and approval fifteen (15) state business days prior to a scheduled training or communication event. Changes to previous version must be identified for ease of review	\$1,500 per state business day may be assessed for failure to comply as specified.

of the changes.	
Post-Implementation Incidents	Liquidated Damages
Out of Business: The software incident causes the system to be completely down and DHHS is unable to conduct business with the software.	<p>Contractor will provide a viable workaround or a permanent solution to the problem within two (2) business days. If a viable workaround is not provided within two (2) business days, a damage of one thousand dollars (\$1,000.00) will be assessed on the third (3rd) business day and on each business day thereafter that the system is still down.</p> <p>If a permanent solution is not provided within forty five (45) calendar days, a damage of one thousand dollars (\$1,000.00) will be assessed on the forty sixth (46th) calendar day and on each calendar day thereafter until the permanent solution is provided, and both parties agree that the Contractor has provided a permanent solution to the software problem.</p>
Time Sensitive: The software incident pertains to time sensitive functions, such as processing payments and issuing or renewing licenses.	<p>Contractor will provide a viable workaround or a permanent solution within three (3) business days. If a viable workaround is not provided within three (3) business days, a damage of five hundred dollars (\$500.00) will be assessed on the fourth (4th) business day and on each business day thereafter that no viable workaround is provided.</p> <p>If a permanent solution is not provided within sixty (60) calendar days, a damage of five hundred dollars (\$500.00) will be assessed on the sixty first (61st) calendar day and on each calendar day thereafter until the permanent solution is provided, and both parties agree that the Contractor has provided a permanent solution to the software problem.</p>