Part IA – Technical Proposal

RFP Title:	**Self-Directed Financial Management Services**
RFP:	**3459**
Vendor Name:	**Palco, Inc.**
Address:	**Post Office Box 242930** **Little Rock, Arkansas 72223**
Opening Date:	**9/7/17**
Opening Time:	**2:00 PM**

Phone: 866.710.0456
Fax: 501.821.0045
info@palcofirst.com

PALCO
PO Box 242930 · Little Rock, AR 72223 · Fax 501-753-2616
(501) 604-9936 · PALCOFIRST.COM

July 28, 2017

Ronda Miller
State of Nevada, Purchasing Division
515 E. Musser St., Suite 300
Carson City, NV 89701

Dear Ms. Miller:

We are excited to submit our response to the request for proposals for Financial Management Services (FMS) for the State of Nevada Aging and Disability Services Division (ADSD). Our response complies with all RFP-specified requirements, provisions, and terms and conditions.

Palco, Inc. was the first company in the country to provide financial management services for self-directed programs. Over the years, we have grown exponentially and now provide home and community-based services to more than 10,000 clients in multiple states. We are industry leaders who specialize in state Medicaid self-direction programs and provide complete financial management and skills training solutions.

We currently partner with the State of Nevada Self-Directed Program, the Autism Treatment Assistance Program, and the Veterans-Directed Home and Community Based Services Program. Under these programs, we provide FMS to hundreds of participants across the state. The agencies that we work with have consistently praised us for our professionalism, diligence, and integrity, and have routinely awarded us new business. We take an innovative approach to each program, ensuring that each runs efficiently and cost effectively.

As an FMS vendor in Nevada we are registered with the Nevada Secretary of State Office and the Nevada Department of Employment, Training and Rehabilitation (DETR) as a fiscal employer agent. We have separate federal and Nevada identification numbers for processing wages and filing taxes on behalf of Nevada families.

As requested, we have included one (1) electronic file (CD) that contains the following three (3) PDF files: one (1) Technical Proposal, one (1) Cost Proposal, and one (1) Confidential Financial file. No Confidential Technical Proposal is provided as part of this submission.

We look forward to continuing to serve the people of Nevada. Please reach out to me if you have any questions regarding this proposal.

Alicia Paladino, Esq., CPA
Chief Executive Officer
Alicia@Palcofirst.com

TABLE OF CONTENTS

Section I – Cover Letter
Section II – Table of Contents....1
Section III – Vendor Information Sheet....2
Section IV – State Documents....3
Amendment 1 Signature Page....3
Amendment 2 Signature Page....4
Attachment A-Confidentiality and Certification of Indemnification....5
Attachment B-Vendor Certifications....6
Attachment H-Certification Regarding Lobbying....7
Palco Staff Professional Licenses....8
Section V – Scope of Work....12
2.1 Introduction....12
2.2 Responsibilities....18
2.3 Management of ADSD Individual Budget Funds....25
2.4 Payroll Process....27
2.5 End of Year Federal Tax Process....34
2.6 Reports....36
2.7 Information Technology....39
2.8 Customer Service Systems....41
2.9 Additional Responsibilities....47
2.10 Audit Requirements....48
2.11 Records....49
2.12 Veteran's Directed Home & Community Based Services....49
2.13 End of Contract Deliverables....51
Section VI – Company Background and References....56
3.1 Vendor Information....56
3.2 Subcontractor Information....65
Section VII – Attachment F – Proposed Staff Resumes....66
Section VIII – Other Informational Materials....82
Appendix 1 – Table of Contents of Policies & Procedures Manual
Appendix 2 – Confidentiality Agreement
Appendix 3 – PERT
Appendix 4 – FEIN
Appendix 5 – Sample Employer & Employee Packets
Appendix 6 – Sample Expenditure Report
Appendix 7 – Disaster Recovery Plan and Business Continuity Plan
Appendix 8 – Nevada Secretary of State Registration
Appendix 9 – Program Contact Listing

VENDOR INFORMATION SHEET FOR RFP 3459

Vendor Shall:

A) Provide all requested information in the space provided next to each numbered question. The information provided in Sections V1 through V6 shall be used for development of the contract;

B) Type or print responses; and

C) Include this Vendor Information Sheet in Section III of the Technical Proposal.

V1	Company Name	Palco, Inc.

V2	Street Address	17300 Chenal Parkway, Ste. 300

V3	City, State, ZIP	Little Rock, AR 72223

V4	Telephone Number		
	Area Code: 501	Number: 604.9936	Extension:

V5	Facsimile Number		
	Area Code: 501	Number: 821.0045	Extension:

V6	Toll Free Number		
	Area Code: 866	Number: 710.0456	Extension:

V7	***Contact Person for Questions / Contract Negotiations, including address if different than above***
	Name: Alicia Paladino
	Title: Chief Executive Officer
	Address: PO Box 242930
	Email Address: alicia@palcofirst.com

V8	Telephone Number for Contact Person		
	Area Code: 501	Number: 604.9936	Extension: 1215

V9	Facsimile Number for Contact Person		
	Area Code: 501	Number: 812.0045	Extension:

V10	***Name of Individual Authorized to Bind the Organization***	
	Name: Alicia Paladino	Title: Chief Executive Officer

V11	Signature ***(Individual shall be legally authorized to bind the vendor per NRS 333.337)***	
	Signature:	Date: 7/31/17

IV. STATE DOCUMENTS

NEW TIMELINE:

Task	Date/Time
Deadline for submitting questions	7/18/17 @ 12:00 PM
Answers posted to website	On or about 8/11/17
Deadline for submittal of Reference Questionnaires	No later than 4:30 PM on 9/6/17
Deadline for submission and opening of proposals	No later than 2:00 PM on **9/7/17**
Evaluation period (approximate time frame)	9/8 ~ 9/19
Selection of vendor	On or about 9/19/17
Anticipated BOE approval	12/12/17
Contract start date (contingent upon BOE approval)	4/1/18

ALL ELSE REMAINS THE SAME FOR RFP 3459.

Vendor must sign and return this amendment with proposal submitted.

Vendor Name: Palco, Inc.

Authorized Signature: _____

Title: Chief Executive Officer Date: 8/31/2017

This document must be submitted in the "State Documents" section of vendors' technical proposal.

90. 2.3.4 Can you tell us a bit more about the non-labor related expenses such as, the items, vendors, current established processes?

Non-labor related expenses include any items that are supposed in the state's program policy handbook, which include a range of activities to assist the child, such as behavioral support and therapy, amongst others. The service is provided and the invoice is submitted to the Contractor for payment after delivery of services. Once paid, the Contractor invoices the State.

91. 2.4 Who is responsible for the cost of Criminal Background Checks (CBC)?

Background checks are paid from the participant's budget as a one-time purchase.

92. 5.2.3: Can you tell us a bit more about the procurement card that is sometimes issued and how this is used / billed?

Not applicable to this RFP.

93. 2.4 Is transport a separate service that providers can submit time for and is it included as a unique service in the participant budget?

No, it is not a service that providers can submit time for through the State-funded Self-Directed program.

ALL ELSE REMAINS THE SAME FOR RFP 3459.

Vendor must sign and return this amendment with proposal submitted.

Vendor Name: Palco, Inc

Authorized Signature: _____

Title: Chief Executive Officer Date: 8/31/2017

This document must be submitted in the "State Documents" section of vendors' technical proposal.

ATTACHMENT A – CONFIDENTIALITY AND CERTIFICATION OF INDEMNIFICATION

Submitted proposals, which are marked "confidential" in their entirety, or those in which a significant portion of the submitted proposal is marked "confidential" **shall not** be accepted by the State of Nevada. Pursuant to NRS 333.333, only specific parts of the proposal may be labeled a "trade secret" as defined in NRS 600A.030(5). All proposals are confidential until the contract is awarded; at which time, both successful and unsuccessful vendors' technical and cost proposals become public information.

In accordance with the submittal instructions of this RFP, vendors are requested to submit confidential information in separate files marked "**Part IB Confidential Technical**" and "**Part III Confidential Financial**".

The State shall not be responsible for any information contained within the proposal. If vendors do not comply with the labeling and packing requirements, proposals shall be released as submitted. In the event a governing board acts as the final authority, there may be public discussion regarding the submitted proposals that shall be in an open meeting format, the proposals shall remain confidential.

By signing below, I understand it is my responsibility as the vendor to act in protection of the labeled information and agree to defend and indemnify the State of Nevada for honoring such designation. I duly realize failure to so act shall constitute a complete waiver and all submitted information shall become public information; additionally, failure to label any information that is released by the State shall constitute a complete waiver of any and all claims for damages caused by the release of the information.

This proposal contains Confidential Information, Trade Secrets and/or Proprietary information.

Please initial the appropriate response in the boxes below and provide the justification for confidential status.

Part IB – Confidential Technical Information			
YES		NO	AP
Justification for Confidential Status			

Part III – Confidential Financial Information			
YES	AP	NO	
Justification for Confidential Status			
Financial statements are confidential to Palco, Inc., which is a privately held corporation and is not required to release public financial information. Release of such information may unfairly penalize Palco officers and staff.			

Palco, Inc.
Company Name

Signature

Alicia Paladino
Print Name

7/31/17
Date

This document shall be submitted in Section IV of vendor's technical proposal

ATTACHMENT B – VENDOR CERTIFICATIONS

Vendor agrees and shall comply with the following:

(1) Any and all prices that may be charged under the terms of the contract do not and shall not violate any existing federal, State or municipal laws or regulations concerning discrimination and/or price fixing. The vendor agrees to indemnify, exonerate and hold the State harmless from liability for any such violation now and throughout the term of the contract.

(2) All proposed capabilities can be demonstrated by the vendor.

(3) The price(s) and amount of this proposal have been arrived at independently and without consultation, communication, agreement or disclosure with or to any other contractor, vendor or potential vendor.

(4) All proposal terms, including prices, shall remain in effect for a minimum of 180 days after the proposal due date. In the case of the awarded vendor, all proposal terms, including prices, shall remain in effect throughout the contract negotiation process.

(5) No attempt has been made at any time to induce any firm or person to refrain from proposing or to submit a proposal higher than this proposal, or to submit any intentionally high or noncompetitive proposal. All proposals shall be made in good faith and without collusion.

(6) All conditions and provisions of this RFP are deemed to be accepted by the vendor and incorporated by reference in the proposal, except such conditions and provisions that the vendor expressly excludes in the proposal. Any exclusion shall be in writing and included in the proposal at the time of submission.

(7) Each vendor shall disclose any existing or potential conflict of interest relative to the performance of the contractual services resulting from this RFP. Any such relationship that might be perceived or represented as a conflict shall be disclosed. By submitting a proposal in response to this RFP, vendors affirm that they have not given, nor intend to give at any time hereafter, any economic opportunity, future employment, gift, loan, gratuity, special discount, trip, favor, or service to a public servant or any employee or representative of same, in connection with this procurement. Any attempt to intentionally or unintentionally conceal or obfuscate a conflict of interest shall automatically result in the disqualification of a vendor's proposal. An award shall not be made where a conflict of interest exists. The State shall determine whether a conflict of interest exists and whether it may reflect negatively on the State's selection of a vendor. The State reserves the right to disqualify any vendor on the grounds of actual or apparent conflict of interest.

(8) All employees assigned to the project are authorized to work in this country.

(9) The company has a written equal opportunity policy that does not discriminate in employment practices with regard to race, color, national origin, physical condition, creed, religion, age, sex, marital status, sexual orientation, developmental disability or handicap.

(10) The company has a written policy regarding compliance for maintaining a drug-free workplace.

(11) Vendor understands and acknowledges that the representations within their proposal are material and important, and shall be relied on by the State in evaluation of the proposal. Any vendor misrepresentations shall be treated as fraudulent concealment from the State of the true facts relating to the proposal.

(12) Vendor shall certify that any and all subcontractors comply with Sections 7, 8, 9, and 10, above.

(13) The proposal shall be signed by the individual(s) legally authorized to bind the vendor per NRS 333.337.

Palco, Inc.
Vendor Company Name

Vendor Signature

Alicia Paladino
Print Name

7/31/17
Date

ATTACHMENT H – CERTIFICATION REGARDING LOBBYING

Certification for Contracts, Grants, Loans, and Cooperative Agreements

The undersigned certifies, to the best of his or her knowledge and belief, that:

(1) No Federal appropriated funds have been paid or shall be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.

(2) If any funds other than Federally appropriated funds have been paid or shall be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit Standard Form-LLL, "Disclosure of Lobbying Activities," in accordance with its instructions.

(3) The undersigned shall require that the language of this certification be included in the award documents for all sub awards at all tiers (including subcontracts, sub grants, and contracts under grants, loans, and cooperative agreements) and that all sub recipients shall certify and disclose accordingly.

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by section 1352, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than $10,000 and not more than $100,000 for each such failure.

By: _____ 7/31/17
Signature of Official Authorized to Sign Application — Date

For: Palco, Inc.
Vendor Name

RFP 3459
Project Title

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ALICIA PALADINO
PO Box 242930
LITTLE ROCK, AR 72223

License #: 8803
License Type: CPA
Current License Status: Active
Original License Date: 04/29/2011
License Renewed: 12/01/2016
License Expiration Date: 12/31/2017

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Little Rock, AR 72201
(501) 682-1520

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Full Name	Full Address	Admission Date
Alicia A. Paladino	17300 Chenal Parkway Suite 300 Little Rock, AR 72223	4/5/2010

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LARRY PALADINO
P.O. BOX 242930
LITTLE ROCK, AR 72223

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Current License Status: Active
Original License Date: 04/20/1991
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3118 Hazy Ridge Ct.
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101 East Capitol, Suite 450
Little Rock, AR 72201
(501) 682-1520

No. 9467

The State of Arkansas

THIS IS TO CERTIFY THAT

Jingru Huang

is authorized under and by virtue of Public Accountancy Act of 1975 of the General Assembly of the State of Arkansas approved February 12, 1975, to be known as a

CERTIFIED PUBLIC ACCOUNTANT

and was registered as such on the 20th *day of* January, 2016.

President, Arkansas State Board of Public Accountancy

Secretary, Arkansas State Board of Public Accountancy

V. SCOPE OF WORK

This section includes descriptions of the specific design of each responsibility and requirement, in response to RFP, Section 2, Scope of Work. Our answers are bolded and italicized after the applicable RFP section. Where applicable, documentation is attached to support that the mandatory requirements, qualifications, and/or responsibilities are met.

2.1 INTRODUCTION

2.1.1 The successful vendor for the role of Financial Management Services must prepare and maintain a comprehensive FMS Policies and Procedures Manual which reflects all tasks performed by the FMS and required by ADSD. It will include a description of the internal controls that will be used to monitor the FMS performance of its tasks. It will also demonstrate a high level of participant choice and autonomy and afford the highest level of participant directed activities related to the support services to participants by the FMS. The FMS will update the manual on a periodic basis as needed. It is also recommended that the manual be developed in an automated/read only format so that FMS staff can readily access it.

Palco currently has a Nevada-specific FMS Policies & Procedures Manual that documents all policies and procedures for self-directed financial management services tasks and requirements outlined in this RFP and internal controls for performing these tasks. This manual has been previously approved for use by ADSD.

Our Policies and Procedures Manual includes descriptions of processes and related internal controls that are used to monitor performance of key FMS contract tasks and demonstrate a thorough understanding of Centers for Medicare & Medicaid Services (CMS), Internal Revenue Service (IRS), U.S. Citizenship and Immigration Services (US CIS), and Federal and state Department of Labor (DOL) and state and local tax and workers' compensation insurance requirements for FMS and workers. Our dedication to participant choice and autonomy are highlighted throughout the manual, which has been extolled by various agencies and state entities across the country. The Policies and Procedures Manual demonstrates the highest level of participant-directed activities for participants.

The Nevada FMS Policies and Procedures Manual is updated as best practices come to light or to accommodate changes in the program, employment law, or tax codes. We alert ADSD in the event of any changes in these areas and offer solutions for complying with the changes. At minimum, we renew our manual annually provide all updates to ADSD for review and approval. All modifications from ADSD are incorporated within ten (10) days.

All personnel receive training on the FMS Policies and Procedures Manual as part of our initial onboarding protocols. The manual is available electronically for all staff to review as part of their daily activities. Please see Appendix 1 for the Table of Contents from our template FMS Policies and Procedures Manual used and approved by other self-directed service programs. The manual is available in an electronic, read-only format so that it can be easily accessed.

2.1.2 The successful vendor will describe the physical environment in which the FMS will perform the requirement of this RFP. This would include, but not be limited to:

2.1.2.1 The location of the office(s) where the work will be done and records kept;

Palco is headquartered at 17300 Chenal Parkway, Suite 300 in Little Rock, Arkansas, where the work will be performed, a call center that is staffed to accommodate any necessary time zone, and all records in a secure and confidential manner. We will be available for in-person meetings in each Nevada region as needed. All locations have secure access to protected cloud-based data and software.

2.1.2.2 Adequacy of space available to store current and achieved files in a confidential and secure manner; and

Our sites provide equipment and sufficient storage space that is appropriate and supportive of the RFP provisions, including the following:

- ***Fully accessible and complies with all Americans with Disabilities Act requirements.***
- ***Adequate meeting rooms and office space for personnel.***
- ***Up-to-date office equipment with Microsoft Office, network connectivity, supplies, clerical assistance, and administrative support to carry out key functions at our headquarters and satellite offices.***
- ***Availability of space to store current and archived files in a confidential and secure.***

Palco provides services as a health care clearinghouse as defined in 45 CFR 160.103. Palco, Inc. uses, discloses, and safeguards Protected Health Information (PHI) in compliance with the Privacy and Security Rules under the Health Insurance Portability and Accountability Act (HIPAA) and Health Information Technology for Economic and Clinical Health Act (HITECH) of 2009, as well as state law, rules, and regulations and the RFP and Attachment O (Business Associate Agreement). Disclosure of protected health information by our workforce must comply with the requirements stated in the contract and/or Business Associate Agreement under which Palco received the protected health information.

Palco engages or exceeds industry standards for storing and disclosing PHI, including copies of timesheets, phone logs, summaries of complaints with resolution noted, documentation related to the withholding, filing, payment of federal and state tax, wages, and year-end tax filings in compliance with federal and state Department of Labor rules and in the form and manner prescribed by the state. We are committed to reducing waste and harm to the environment; therefore, we store all participant, worker, and FMS files electronically. This ensures that all records are properly maintained for six (6) years after becoming fully inactive or until the disposition of court hearings, audits, and appeals are complete. Please note the following with respect to requirements for document retention:

- ***All records are kept at least seven (7) years for possible IRS review and as long as necessary if they are related to a matter currently being addressed with the IRS.***
- ***Records must be kept three (3) years per United Stated Department of Labor (DOL) requirements.***
- ***The U.S. Citizenship and Immigration Services (CIS) requires that the USCIS Form I-9, Employment Eligibility Verification and Instructions be retained three (3) years after the employee is hired, or one (1) year after the date the employer or employee terminated employment, whichever is later.***

Documents are kept either indefinitely or with a destroy date according to IRS, DOL, USCIS and state regulations on document retention. Once a document has been scanned, the original is destroyed.

All data is secured at rest and in flight. Data and data submissions are encrypted according to industry standards. No PHI is transmitted through non-HIPAA compliant networks or services. We maintain strict security protocols for our computer and backup systems, exceeding industry standards for storing and disclosing protected health information. Palco's infrastructure complies with Federal Information Processing Standards 200.[1]

2.1.2.3 A description of the informational system, software, equipment and other technologies that will affect the contract and/or this procurement.

Technology is at the heart of everything we do. We constantly embrace new technology to create efficiencies and update processes. We have a state-of-the-art phone system and management/self-service portal. Our software solutions are tailored to this industry and built with our guidance. They can be further customized to meet state and programmatic requirements. To execute this project, we utilize the following:

- ***Microsoft-based Customer Relations Management tool to track interactions and other engagements with ADSD staff, care managers, families, and workers.***
- ***A document and record management tool to route documents and management workflow queues.***
- ***Leading industry payroll software customized for fiscal/employer agents and supported by a national company.***
- ***A proprietary suite of software that includes three key platforms:***

  1. ***A SQL-based tool used by F/EA and Customer Support staff to track financial and support information, such as demographic information, budgets, timesheets submitted and paid, payroll, service expenditures, and Medicaid billing, for an unlimited number of individuals. PalPro routinely performs budget, payroll, and tax calculations. Modules are customized to allow call center staff to answer questions with little wait time.***

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[1] ***FIPS 200 promotes the development, implementation, and operations of secure information systems by establishing levels of due diligence for information security and facilitating a consistent, comparable, and repeatable approach for selecting and specifying security controls for information systems that meet security requirements.***

2. ***A Portal, a web-based electronic charting system that logs support activities and provides support information, such as case notes, account changes, financial information, and participant goals and outcomes. Self-service activities are being incorporated into the Portal in 2017.***

Palco has staff specifically assigned to ensure we are up-to-date and have the latest information pertaining to our scope of work and we remain fully compliant with all applicable state, federal and local rules and regulations. Palco subscribes to several services to possess the most current information, visits key web sites on a regular basis, attends sponsored events, and trainings (webinars) and belongs to several strategic memberships and associations relevant to the key deliverables of FMS services.

All computers and data servers are secure, contain virus protection, and have installed security patches. Our email is secure. All web-based applications employ security certificates and encryption protection.[2] All hardware is password-protected with essential backups stored at an approved off-site location. Imaging servers are maintained in a physically and environmentally secure atmosphere with power-conditioned spaces, accessible to personnel with appropriate security clearances only. All images are backed up daily and copies are stored offsite in securely locked facilities indefinitely.

For secure and HIPAA and HITECH Act compliant electronic storage and management of individual and employee files, Palco utilizes a digital storage/document management system. Not only is the information stored for legal retention, it is also used on a daily basis for active, working files and is structured to resemble a basic filing cabinet. Permissions to confidential information are only granted to those who need the information to complete their jobs effectively. Palco staff level of access to protected health information is limited to what is minimally necessary to perform assigned duties. The classes and categories of protected health information to which staff can have access are based on workforce classification.

As such, access to the system is controlled down to the page level. Once a user logs into the application, the system associates the user with a group that restricts the level of security access rights. Documents and folders are monitored and protected individually, despite user actions. Data is physically separated per contract serviced.

Access to shared data is authenticated and authorized based on criteria such as role(s), programs, or individual claims on a per user level. External users are required to provide a valid email address which acts as the UserID. They are also required to provide a strong password that would give them access to only their personal information. These passwords are b-crypt hashed at the application level before being transmitted to the authentication database. Their account may go inactive after a duration of inactivity or as part of an internal workflow process.

All staff is required to undergo training on HIPAA and MA confidentiality requirements upon hire and annually by our Privacy Officer. Personnel also sign a confidentiality agreement, as

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[2] ***Palco has certified 508 software to comply with federally regulated accessibility.***

displayed in Appendix 2. Staff who know or suspect a privacy or security issue must report it immediately to the Privacy Officer, who will assess the situation and determine the appropriate disciplinary action, which, depending on the severity of the issue, can range from a verbal warning to termination.

2.1.3 Although it is not required that the successful vendor be headquartered in the State of Nevada, it is required that they have in-state contact with applicable agencies. Vendor cannot provide Fiscal Employer Services to a child for whom it also provides a direct service funded by ADSD.

Palco is headquartered in Little Rock, Arkansas. Since 2013, we have worked with the State of Nevada to serve hundreds of children with developmental disabilities, and our key staff has been available in Nevada at least annually and any time as requested. We are registered with the Nevada Secretary of State, and we maintain an in-state presence to that end. We have in-state contacts with the applicable agencies to carry out services for these programs. We do not provide any direct services funded by ADSD.

2.1.4 The successful vendor will present a Quality Management Plan that ensures all responsibilities in this RFP are accomplished within required time periods and according to best practice for participant-directed payroll and tax management services and other tasks required in this RFP. This plan should be periodically reviewed to evaluate effectiveness in meeting responsibilities. The Quality Management Plan should contain clarified, defined goals and standards for each service or responsibility.

Palco will present a Quality Management Plan that ensures all responsibilities in this RFP are accomplished. This section describes our technical plan for accomplishing the work in the RFP. In Appendix 3 please find a Program Evaluation and Review Technique (PERT) and Gantt chart displaying both implementation and setup tasks, as well as ongoing tasks over a three-year grant period.[3] Each task includes the individuals and time allocated to each task and event. Management and monitoring controls to achieve quality services are described throughout this section.

Each PERT task is managed through a Work Plan supported by quality initiatives.[4] Work Plan goals are explained in our Policies and Procedures Manual, which establishes the platform to meet federal and state tax and labor laws regarding agents and household employers, incorporates the philosophy of self-direction, and meets the requirements of the self-direction program, which include the key tasks described in this section. Each task has quality indicators, associated performance metrics, and methods for monitoring these indicators and metrics.

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[3] Blank pages were removed from the PERT.

[4] Our Work Plan implements industry-standard tools to address quality and improve upon initiatives. It is available in electronic, read-only format so Palco staff can ensure their daily work meets Palco objectives. Each Work Plan item lists scheduled start and completion dates, outlay and management of resources, and quality controls.

In working in this industry, we have seen firsthand that an internal control framework is the foundation of quality services. We utilize a control model that focuses on five principal mechanisms: environment, risk assessment, control activities, communication, and monitoring.

The cornerstone of Palco's control environment is our leadership's dedication to a corporate culture founded in integrity, accountability, and ethics. We employ staff that share in our commitment to quality services. We invite you to review our key staff's resumes in Attachment F.

For each Work Plan item, we identify target objectives, risks, and related quality initiatives. Performance metrics assigned to each key item provide a continual feedback loop for quality assurance and improvement. Control activities are integrated in our software and deployed through policies, procedures, and training curricula provided to staff.

At least monthly, assigned staff gathers quantitative data to assess how our infrastructure achieves expected outcomes and builds processes to meet and improve upon expectations. Data analysis tools retrieve patterns used to discover creative solutions. Managers are required to meet with Palco leadership for a Quality Assurance overview each month. Areas pinpointed as high risk are analyzed immediately for remediation efforts.

Top-notch program operations start at the top. Leadership is provided by individuals with demonstrated capacity to manage, organize, and communicate effectively. As the first company in the country providing financial management for self-directed programs, Palco demonstrated an early recognition of these programs as a superior way to deliver health care services. Managers express this belief daily in developing outcome-based solutions to process. Palco's mission to serve people is at the heart of our operations.

Palco engages in professional development by providing continuing education and conferences for staff. We subscribe to various periodicals, which promulgate updated tax information. Such periodicals include the Journal of Accountancy, American Bar Association Tax Times, IRS-promulgated materials, and other accounting industry publications. We attend continuing education and development and industry conferences, such as the HCBS conference sponsored by National Association of States United for Aging and Disabilities (NASUAD), and the FMS conference sponsored by Applied Self-Direction.

Weekly team meetings are required of our directors and their managers. We hold monthly training sessions, but meet more frequently when core operations change or we experience periodic fluctuations in operations, such as end-of-year procedures relating to W-2s. Training materials are stored in a read-only format to assist Palco staff in daily operations.

Palco has regular staff meetings and open communication lines to management. In addition, quarterly team snapshots are part of our ongoing quality assurance efforts. These snapshots often form the basis for remediation initiatives and enhanced training, conducted by management to strengthen weaknesses identified in staff performance. Annual evaluations are also conducted on our staff to identify areas of further development.

2.1.5 The FMS shall meet with the representative from ADSD and ADSD regional representatives immediately after the awarding of the contract. At this meeting, all aspects of program startup and operation shall be discussed and reviewed including initial training in the waiver-related ADSD procedures, budget guidelines and cost standards. ADSD will establish with the awarded vendor(s) a regular set of meetings and/or telephone conferences at least quarterly or more often as needed to assess the progress of the contract.

If awarded this contract, Palco would appreciate meeting with ADSD and ADSD regional representatives as soon as possible to discuss all aspects of program setup and operations, including training in waiver-related ADSD procedures, budget guidelines, and cost standards. We will also confirm program requirements, including any standards ADSD has developed and implemented related to the delivery of FMS in addition to the tasks outlined in Nevada's Request for Proposals (RFP) for FMS and to discuss the development of a transition plan that includes the following:

- ***Discovery process with ADSD staff and stakeholders to understand programmatic requirements.***
- ***Regular meetings to discuss milestones, assess progress, and assign action items.***
- ***Customization of any key processes and reports required to manage your program.***
- ***Development of a training plan for all relevant parties.***
- ***Communication plan for the individuals served by the program.***

Palco will use the transition period to work with ADSD staff to ensure connectivity of all information technology systems, develop forms and materials for employers and workers, and make adjustments to our internal operations to meet the requirements of this contract.

2.2 RESPONSIBILITIES

The Financial Management Service is responsible for the following:

2.2.1 Federal and State Approval to be a Financial Management Service.

Palco is a recognized VF/EA under §3504 of the Internal Revenue Code, Revenue Procedure 2013-39, and any other future revenue procedures, notices or publication promulgated by the IRS.[5] We are also recognized by the Nevada Department of Employment, Training, and Rehabilitation as an VF/EA and have established ourselves as the agent for the families currently utilizing this and the Veterans Directed program services. We operate in accordance with state and local tax laws, federal and state labor laws, state workers' compensation insurance laws, applicable regulations, requirements, standards, directives, statutes, etc. issued by Nevada and/or Federal and local governments.

[5] ***Please note that Rev. Proc. 2013-39 is the most current procedure for F/EA providers, replacing Rev. Proc. 70-6, and Proposed Notice 2003-70 and REG-137036-08 no longer apply.***

2.2.2 Demonstrate it has a separate Federal employer identification number (FEIN) specifically to file Internal Revenue Service (IRS) Form 2678 and selected tax forms on individuals' behalves.

Palco has a separate federal employer identification number (FEIN) used for the purpose of filing Forms 2678 on individuals' behalf. A copy is located in Appendix 4.

2.2.3 Must have an enrollment packet that contains information about the agent's services and operations, Federal and State forms the individual must complete, sign and return to the agent to use agent services (e.g., IRS Form SS-4, 2678, 8821), examples of expenditure reports and information to explain these reports, and other applicable consent and agreement forms. The required enrollment packet will include ADSD forms and information (employee application, fact sheets, provider qualifications, individual provider, applicable Individual Support Procedures and other information ADSD deems necessary).

We currently have user-friendly Enrollment Packets containing all required forms and information required under this program. We have three packets: (1) Participant/Employer Enrollment Packet (2) Worker Employment Packet (3) Vendor Engagement Packet. All packets the following information, at a minimum:[6]

- ✓ ***Introductory information that explains the nature of the packet; general information about Palco and our services; our contact information (toll-free lines, TDD/TTY numbers, email addresses) in case of questions or concerns; what to expect from Customer Support; how to convey positive and negative experiences; hours of operation; and, links to our website and social media pages where additional information and forms may be found.***
- ✓ ***A checklist of all forms and other information that must be returned to Palco to reduce errors in completion.***
- ✓ ***Clear instructions written in plain language on a sixth-grade reading level, describing the form's purpose and completion requirements, and examples for how to sign forms to meet both Nevada and IRS requirements, particularly when a representative is signing on behalf of the participant.***
- ✓ ***Frequently asked questions focusing on topics such as the following:***
    - ***Roles and responsibilities of the individual, the representative, the worker, the F/EA, and ADSD regional centers;***
    - ***How to request information in alternate formats or translator services;***
    - ***Services Palco provides;***
    - ***Requirements to finalize enrollment;***
    - ***How Palco protects private health information;***
    - ***Information about W-2s (or over-collected FICA);***
    - ***False Claims Act information, including penalties for non-compliance;***
    - ***Participant rights; and,***

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[6] ***Packets contain the most up-to-date versions of required forms, and any changes in requirements are implemented immediately. When new forms are published by the IRS or other agencies, those forms are immediately integrated in our software for distribution. At a minimum, participant enrollment packets are reviewed annually and updated as necessary.***

- *How to request an account statement, reflecting budget amounts and amounts paid for the individual's care.*

✓ *Payment schedule that shows timesheet due dates and paydays.*

✓ *Packet-specific forms, as explained in Figure 1.*

Figure 1: Packet Information

Participant/Employer Enrollment Packet	*Worker Employment Packet*[7]
• *IRS Form SS-4, Application for Employer Identification Number* • *IRS Form 2678, Employer/Payer Appointment of Agent* • *IRS Form 8821, Tax Information Authorization* • *Nevada DETR NUCS 4556, to register the individual for online unemployment insurance deposits* • *Authorization and Consent Form that allows us to act as agent prior to receiving IRS approval* • *Service agreement forms* • *Rate sheet and explanation of payroll employer-specific taxes* • *Information about worker's compensation coverage, including how to file a claim and coverage information with rates* • *Sample expenditure report and instructions on how to read the report* • *Timesheets with instructions on how to complete and submit to Palco for payment and avoid common errors* • *Privacy Practices Notices*	• *IRS Form W-4, Employee's Withholding Allowance Certificate* • *U.S. Citizenship and Immigration Services Form I-9, Employment Eligibility Verification*[8] • *Employment application* • *Direct Deposit Authorization Agreement that allows individuals to select their pay type (check or Electronic Funds Transfer) and information about each pay type* • *Informed consent and request for information to conduct criminal background and related registry checks* • *Any work agreements between worker and participant that complies with federal and state labor and employment laws* • *Exemption Worksheet & Questionnaire regarding living arrangements and family relationship to the employer (to comply with CMS regulations, determine if workers meet an overtime exception under the DOL Home Care Rule, and apply for certain tax exemptions under IRS Pub. 15)* • *Other forms, such as Employment Termination forms, Individual Support procedures, authorization forms for enrollment in our system, and timesheets, that ADSD deems necessary*[9]
Vendor Engagement Packets	
• *IRS Form W-9, Request for Taxpayer Identification Number & Certification* • *Direct Deposit Authorization*	• *Sample request for payment form and instructions on how to complete the form* • *Provider Agreement*

[7] *IRS Form W-5 has been redacted, but will be included with packets if the IRS reinstates the form at any point. Additionally, information about earned income, such as IRS Notice 797, will also be included.*

[8] *Employees are required to submit identification with their USCIS Form I-9 so that Palco can verify citizenship. To avoid potential errors on W-2s at year end, we also request a copy of the employee's Social Security card to verify the accuracy of the information provided.*

[9] *If required, timesheets are provided to workers. However, in our experience, only participants or representatives should keep timesheets to reduce fraudulent claims and reinforces the exercise of employer authority.*

A user-friendly sample packet is included in Appendix 5. Packets are available in alternative formats and languages as needed. Palco's contact information for questions and technical assistance is printed on all materials.

2.2.4 Will have a system to distribute and explain the enrollment packet, and collect, review, process, and maintain required forms.

Prior to mailing enrollment packets, we pre-populate data fields with known information—this includes all of Palco's information (e.g., contact information, FEIN, our agents and their Centralized Authorization File (CAF) numbers), participant information (e.g., name, address, date of birth, phone number, and other identifiers), and general information (e.g., "HCSR" in member title fields[10]). This mitigates potential errors, speeds up enrollment times, and reduces burden on participants.

Areas requiring signatures or other action are highlighted using separate colors for the employer and the worker. Prior to distribution, all packets are reviewed electronically and manually to ensure that the required forms are included and that pre-populated information is current.

2.2.5 Will have policies and procedures for preparing, distributing, collecting, and processing information contained in the individual enrollment packet.

Should a received packet contain forms with incorrect or missing information, it is returned within 24 hours with an explanation of how to remediate the situation. Follow-up activities are documented, such as notifying the family, worker, or vendor of needed information that has not been submitted. Updated information is processed within 24 hours.

Palco maintains financial, demographic, and other pertinent information (such as taxes and benefits) for direct service workers in our database. We ensure that prospective workers meet qualifications and credentials set by the State before clearing him or her for hire. This is done by taking the following actions:

- ✓ ***Verifying worker citizenship and alien status with the USCIS Form I-9 and supporting documentation.***
- ✓ ***Verifying worker Social Security Numbers through the Social Security Administration's (SSA) Business Services Online system.***
- ✓ ***Obtaining fully executed consent forms and processing criminal background checks and exclusion checks, when required, on prospective workers. Results are stored in the worker's case file and relayed to the employer and ADSD.***
- ✓ ***Verifying the worker's state of residence for tax purposes through state-issued identification cards. If a worker provides an address outside of the state, Palco takes the proper steps to ensure this is correct and whether the employee can properly perform the services he or she will be paid to provide.***

[10] ***"HCSR" is the acronym for "Health Care Service Recipient" populated in the "title" boxes on tax forms.***

Once qualifications of workers are validated, the employer, worker, or vendor becomes "active" on the participant's account and is able to be paid for services. We report and document new hires to the state's New Hires Directory within the timeframe prescribed and maintain verification in each case file. Documentation of all enrollment forms and activities are maintained in our master files.

2.2.6 Will have internal controls to monitor the preparation, distribution, collection, and processing of information contained in the individual enrollment packet.

This enrollment process is tracked in our database in case of IRS error or other matters that may impede agency approval.

We understand the difficulty many families face finding the right worker to care for their loved ones, particularly in rural areas where a limited workforce exists. A cumbersome or lengthy enrollment process only complicates this process. Thus, we monitor enrollment through the following:

- ***An electronic checklist, wherein Palco Enrollment Specialists log key dates and events, such as mail date, follow-up activities, and receipt of forms, is utilized so that all staff knows where the worker is in the process of enrollment should they call for assistance.***
- ***Application of benchmarking standards, such as the number of packets sent, received, and completed and the average time in between the referral and packet finalization.***
- ***A review of cases with a pending enrollment status and calling the participant to determine if they need assistance on completing the packet or if their current situation has changed so as to impact enrollment.***
- ***Incorporation of any changes to the enrollment process based on data trends and statistics.***

2.2.7 Will have a system for obtaining an FEIN for each individual it represents and for maintaining copies of the IRS FEIN notification letter and the filed Form SS-4, request for FEIN.

To become the agent for each individual, Palco submits IRS Form SS-4 (or its electronic counterpart), Application for Employer Identification Number, to obtain the individual's FEIN and register the individual as an employer/HCSR (home care service recipient) with the IRS. We also register each employer with Nevada DETR. We maintain copies of the IRS FEIN notification letter and the filed IRS Form SS-4 in the individual's case file.

We utilize IRS Forms 8821 to speak with the IRS. CAF numbers for Palco's CPAs are prepopulated on Form 8821. Copies of Forms 8821 are kept in each employer's file and renewed when necessary.

2.2.8 Will have a system for retiring individuals' FEINs when they are no longer employers.

In the event that a participant is no longer a permanent employer or enrolled on the program, we will perform the following tasks, when appropriate:

- ***Revoke the IRS Form 2678 with the participant.***
- ***Receive the IRS revocation confirmation letter (LTR 4228C).***
- ***Revoke the IRS Form 8821 with the participant.***
- ***Retire the participant's FEIN.***
- ***Revoke the DETR NUCS-4556 and disable the online account.***
- ***Compute, withhold, and file final state income tax taxes (even when the final filing is zero wages).***
- ***Deposit final state income tax, including for zero wages.***
- ***Compute, withhold, file, and deposit final state unemployment taxes, including for zero wages.***
- ***Terminate any workers' compensation insurance policy, when appropriate and submit any premium refund to ADSD.***

We will maintain documentation and correspondence related to each of these activities in the participant's archived file.

2.2.9 Will have a system for preparing and submitting a signed IRS FORM 2678: Appointment of Agent Form and request for Approval Letter to IRS for each individual it represents. Copies will be maintained in each individual's file.

To become the agent, Palco submits IRS Form SS-4 (or its electronic counterpart) to obtain the individual's FEIN and register the individual as an employer/HCSR (home care service recipient) with the IRS. The FEIN is transferred to IRS Form 2678, which is sent to the IRS with a request for appointment of agent. We also register each participant with state tax and unemployment agencies. Palco's FEIN used for these purposes is included in Appendix 4.

During the interim period from filing to receipt of agency approval, the executed Authorization Agreement from the Enrollment Packet allows us to continue acting as agent. Once confirmation is received from the IRS and state agencies, we can file and pay employment taxes on behalf of participants. We retain all documentation and identification numbers in the individual's case file. We also maintain the IRS LTR 1997C, Notice of Appointment, in each participant's file.

2.2.10 Is required to have written authorization from the IRS to be the agent for each individual.

We retain all documentation for appointment in the individual's case file, including the IRS LTR 1997C, Notice of Appointment, and all correspondence from DETR.

2.2.11 Will complete and file the appropriate State forms to be recognized by the State unemployment and income tax agencies to be a fiscal agent for ADSD individuals.

We obtain a signed DETR Form NUCS-4556 from each employer we represent as agent. This allows us to register the employer for state unemployment insurance (SUTA) filing and depositing purposes per DETR instructions. We will maintain copies of all forms in each employer's file. We have excellent relationships at DETR that allow us streamlined processes to establish SUTA accounts to file and pay taxes easily.

2.2.12 Will have written policies and procedures for obtaining a FEIN, maintaining the FEIN notification letter and the filed form SS-4, retiring individual's FEIN, for submitting IRS FORM 2678, and Request to Be the Agent letter.

Policies and procedures for obtaining a FEIN, maintaining the SS-4 and FEIN notification letter, retiring an individual's FEIN, and submitting IRS Form 2678 and requests for appointment of letter letters are documented in our manual.

2.2.13 Will have internal controls to monitor the FEIN process, monitor IRS Form 2678, request for approval and revocation process in accordance with IRS requirements, to monitor that it has received approval to be agent for all individuals it represents, and maintains all relevant documents.

Internal controls monitor the FEIN process. Our software retains dates that Forms 2678 are remitted to the IRS, which provides us enhanced tracking of the status of the appointment of agent. Our internal controls ensure that we receive approval to be the agent for the individuals we represent prior to handling their funds. Continual quality assurance and internal audit measures ensure that we retain all relevant documentation. Our systems have built-in alerts and notifications that keep us informed in real time of key tasks.

2.2.14 Will have a system in place to file a signed IRS Form 8821, Tax Information Authorization with the IRS for each individual it represents in order to communicate with the IRS on the individual's behalf regarding FUTA issues and to maintain copies of the Form in each individual's file, and a system in place to revoke the IRS Form 8821 for each individual when the agent no longer represents the individual and to maintain the relevant documentation in each individual's file.

Palco has a system in place and written policies and procedures for filing IRS Forms 8821 for each individual we represent in order to communicate with the IRS on the individual's behalf. Copies of Forms 8821 are kept in each individual's file. When we no longer represent the individual, we revoke Form 8821 by remitting to the IRS an executed Form 8821 with the effective date of our revocation and "REVOKED" notated on the form. Relevant documentation is maintained in each individual's file.

2.2.15 Will have written policies and procedures for submitting initial IRS Form 8821 to the IRS and for maintaining copies of the Form in each individual's file and policies and procedures for revoking the IRS Form 8821 when the agent no longer represents the individual and for maintaining the relevant documentation in each individual's file.

Our manual contains policies and procedures for submitting initial IRS Form 8821 to the IRS and for maintaining copies of the form in each individual's file. It also contains policies and procedures for revoking the IRS Form 8821 when we no longer represent the individual and for maintaining the relevant documentation in each individual's file.

2.2.16 Will have internal controls documented and in place to monitor the process for obtaining, renewing, and revoking IRS Form 8821 and maintaining the relevant documentation in each individual's file.

Palco has internal controls in place to monitor the process for obtaining, renewing, and revoking IRS Form 8821 and maintaining the relevant documentation in each individual's file. These controls are documented in our Policies and Procedures Manual and Quality Management Plan.

2.3 MANAGEMENT OF ADSD INDIVIDUAL BUDGET FUNDS

The Financial Management Service to provide the following:

2.3.1 A system to receive, document, file, and maintain each ADSD authorized individual's budget.

Palco currently receives ADSD authorized budgets for each individual. We have the ability to receive these in paper formats or through a spreadsheet. Once received, budget information is loaded into our software. It contains the effective date of the service plan, total dollar amount, number and type of hours permitted, amounts utilized for other goods and services, amounts allocated to spending, hourly rate paid to workers (which may differ by worker), and the employer tax amounts. When service plans are updated, information in our software is updated by the end of the business day. A copy of the individual's budget is also maintained in the individual's case file.

2.3.2 A system in place to receive and disburse individuals' State budget funds and track budget funds received, disbursed and any remaining balances for each individual budget and in the aggregate.

Each individual on the program is set up like a small business with his or her own set of accounting records. We record transactions (i.e., payroll, tax filings, and payments for authorized goods and services) in each individual's ledger. Palco only issues payments according to the authorized expenditures on the spending plan and budget. Each disbursement is coded to an expense account (i.e., personal care or respite services). Payments are offset against budgeted amounts. Remaining balances, calculated as the difference between budget

limits and period spending, are displayed on each individual's account in our software. We can produce reports based on budget funds received, disbursed and any remaining balances for each individual budget and in the aggregate.

2.3.3 A system to monitor expenditures and will alert individual and support broker/service coordinators of any variance in expenditures including over-expenditures. The FMS will also get regional authorization for any expenditure over the authorized budget amount.

Palco only issues payments according to the authorized expenditures on the spending plan and budget. When expenditures are entered and calculated in our system, they are checked against budgets. Our accounting software is embedded with a combination of controls that perform cross-checks and calculations to prevent over-billing. Some examples include a series of variance and exception reports, along with error message notifications. These instant alerts to potential over-billing allow us to remedy the situation promptly.[11] We alert individual and support broker/service coordinators of any variance in expenditures including over-expenditures. When necessary, we receive regional authorization for any expenditure over the authorized budget amount.

2.3.4 Will process all non-labor related invoices, including payment to vendors as specified (according to the Authorized Budget) by the individuals and/or their representatives, if applicable.

Palco will verify, process, and pay for non-labor, participant-directed goods and services based on an authorized invoice or receipt provided by vendors. However, all invoices and receipts must be supported by the participant's authorized budget in order to be paid. Palco will monitor all budget expenditures. Our systems are embedded with a combination of controls that perform cross-checks and calculations to prevent over-billing of service hours or goods and services. We will maintain all documentation related to processing participant-directed goods and services in the participant's file.

2.3.5 The FMS assumes all liability for overpayment of any individual budget, unless prior authorization is obtained from the ADSD.

Palco assumes all liability for overpayment of any individual budget, unless prior authorization is obtained from the ADSD.

2.3.6 Have policies and procedures for receiving and disbursing individuals' State budget funds and tracking individuals' budget funds received, disbursed, and any remaining balances for each individual and in the aggregate.

Palco has a system in place, written policies and procedures, and internal controls to track a participant's budget funds received, disbursed, and remaining, individually and in the aggregate. All procedures are documented in our FMS Policies and Procedures Manual.

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[11] Internal controls are necessary to ensure fiscal responsibility and quality control. Our CPAs are trained in implementing internal controls on a firm-wide basis.

2.3.7 Have internal controls in place to monitor the receipt and disbursement of budget funds and any remaining balances for each individual.

Palco has internal controls to track a participant's budget funds received, disbursed, and remaining, individually and in the aggregate. Our software establishes billing limits based categorically on authorized expenditures in the budget. Thus, we prevent over-billing.

2.3.8 A system to verify that the service/support/product billed for is in the approved budget prior to making payment.

Payments are not generated from our system until we verify that the underlying service, support, or product is authorized by the budget. Requests for payments (e.g., timesheets, vendor payment requests) are physically inspected for accuracy and authorized prior to being uploaded to our software. Once uploaded, a second series of checks are conducted electronically to verify that the service, support, or product is approved through the budget.

2.4 PAYROLL PROCESS

Prior to employment, FMS as applicable and required, will assist individuals or families with securing Criminal History Background Checks (CHBC), employer-employee agreements provided by the ADSD, obtaining worker compensation insurance for the direct service and support employees, and obtaining license and vehicle safety checks for employees who provide transportation.

Prior to employment, Palco will assist individuals or families with securing Criminal History Background Checks (CHBC), employer-employee agreements provided by the ADSD, obtaining worker compensation insurance for the direct service and support employees, and obtaining license and vehicle safety checks for employees who provide transportation, including automobile insurance verifications and driving record checks. We also We ensure that prospective workers meet qualifications and credentials before clearing him or her for hire by verifying citizenship status and state of residence and processing criminal background and abuse registry checks. Employers and state personnel are notified of results as required.

The Financial Management Service will provide the following:

2.4.1 A system to produce employment packets for individuals' employees which contain all the required forms, information, applications, and agreements and consent documents needed to enroll individuals as individuals' employees (e.g., employment application, IRS Form W-4, IRS Notice 797).

Palco coordinates user-friendly and ADSD-approved Qualified Worker Employment Enrollment Packets that contain the following information:

- ✓ ***Introductory information that explains the packet, Palco's services and hours of operation, and how to obtain technical assistance from our staff.***

- ✓ ***A Qualified Worker Employment Enrollment checklist of all forms and other information that must be returned to Palco to reduce errors in completion.***
- ✓ ***Worker application, with clear instructions describing the form's purpose and completion requirements and examples of properly completed forms (including information reporting on the relationship between the participant and worker).***
- ✓ ***Qualified Worker Agreement.***
- ✓ ***Notice form for pre-employment background checks, including state criminal background checks and other possible validations.***
- ✓ ***IRS Form W-4, Employee's Withholding Allowance Certificate.***
- ✓ ***IRS Form W-5, Earned Income Credit, has been redacted. However, we include in worker enrollment packets if it is reinstated.***
- ✓ ***U.S. Citizenship and Immigration Services Form I-9, Employment Eligibility Verification and requests for supporting forms of identification.***
- ✓ ***Rate Sheet.***
- ✓ ***Timesheets with instructions for submitting timesheets online or via mobile device.***
- ✓ ***Payment schedule that shows timesheet due dates and paydays.***
- ✓ ***Direct Deposit Authorization Agreement for individuals who would like to use a checking or savings account or receive a debit card from a Palco partner.***
- ✓ ***Voluntary deductions worksheet.***
- ✓ ***Any work agreements between employee and participant that comply with federal and state labor and employment laws. Here, the parties may agree to additional services, such as transportation. The employer will list the worker's rate on this form. This agreement also lists the roles of the employee, employer, Palco, and the State. The employee must agree to abide by Palco and State programmatic policies and procedures.***
- ✓ ***Exemption Worksheet & Questionnaire regarding living arrangements and family relationship to the employer (to comply with CMS regulations, determine if employees meet an exception to overtime under the DOL Home Care Rule, and apply for certain tax exemptions under IRS Pub. 15).***
- ✓ ***Information on how to return the documents.***

We distribute the Worker Employment Enrollment Packet within 24 to 48 hours of receipt of referral from the Support Coordinator. We enroll workers once we receive correctly completed documents and file any checks with the appropriate federal, state, and local government agencies. We will assist workers with completing the forms as requested.

2.4.2 A system to collect, process, and maintain the required human resources documentation from individuals and workers in order to process payroll for workers.

Should a received packet contain forms with incorrect or missing information, it is returned within 24 hours with an explanation of how to remediate the situation. Follow-up activities are documented, such as notifying the participant of needed information that has not been submitted. Updated information is processed within 24 hours. All information is managed through an electronic workflow that notates missing information and forms that hinder payroll processing for the worker. Care managers and families are notified when Palco lacks enrollment information to process payroll.

2.4.3 A system to obtain an IRS Form W-4 from each worker it processes payroll for and will maintain a copy of the form in the worker's file.

Palco staff collects federal withholding information from the IRS Form W-4 and process and withhold state taxes in accordance with information reported on it. We maintain a copy of the form in the worker's file.

2.4.4 A system to obtain an IRS Form W-5 from each eligible worker it processes advanced Earned Income Credit (EIC) for and will maintain a copy of the form in each worker's file.

IRS Form W-5 has been redacted, but will be included with packets if the IRS reinstates the form at any point. Information about earned income, such as IRS Notice 797, may be included in lieu of the form.

2.4.5 A system to verify workers' citizenship and alien status by collecting and maintaining completed Bureau of Citizenship and Immigration Service (BCIS) Form I-9 for every worker it processes payroll for and will maintain a copy of the form in each worker's file.

Palco collects a completed Bureau of Citizenship and Immigration Service (BCIS) Form I-9, and required supporting documentation, for every worker. We check workers against the national E-verify system, which is an online system hosted by the United Stated Citizenship and Immigration Services department, to verify the ability of an individual to work in the United States. In addition, we confirm the worker's Social Security Number, as appropriate, through the SSA's Business Services Online system.

2.4.6 A system to pay workers in compliance with Federal and State Department of Labor wage and hour rules.

Workers are paid according to the rate set by their employer (which may be differ by worker) in compliance with federal and state tax and Department of Labor (DOL) wage and hour rules for regular and overtime pay.

We carry out financial managements tasks under Section 3504 of the IRS code and Rev. Proc. 70-6 as modified by Rev. Proc. 2013-39, which requires that all services provided are in accordance with federal, state, and local tax laws and regulations, as well as Federal and State Department of Labor (DOL) and workers' compensation insurance program rules and regulations. Our staff continually monitors DOL rules, such as overtime and minimum wage.

Palco staff collect worker residency, relationship with the employer, and live-in status during the enrollment process so that Palco staff can withhold and pay the appropriate type and amount of federal, state, and locality-related withholding and employment-related taxes and calculate overtime payment properly, in accordance with IRS rules regarding domestic employment, the DOL Home Care Rule, and state and locality employment-related rules.

2.4.7 Will distribute, collect and process all workers' biweekly time sheets.

A primary function of a VF/EA FMS entity is to process payroll for program participants' workers in an accurate and timely manner and in accordance with federal, state, and local tax and department of labor wage and hour laws. The payroll function begins with timesheet submission and processing tasks. Palco has developed and provides workers with timesheets and instruction and a Timesheet Submission and Payday Schedule.

Biweekly timesheets submitted to Palco are automatically checked for errors and individual budget compliance issues upon submission. Once received, biweekly timesheets are physically inspected to verify all fields are completed accurately. If the timesheet passes physical inspection, a read-only copy is stored electronically in the participant's case file. Data is extracted and routed to a Timesheet module, where timesheets are verified against enrollment data and cross-checked against individual budgets to ensure accuracy and compliance with the individual budget.

Our accounting software is embedded with a combination of controls that perform cross-checks and calculations to prevent over-billing. Some examples include a series of variance checks, error notifications, and Exception Reports that itemize timesheet discrepancies, such as program participants who have an inactive status or timesheet hours reported exceed the individual budget's authorized hours. Palco management staff review these reports carefully to determine the appropriate action to be taken for each instance. These instant alerts to potential over-billing allow us to remedy the situation, including notifying the family or the service coordinator.

2.4.8 Will process all judgments, garnishments, tax levies or any related holds on an employee's funds as may be required by local, state or federal laws.

Palco also process all payments for judgments, garnishments, tax levies or other related holds on qualified workers pay as required by federal or state governments immediately after payroll is generated. Palco tracks garnishments and voluntary deductions. When a garnishment is paid in full or Palco is notified by a third party to terminate a deduction, staff disables the deduction in Palco's accounting information system. All documentation of authorizations to deduct and their terminations are kept in the case file.

2.4.9 A system to track and report on new hires per agreed upon reporting procedures with the ADSD.

Once an individual is properly enrolled as a worker, we report and document new hires to the Nevada DETR in accordance with its timeframe and procedures. Palco maintains employee information in our database. We also report any new hires to ADSD.

2.4.10 A system for withholding and filing IRS Forms 941 Federal Insurance Contributions Act (FICA – Medicare and Social Security taxes and federal income tax withholding) quarterly in the aggregate with its separate FEIN for all individuals it represents and will maintain a copy of each IRS Form 941 filed in the FMS' files.

Palco's payroll software automatically calculates the total payments for worker Timesheets, including federal, state, and locality-related withholding and employment-related taxes. Medicare and Social Security tax (FICA) and federal income tax (FIT) withholding are withheld from workers' paychecks each time a payroll is generated. Each time payroll is generated, all federal, state and locality-related payroll tax liabilities are recorded in the participant's case file at Palco and accrued until payment is due.

- ***Both employer and employee FICA (Social Security and Medicare) and federal income tax withholding are paid in the aggregate via EFTS filing using Palco's separate FEIN and Palco's contact information after each payroll. Each quarter, IRS Form 941, Employer's Quarterly Federal Tax Return, is prepared with accompanying Schedules B and R.***
- ***Federal unemployment tax (FUTA) is calculated based on the worker's annualized gross wages and the FUTA wage base. FUTA deposits are made quarterly under Palco's separate FEIN and contact information via EFTS. IRS Form 940, Employer's Annual Federal Unemployment Tax Return, and accompanying Schedule R, is filed in the aggregate annually with our FEIN. (Schedule A is also provided during credit reduction years if applicable.)***
- ***State unemployment tax (SUTA) is paid with the employer's tax account number, as prescribed by Nevada DETR, even when zero wages are reported, via the online system on a quarterly basis. Bond factor taxes are also paid through this system.***

In addition, some workers who provide domestic services may be exempt from certain taxes depending on their familial relationship to the employer, as described in in Figure 2. (See IRS Publication 15 and IRS Revenue Procedure 2013-39 for more details.) We collect relationship information during the enrollment process so that we can withhold taxes properly. All payroll and payment methodologies identified above are documented in Palco's Policies & Procedures Manual.

Figure 2: IRS Paid Family Member Tax Exemptions

	Child Employed by Parent	Parent Employed by Child	Spouse Employed by Spouse
FICA	Exempt until child is 21	Exempt (unless 3 conditions met)	Exempt
FIT	Withheld		
FUTA	Exempt until child is 21	Exempt	Exempt
SUTA	Exempt until child is 21	Exempt	Exempt

2.4.11 A system for paying FICA and Federal income tax withholding in the aggregate for all individuals it represents using the FMS' separate FEIN and for maintaining relevant documentation in the FMS' files.

Both employer and employee FICA (Social Security and Medicare) and federal income tax withholding are paid in the aggregate via EFTS filing using Palco's separate FEIN and Palco's contact information after each payroll. Each quarter, IRS Form 941, Employer's Quarterly Federal Tax Return, is prepared with accompanying Schedules B and R. All documentation is maintained in Palco's master files.

2.4.12 A system for withholding and filing an IRS Form 940 for each individual it represents using the individual's FEIN annually in an accurate and timely manner and maintaining the relevant documentation in the FMS' files.

Federal unemployment tax (FUTA) is calculated based on the worker's annualized gross wages and the FUTA wage base. FUTA deposits are made quarterly under Palco's separate FEIN and contact information via EFTS. IRS Form 940, Employer's Annual Federal Unemployment Tax Return, and accompanying Schedule R, is filed in the aggregate annually with our FEIN. (Schedule A is also provided during credit reduction years if applicable.) All documentation is maintained in Palco's master files.

2.4.13 A system for paying FUTA for each individual per IRS depositing rules and for maintaining the relevant documentation in the FMS' files.

Palco abides by federal depositing rules prescribed in IRS Publication 15. Federal unemployment tax (FUTA) is calculated based on the worker's annualized gross wages and the FUTA wage base. FUTA deposits are made quarterly under Palco's separate FEIN and contact information via EFTS. All documentation is maintained in Palco's master files.

2.4.14 A system to manage federal Advanced EIC for each eligible worker in an accurate and timely manner and to maintain the relevant documentation in the FMS' files.

IRS Notice 797 allows for individuals who qualify for federal Advanced EIC to make the claim on their annually filed IRS Form 1040. Palco can provide information on these matters. At this time, the payroll form related to the Advanced EIC has been redacted. If reinstated, Palco will comply with such measures.

2.4.15 A system for obtaining the appropriate State employer registration numbers for income and unemployment tax filing and payment purposes for all individuals' it represents and maintaining the relevant documentation in the FMS's files.

Each employer is currently registered as an employer for state unemployment insurance (SUTA) taxes with the Nevada DETR for unemployment tax filing and payment purposes. SIT registration is not required in the State of Nevada at this time. We maintain all relevant documentation in our master case files.

2.4.16 A system for withholding and filing State income tax (SIT) for all workers per State requirements and for maintaining the relevant documentation in the FMS' files, if applicable.

Nevada residents do not pay SIT at this time.

2.4.17 A system for paying SIT withholding for each worker per State payment schedule and for maintaining the relevant documentation in the FMS' files, if applicable.

Nevada residents do not pay SIT at this time.

2.4.18 A system for withholding and filing State unemployment insurance tax individually for each individual it represents using the individual's FEIN and /or his or her State employer registration number per State requirements and for maintaining the relevant documentation in the FMS' files.

SUTA is paid quarterly and individually for each participant with their Nevada DETR account number through the online module. The account numbers are established with Palco's account number and with Palco being listed as the agent. All relevant documentation in maintained in our master files.

2.4.19 A system for paying State unemployment taxes for each individual-employer per State payment schedule and for maintaining the relevant documentation in the FMS' files.

State unemployment tax (SUTA) is paid with the employer's tax account number, as prescribed by the state, even when zero wages are reported, via the DETR online system on a quarterly basis. Payments are deposited quarterly in accordance with State payment schedules and requirements. Relevant documentation is maintained in Palco's master files.

2.4.20 A system in place to pay individuals' workers within the time period required by the State Department of Labor (DOL).

All workers are paid in accordance with the time period required by the State Department of Labor (DOL) payday requirements. All payroll schedules are designed to comply with DOL laws and regulations.

2.4.21 A system for processing workers' direct deposits.

Palco process payments either by paper checks or electronic payment via direct deposit or deposit to prepaid or debit cards. On the Friday following the prior two-week pay period, worker payroll checks are mailed and direct deposits are sent to Palco's financial institution. Out-of-cycle checks are processed to pay workers, if an error has been made by the State or Palco. Our staff strives to accommodate paydays that fall on holidays by sending worker paychecks or remitting direct deposits early when possible.

In our experience, we find that direct deposit is the preferable method of payment for issuing worker payroll checks. Palco processes thousands of direct deposit payments concurrently with

the capability to expand this number without limit. We encourage workers to receive their payroll checks/payments via direct deposit, as it reduces waste to the environment and eliminates delays in payment, thereby enhancing program performance.

2.4.22 Will have written policies and procedures to address all payroll systems identified above and any other payroll system the agent uses.

Our Policies and Procedures Manual documents our system for paying taxes for each individual per IRS and Nevada depositing rules. Payment confirmations are retained in our files, and an adjusting entry is made to our accounting system to reflect that employment tax liabilities have been paid.

2.4.23 Will have internal controls designed to ensure that all payroll procedures are operated and managed as described in the policies and procedures.

All payroll and payment methodologies identified above are documented in Palco's Policies and Procedures Manual developed for Nevada and are monitored through a variety of internal controls. In our many years serving as a FMS entity, Palco has never missed nor delayed a payroll.

2.5 END OF YEAR FEDERAL TAX PROCESS

The Financial Management Service will provide the following:

An FMS entity must perform a number of year-end tax activities for participants as their agent. Our internal controls ensure that the following end-of-year tax processes occur:

- ***Preparing and issuing IRS Forms W-2 in regular and special cases.***
- ***Processing FICA refunds.***

2.5.1 A system for refunding over collected FICA to applicable individual-employers and support service workers and for maintaining the relevant documentation in the FMS' records.

In some cases, a worker may not earn the FICA wage threshold ($2,000 in 2017) in a calendar tax year. IRS can and often does update the FICA wage threshold for a particular calendar tax year.

Palco withholds FICA as required from workers' payroll during a calendar year in anticipation of the worker earning the FICA wage threshold. When a worker does not earn the FICA wage threshold amount for a particular calendar tax year, we refund the employee portion of over-collected FICA to the eligible worker and the employer portion of over collected FICA to the State or employer. Palco performs the following tasks to refund over collected FICA to eligible workers and participants:

- ***Palco verifies and updates each participant and qualified worker's address and phone number. We also verify that each qualified worker's Social Security Number matches the name and date of birth information from SSA's Business Services Online.***
- ***Palco then determines which workers and participants may be eligible to receive a FICA refund determines which calendar tax quarters that FICA was over collected.***
- ***Palco files an IRS Form 941-X for each quarter in which FICA was over-collected and attaches a Schedule R that only includes participants who were impacted.***
- ***The participant portion of taxes is either applied to the participant's account or returned to the State per the directives of ADSD. Palco works with programs that that choose either option, so we have processes in place for both methods.***

The IRS requires that all workers be issued a Form W-2 for each calendar tax year that they work for an employer. Currently, the Social Security Administration (SSA) will not allow a FMS organization to electronically file an IRS Form W-2 if the Form reports FICA wages greater than zero but less than the FICA wage threshold for the calendar tax year. However, FMS organizations that file 250 or more Forms W-2 must file electronically or be penalized $50 per Form filed in hard copy.

Therefore, if FICA is refunded for a calendar tax year for a worker, FICA is refunded, the wages will be reported on the IRS Form W-2 will be zero and the worker's Form W-2 should be issued to the worker and electronically reported to the SSA. Documentation related to FICA refunding is maintained at Palco.

2.5.2 A system for preparing and distributing IRS Forms W-2 for individuals' workers per IRS instructions for agents and electronic/magnetic filing when processing 250 or more IRS Forms W-2 and maintaining the relevant documentation in the FMS' files.

Prior to mailing out tax information in January of each year, Palco verifies and updates each participant and qualified worker's address and phone number. We also verify that each qualified worker's Social Security Number matches the name and date of birth information from SSA's Business Services Online.

IRS has specific instructions for FMS entities to prepare and issue IRS Forms W-2 (Special Reporting Situations for Form W-2, Agent Reporting). Palco follows this procedure. An FMS entity with an approved Form 2678, Employer/Payer Appointment of Agent, for a participant must enter the following in Box C of Form W-2:

- ***(Name of agent)***
- ***Agent for (name of employer)***
- ***Address of agent (VF/EA FMS)***

Each Form W-2 reflects our separate FEIN in Box B, and we file one Form W-3 for all W-2s. Our information in Boxes E, F, and G of the W-3 are as they appear on our related IRS Forms 941. Individuals who are employed by more than one worker receive separate W-2s for each worker. We file all W-2s electronically due to the volume (over 250).

Palco sends Copy A of the W-2 to the Social Security Administration on behalf of the participant. Copy 1 is sent on behalf of the participant to file with state, city, or local tax departments, if required. Copies B, C, and 2 are sent to the worker on behalf of the participant, and copy D is maintained in the participant's file at Palco. As part of this process, the total gross payroll per the Form W-2 must be reconciled to the calendar year's total gross payroll and each of the four 941 reports filed during the year.

2.5.3 A system to prepare and distribute IRS Forms W-3 in the aggregate for all individuals the agent represents per IRS instructions and maintaining the relevant documentation in the FMS' files.

IRS Form W-3 is processed in the aggregate under our FEIN. We will electronically file all W-2s for Nevada self-directed programs. Each worker receives a copy of his or her W-2 by January 31 in accordance with federal law. Relevant documentation is maintained in Palco's master files.

2.5.4 Written policies and procedures for preparing and distributing and meeting all federal tax reporting requirements.

Our FMS Policies and Procedures Manual documents our policies and procedures for preparing and distributing and meeting all federal tax reporting requirements.

2.5.5 Internal controls to monitor the federal end of year tax process.

Internal controls (including checklists, reconciliations, and electronic alerts) monitor the federal end of year tax processes.

2.6 REPORTS

2.6.1 The awarded vendor must produce a variety of reports which include:

Data sharing is critical to programmatic success. We will provide reports via secure File Transfer Process (FTP). Our standard suite of reports is included in Figure 3, and we can also customize any reports essential to maintaining program integrity and quality through tracking and monitoring. Reports will be generated monthly, quarterly, annually, or on an ad hoc basis and cover all areas of FMS tasks, as requested.

Figure 3: Summary of Key Reports

Report Name	Description
Enrollment Status Reports	Displays participant's or worker's stage of enrollment, including pending or outstanding enrollment forms, status of criminal background checks, training, automobile insurance coverage checks, and other important information related to enrollment.
Payroll Reports	Includes the region, hours available for the period, hours and/or funds used and remaining for use, check dates, amount, number, and taxes.

Budget Utilization Summary	***Includes authorized services, funds received, expenditures by service hour or category of goods for independence, unduplicated count of employers receiving services, unduplicated count of employees paid, taxes withheld, and tax payments paid. Also includes spending plan usage information and identifies cases of under- or over-utilization.***
Demographic Report	***Provides applicable enrollment and termination dates, program, contact information, last four digits of Social Security Numbers, and current status of the individual.***

For this contract, we commit to providing the reports described further in this section.

2.6.1.1 Monthly expenditure reports for self-directed budgets;

2.6.1.2 Quarterly expenditure reports for all individual budgets;

2.6.1.3 Annual reconciliation reports for each individual budget;

2.6.1.4 Aggregate reconciliation report for the respective regional center; and

2.6.1.5 Demographic reports such as number of employees hired for a given period.

Palco produces a variety of reports for the individuals we serve, including the reports containing the five (5) points iterated above. Our robust software can generate a report for an amalgamation of data we store, including expenditure, reconciliation, and demographic information. We understand that producing reports is critical to program success, and we have a reputation for producing a multitude of reports on a scheduled basis and ad hoc, as requested. Our system is currently designed to produce all the necessary reports by regional center and in the aggregate. See Appendix 6 for a sample expenditure report. Reports can be sent via email, or may be downloaded from our website. Palco is always happy to work with the regional centers to develop and submit reports in the formats and with the information required.

These reports will be in an agreed upon format and sent to designated person(s) at each agency.

2.6.1.6 Expenditure reports

A. Name and ADSD#;

B. Amount of individual's monthly support funds for the current month by budgeted line item;

C. All expenditures for the month by line item, including vendor name;

D. Line item summary of budgeted amount, expenditures and balance;

E. Budget summary for all line items with budgeted amount, expenditures, and balance; and

F. Total amount of budget remaining in the individual's account (managed by awarded vendor(s)) for the current period and year to date.

Expenditure reports will include all of the items listed above and will include any other information that ADSD requests. A copy of one expenditure report is in Appendix 6.

2.6.1.7 Annual Expenditure reports

A. Line item summary of budgeted amount, expenditures and balance;

B. Budget summary for all line items with budgeted amount, expenditures, and balance; and

C. Total amount of budget remaining in the individual's account (managed by awarded vendor(s)) for the current period and year to date.

Annual expenditure reports will include budget summary items, comparing authorized amounts to actual expenditures and listing any funds remaining. Reports can be compiled to cover any period of time, including monthly, quarterly, or annually. They are produced for each regional center and in the aggregate.

2.6.1.8 Reconciliation Reports

Report of all consumers for each region by funding account with authorized budget amount, all expenditures for the budget period, and remaining balances.

Palco will produce a report of all consumers for each region by funding account with authorized budget amount, all expenditures for the budget period, and remaining balances.

2.6.1.8 Demographic Reports

A. Number of people who self-direct their services by region;

B. Number of employees hired directly by individuals and families;

C. Workers compensation costs and claims; and

D. Other reports required by ADSD.

Palco produces a variety of demographic reports, including reports listing the number of individuals directing their own care, the number of workers being employed through this program, the amount of workers' compensation costs and claims, and other reports requested by ADSD.

2.7 INFORMATION TECHNOLOGY

2.7.1 The transfer of information between the vendor and the ADSD will be in a format determined by the ADSD. The awarded vendor must have, at a minimum, an IBM compatible PC that will support the software needed to produce the reports prescribed by the Department with a secure internet connection.

Palco will engage in the transfer of information to ADSD in the format specified by ADSD. We have the ability to access and integrate with other systems as required. We have sufficient hardware and software to produce the reports prescribed by the Department with a secure internet connection.

Our systems have the capability to interface and integrate with ADSD-wide enterprise components to maintain touch points with other systems, integrate with data management solutions, and utilize various databases. We designed our systems to accommodate and interface with common systems to allow for nearly any type of data transfer. If awarded the contract, we would appreciate the opportunity to explore these systems and make recommendations on to how to create efficiencies with data sharing.

2.7.2 The awarded vendor is required to have a Disaster Recovery Plan for restoring software and master files and hardware backup if management information systems are disabled and for continuation of client payroll and invoice payment services.

Palco has a comprehensive Disaster Recovery Plan (DRP) for restoring and preventing loss of data, software, master files, and hardware if management systems are disabled. Our DRP includes objectives to meet the following provisions:

- ***Preventing the loss of the organization's resources, such as hardware, software, data, and other information technology assets.***
- ***Minimizing downtime related to information technology.***
- ***Minimizing downtime of the call center.***

- ***Ensuring continuation of critical business practices in the event of a disaster.***
- ***Ensuring that a secondary location meets all Palco policies and ensures business continuity.***
- ***Protecting and securing all data.***

Palco has established a separate, dedicated standby facility in the event the DRP is activated to ensure the timely return to regular operations without interruption of data and use of appropriate software that is completely up-to-date as of the previous day's work. The cold site has the capability to meet all of Palco's policies, ensuring efficient production of key tasks.

All data is stored and/or backed up to the Google Cloud Platform (GCP). Cloud based data (CGP) and backup information is stored in data centers and replicated across multiple regions – all inside the United States. We conduct daily tape backups of our electronic files and data as a localized data backup and restoration method (in case of total failover of all GCP data centers). Backups of internal servers are completed to both on-site storage and off-site cloud storage.

When current software is upgraded, or new software is installed, a backup of any pertinent data is stored at a secure external site outside of a 50-mile radius and inside of a 100-mile radius. Thus, current and archived files are stored externally in a secure location. See Figure 4 for our backup processes.

All physical software program disks are stored off-site. Off-site computers are loaded with utilized software. All computers stored off-site are protected by password and other operational integrity mechanisms to ensure proper authorization has been granted for access to computer files. This prevents the loss of information and any interruption in service in the event that a disaster strikes.

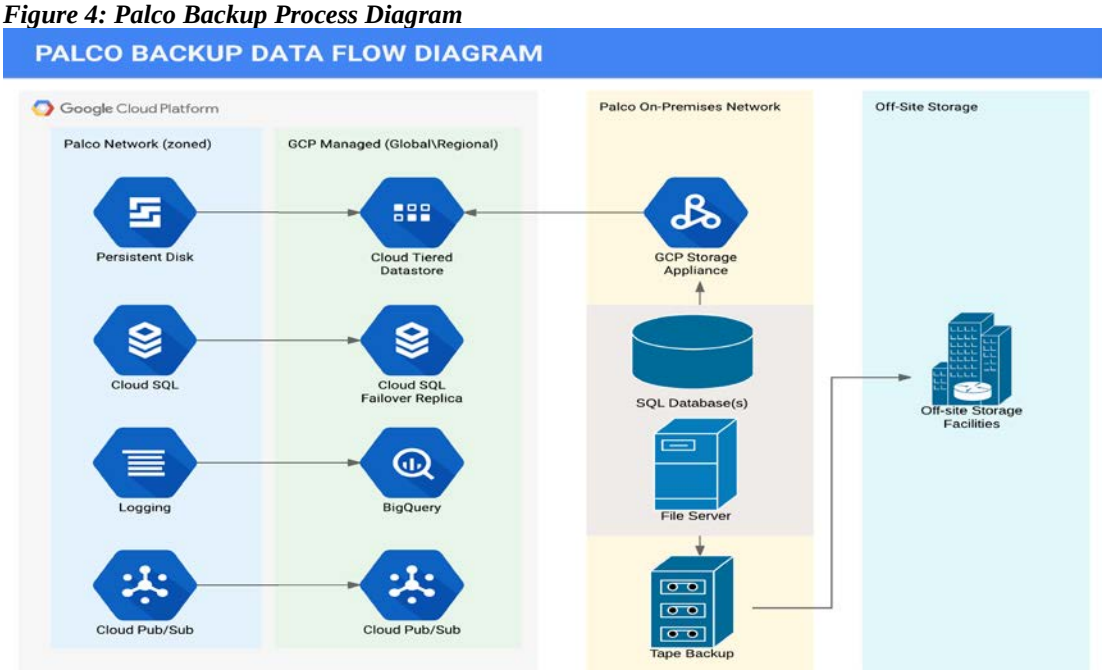
Our systems architecture, network diagram and related frameworks are shown in Figure 4, and this is supported by documented IT governance policies. Our IT infrastructure includes a firewall appliance that keeps internal voice and data segregated from external traffic through a DMZ. Cloud-based software is further segmented through an additional virtual firewall and DMZ in the cloud.

Palco has established a separate, dedicated standby facility in the event the DRP is activated to ensure the timely return to regular operations without interruption of data and use of appropriate software that is completely up-to-date as of the previous day's work. The cold site has the capability to meet all of Palco's policies, ensuring efficient production of key tasks.

In the event of a regional GCP outage, the entire application ecosystem is scripted and can be manually redeployed to an unaffected region with minimal downtime. Palco has chosen this design strategy so that their application uptime will target 24-hour availability, 7 days a week.

Our cloud-based software system is built so that any system maintenance there would have little to no impact on our GCP uptime.[12]

Figure 4: Palco Backup Process Diagram



Palco conducts periodic testing and updating of the DRP for electronic and hard copy files to ensure plan effectiveness. The plan is tested through walk-throughs, simulations, parallel testing, and full-interruption testing. We perform semi-annual assessments of information security risk and disaster management protocols to detect any vulnerability and gauge our ability to return to full capacity as soon as possible after a disaster. Palco, Inc.'s management team reviews the Disaster Recovery Plan quarterly, at a minimum, and makes any necessary revisions.

Please see Appendix 7 for a copy of our Disaster Recovery and Business Continuity (Emergency Preparedness) Plan and Appendix 1 for our table of contents from our Privacy and Security Manual.

2.8 CUSTOMER SERVICE SYSTEM

The awarded vendor must comply with the following:

2.8.1 FMS will have a customer service mechanism to respond to calls from individuals and their representatives, vendors and workers regarding issues such as withholdings and the net payments, lost or late checks, reports and other documentation received from the awarded vendor, or other questions regarding their services or payment of labor and non-labor related expenses.

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[12] ***Any internal system maintenance that might require downtime would be scheduled on periods of low traffic, such as the weekend or a holiday. Users are notified through in-app message one-week in advance of scheduled maintenance detailing the reason, projected start time and duration.***

To maintain a person-centered approach, our call center is staffed with live representatives, who have the skills needed to address concerns and provide a range of solutions or additional training. Palco staff has developed trusting relationships with many participants, employers, employees, and case managers, fostered over many years of resolution and treating callers with respect and courtesy. Palco does not disclose or inform family members, friends, or other members of an individual's support network about anything to do with the participant's enrollment on the program.

We track all calls received, including complaints, and our response through an automated system that combines metrics from Cisco and Microsoft Dynamics CRM. We maintain a log that includes the following:

- ***Who made the call***
- ***Who received the call***
- ***The reason for the call***
- ***Action taken***
- ***Any mandatory reporting that occurred***
- ***Final resolution***

A report of calls captured and related call statistics can be reported to ADSD as requested. Direct client interaction is managed by a quality assurance program that monitors inbound and outbound calls, call arrival patterns and trend analysis (such as average speed of answer), and management reviews of contact note logs. Palco's website and social media platforms communicate changes and provide additional forms or information. A general secure email inbox is used for submitting questions and inquiries electronically. Web traffic statistics indicate that these channels have been effective at communicating new information.

2.8.2 Establish a statewide toll-free number for individuals, their representatives and their workers to contact the awarded vendor or make other reasonable accommodations for clients out of the awarded vendors' local calling area. A representative of the awarded vendor should be available between the hours of 8:00 am and 4:30 pm PST Monday through Friday. When the representative is unavailable, the awarded vendor should maintain a voice messaging capacity.

Our comprehensive customer support system includes the following:

- ***Policies and procedures that reflect the principles of participant self-determination and the Department.***
- ***24-hour toll-free phone number and toll-free fax machines with expandable capacity.***
- ***Live staffing of a toll-free telephone system from 8:00 a.m. to 5:00 p.m. PST, Monday through Friday, except on state and federal holidays.***
- ***Voicemail box activated for after hours.***
- ***24-hour web-based information regarding FMS services.***
- ***Secure email and fax capacity that is available 24 hours per day.***
- ***An operational TTY/TDD line.***
- ***Access to written and spoken translation and interpreter services to accommodate people with disabilities. All of our information is available in alternate print formats (e.g., large print and Braille) and in languages other than English. We also provide***

interpreter services (i.e., American Sign, and services for persons with Limited English Proficiency), as needed.

- ***Regular updates on changes to tax and labor laws to participants and workers. This information is available in any format requested.***
- ***State-of-the-art equipment to prevent bottlenecks in daily operations.***
- ***Continual monitoring of secure emails, faxes, and phone calls.***
- ***Call center software that receives and tracks calls and provides data analysis.***
- ***Maintenance of inbound and outbound calls, requests, and complaint logs.***
- ***Respond to all calls from participants and workers within one (1) working day.***
- ***Maintenance of inbound and outbound calls, requests, and complaint logs and tracking of complaints.***
- ***Resolving FMS-related complaints and grievances immediately.***
- ***24-hour operational voice messaging system.***
- ***Customer Relationship Management (CRM) tool to identify issues and trends and respond to items within 24 hours.***
- ***Act as a mandatory reporter of fraud and abuse including having a system for reporting incidents as defined by ADSD.***[13]
- ***Website with general information and a case management portal with log-in access to view up-to-date information. These systems are monitored through an internal control process to ensure the accuracy and effectiveness of the systems.***
- ***Policies and procedures that emphasize the philosophy of self-direction and cultural and linguistic competence to communicate effectively with a diverse population of individuals of all ages with disabilities and chronic conditions.***

2.8.3 Calls should be returned within one (1) working day from the time the message is recorded or letter of inquiry is received.

See response to 2.8.2 above.

2.8.4 Must operate a fax machine twenty-four (24) hours each day and have a secure internet/e-mail communication.

See response to 2.8.2 above.

[13] ***Palco has internal controls and policies and procedures in place that are designed to prevent, detect, and report known or suspected fraud and abuse by participants, employees, or any other party. Palco investigates unusual incidents, and develops and implements corrective action plans to assist us in preventing and detecting potential fraudulent and abusive activities. Quarterly training focuses on preventing Medicaid fraud and educating our staff on key areas, such as the False Claims Act and mandatory reporter statutes.***

2.8.5 Must be able to communicate effectively with individuals who have a variety of disabilities.

Our customer service representatives are able to communicate effectively with individuals who have a variety of disabilities. We develop and engage in orientation and skill training programs for participants and/or their representative(s) to support the individual in the self-direction model.

2.8.6 Must demonstrate the ability to develop orientation and skill training programs for participants and/or their representative(s).

We host and provide webinars, presentations, targeted printed materials, audio and video conferencing, and in-person meetings at our headquarters in Little Rock or in Nevada. New information is presented to employers via intensive orientation and ongoing skills and programmatic training, complete with the Nevada-specific FMS Policies and Procedures and ADSD Program Manuals.

In addition to webinars, we have the capability to produce PowerPoint presentations, targeted printed materials, audio and video conferencing, and in-person meetings at our headquarters in Little Rock or in Nevada. When applicable, we provide new information to program participants, such as changes in tax rates or labor laws. This is typically conducted via intensive orientation and ongoing skills and programmatic training, complete with a Program & Policy Manual and program-specific handbooks.

Palco has an existing range of materials we currently utilize for such training in states like Arkansas, Alabama, and Nevada (ATAP). Training encompasses the following key concepts:

- ***Self-direction policies and procedures (based on the program's policy and existing handbook).***
- ***Fiscal management of payroll.***
- ***Documentation requirements for all directly hired SSWs.***
- ***Completion of timesheets accurately and timely.***
- ***Technical assistance on expenditure reports and any other area of VF/EA operations.***

Our existing departmental leadership and support staff will assist in the training, quality assurance, and oversight. We have a wide range of experience providing training to thousands of individuals, and we have implemented in-person technical assistance programs similar to what is requested in this RFP with little lead time.

Finally, Palco's training staff are advocates for participants and the supports provided facilitate their successful use of self-direction. Time after time, through satisfaction surveys and unsolicited communication, participants remark on how grateful they are for the conscientious and professional instruction they received from Palco staff who prepared them for being successful in using PDS.

2.8.7 Any updates on tax and labor laws or other written reports or materials provided to individuals must be available in alternative format if requested (e.g., large print, use of telecommunication devices for the hearing and speech impaired). The awarded vendor must have, at a minimum the capacity to access translation services and interpreter services when necessary.

All of Palco orientation and training materials are available in alternate formats. Also, we typically hire staff fluent in the language needs of participants, but also have translator services available, when needed. We currently operate a Spanish and English call center for Nevada families.

2.8.8 Be culturally sensitive in all business practices in order to communicate effectively with a diverse population of individuals, and its policies and procedures must reflect the philosophy of self-direction.

Providing cultural and linguistically competent customer service is an integral component of the philosophy of self-direction and the provision of self-directed services. Palco invests heavily in providing diverse populations of participants of all ages with disabilities and chronic conditions; representatives, workers, and others a variety of options when seeking help or to gain more information.

Palco accesses key resources related to the provision of cultural and linguistically competent customer services. One resource is the National Center for Cultural Competence (NCCC) at Georgetown University (https://nccc.georgetown.edu). The NCCC provides national leadership and contributes to the body of knowledge on cultural and linguistic competency within systems and organization. With a major emphasis on translating evidence into policy and practice. NCCC provides a listing of evidence-based promising policies, structures and practices that exemplify cultural and linguistic competence in health care and mental health programs. They also provide materials they have developed including policy briefs, checklists, guides, articles, and multimedia products.

Palco also accesses key resources regarding promising practices related to the provision of self-directed services and FMS and information and assistance supports as a FMS member of the Applied Self Direction, the Technical Assistance, Training, and Membership arm of the National Resource Center for Participant-Directed Services (NRCPDS). As a member, Palco receives current information on the provision of self-directed services and supports (FMS and information and assistance (I&A)) through Applied Self Direction's website and through attending conferences and webinars the organization hosts.

2.8.9 Communicate directly with the individual on some level, regardless of any particular disability the individual may have. In the event an individual chooses a representative to assist with budget management, the Division will notify the individual in a timely manner of the name of the individual's representative and other pertinent information.

The call center staff is a critical component to our operations in carrying out the requirements of this contract for one simple reason: call center staff is the first access many participants will

have to the self-directed programs. We want to ensure that their experiences are excellent; therefore, Palco staffs its call center with the best resources we have to offer. Our staff has excellent communication skills. In hiring call center staff, we seek individuals with patience, an even temperament, excellent communication skills, and a willingness to serve. Our staff has developed trusting relationships with many participants, representatives, support workers, and case managers, fostered over many years of resolution and treating callers with respect and courtesy.

2.8.10 Shall not disclose or otherwise inform family members, friends or other members of the individual's support network without prior written notification and approval from the individual/representative.

Palco verifies all caller's identities prior to disclosing information. If the caller is not authorized on the account, our agents do not disclose information. All authorized users who have executed an Authorization to Disclose that complies with HIPAA and HITECH requirements with the responsible family of the participant may receive information regarding the individual's account.

2.8.11 Be willing to participate on ADSD-sponsored committees or work groups to maintain ongoing effectiveness, which includes billing and reporting, business practices, Workers Compensation, and recruitment and employment related topics.

Palco will participate in ADSD-sponsored committees or work groups to ensure the program's ongoing effectiveness, including billing, reporting, business practices, workers compensation, recruitment, and employment-related topics.

2.8.12 Keep a registry of qualified employees who agree to be on the registry for referral to other individuals seeking employees in their geographic area of interest.

We currently maintain a registry of qualified employees who agree to be on the registry for referral to participants seeking workers in their area.

2.8.13 Develop policies and procedures that emphasize the application of the philosophy of participant directed services and being culturally sensitive in all business practices in order to communicate effectively with a diverse population of participants of all ages and with a variety of needs, disabilities and chronic conditions.

Our current Policies and Procedures Manual emphasizes the application of the philosophy of participant directed services and being culturally sensitive in all business practices in order to communicate effectively with a diverse population of participants of all ages and with a variety of needs, disabilities and chronic conditions.

2.8.14 Provide periodic information and training to families as changes occur in procedures, reporting or systems.

Palco provides periodic information and training to families as changes occur in procedures, reporting or systems, as described in our various training methods above. Palco's website and social media platforms communicate changes and provide additional forms or information. A general email inbox is used for submitting questions and inquiries electronically. Web traffic statistics indicate that these channels have been effective at communicating new information. For example, one of our programs instituted mandatory direct deposit for all payments. We posted details on our website, sent letters, and personally called individuals instead of using automated calls. Our response was profound, and we were able to transition more than 6,000 individuals to direct deposit in about four (4) months.

2.9 ADDITIONAL RESPONSIBILITIES

The awarded vendor will keep abreast of all laws and regulations relevant to the responsibilities it has undertaken with regard to the required Federal and State filings and the activities related to being a Fiscal Intermediary.

In the past 20 years, individuals with physical and intellectual and developmental disabilities and their families have been encouraged to take control of their lives through a range of goal-setting, choices and decision-making opportunities under the philosophies of self-determination and self-direction. The philosophy of self-direction (also referred to as consumer direction and participant direction) is based on the premise that individuals with disabilities or chronic conditions, and their surrogates, when appropriate, know best about their needs and how to address them and should be empowered to make decisions about the services they receive and the individuals who provide them.

Self-determination is a much broader concept that has emerged from the intellectual and developmental disability arena related to individuals' overall control of their lives and abilities to live in their homes and participate fully in their communities. Self-determination is based on four basic principles: (1) freedom to exercise the same rights as other citizens, (2) authority to control the funding needed for their services and supports, (3) the receipt of support through the organization of resources as determined by the person with the disability, and (4) responsibility to use public dollars wisely (Scala & Nerney, www.self-determination.com). Self-directed support services (SDS), financial management services (FMS), and information and assistance (I&A) are considered key elements of self-determination and the provision of self-directed services.

Palco, Inc. has extensive experience providing supports (Financial Management Services (FMS) and Information and Assistance (I&A)) that facilitate the use of SDS. Palco has provided these supports to a diverse group of people with disabilities and chronic conditions using SDS including older adults age 60 and older, adults with physical, intellectual, and developmental disabilities, children with autism, veterans, and their families.

Our expertise and impeccable reputation in the provision of FMS has allowed Palco to expand our operations to self-directed service programs nationwide. Currently, we provide these support services to multiple programs in six states and serve 24 SDS programs across the country.

In each of these programs, we carry out FMS tasks under Section 3504 of the IRS code and Rev. Proc. 70-6 as modified by Rev. Proc. 2013-39. All services provided are in accordance with federal, state, and local tax laws and regulations, as well as Federal and State Department of Labor and workers' compensation insurance program rules and regulations.

Palco continuously stays up-to-date on all laws and regulations that govern this program, and we easily adapt to changes in federal and state tax, labor, and program rules and requirements, including IRS changes in reporting, forms, and procedures; Federal and State Department of Labor overtime and wage reporting changes; changes in state workers' compensation insurance rules and state program policies and procedures. With each challenge that Palco faces, we have provided quality FMS and related supports at vast cost savings to the state while we further honed our expertise in the provision of self-directed supports.

2.10 AUDIT REQUIREMENTS

2.10.1 FMS' are subject to audit by the Aging and Disability Services Division, agents of the DHHS, and the State of Nevada's Auditors of Public Accounts. Records must be made available in Nevada for the audit.

As a company owned by CPAs, finances are closely managed, and business decisions are made conscientiously. We have maintained profitability every year that we have been in business.

All audits produced the highest level of assurance on integrity of management and the quality of our financial structure. We have sufficient capital to manage this project and will obtain a line of credit if needed. There are no significant pending items or actions that would negatively impact our financial and economic status.

All records will be made available in Nevada for any audits.

2.10.2 Vendors must submit a cost report in year one (1) of the contract, if requested by the ADSD.

Palco will submit a cost report in year one of the contract if requested by ADSD.

2.11 RECORDS

2.11.1 The FMS must maintain other such records and information required by ADSD including but not limited to:

2.11.1.1 Copies of phone logs;

2.11.1.2 Summaries of complaints with resolution noted;

2.11.1.3 Verification of individuals' payment of FICA, FUTA/SUTA; and

2.11.1.4 Federal (if requested) and State income tax and wages in compliance with Federal and State DOL rules and in the form and manner prescribed by state agency staff.

Palco keeps detailed records for each participant and worker. This includes call logs, verification of payment and filing of FICA and FUTA/SUTA, and federal income tax and wages in compliance with federal and state DOL rules.

We adhere to federal and state requirements for record retention and destruction. All files are maintained in a secure and confidential manner. We store all records required by federal and state law in compliance with the Health Insurance Portability and Accountability Act (HIPAA), Health Information Technology for Economic and Clinical Health Act (HITECH), Fair Labor Standards Act, IRS recordkeeping requirements for employers, and other state, local, and program rules and regulations.

2.11.2 ADSD individuals and workers' records must be available for immediate review by the Aging and Disability Services Division or designated State agency. Records must be made available in Nevada within seven (7) days when requested by the ADSD.

All individual records are available for immediate review by ADSD and other agencies. The records are available in the state of Nevada within seven (7) days of the ADSD request.

2.12 VETERAN DIRECTED HOME & COMMUNITY BASED SERVICES

The Financial Management Services vendor must adhere to the following:

2.12.1 Pass a FMS Readiness Review conducted by the national technical assistance team at National Resource Center for Participant Directed Services.

In preparation for the Nevada Veterans-Directed Home and Community Based Services program, Palco participated in and passed an FMS Readiness Review on October 31, 2016. This Review was done by industry expert, Sue Flanagan, of the Westchester Consulting Group.

Throughout our work in this industry, we have undergone several readiness reviews in preparation for operational start dates. If awarded this contract, Palco will welcome the opportunity to undergo the FMS Readiness Review conducted by the national technical assistance team at the National Resource Center for Participant Directed Services. Our diligence and preparedness will allow us to excel in each of the categories required, including, but not limited to, the following:

- ***The ability to meet timeframes for preparing enrollment and employment packets and distributing them to new and current individuals who will become participants.***
- ***Technology necessary to meet all requirements of the RFP, including computer networks and billing systems.***
- ***Call center with the ability to return customer calls and meet the RFP terms.***
- ***An effective and functioning website.***
- ***The ability to enroll existing workers and participants.***
- ***A quality management system to monitor the requirements of the program.***
- ***Sufficient knowledge of the program's FMS model.***

If there are any findings that need corrective action, we will develop a plan to address and remedy the issues immediately. We will devote sufficient staff to the Readiness Review process, and we will make ourselves available in person or via conference call to meet with the ADSD Readiness Review Team at any time throughout the process.

2.12.2 Have a system in place to solicit annual feedback from Participants regarding FMS services performed on their behalf.

In addition to our routine methods of soliciting feedback through call center and account manager interactions with families and care managers, we will conduct ADSD-approved Satisfaction Surveys annually. Data from the surveys will be analyzed, and a report will be submitted to ADSD. Based on the survey results, we will implement corrective action plans within fifteen (15) days that specifically address the issues raised in the surveys.

2.12.3 Have a system for responding to complaints about FMS Participant services.

Our complaint and grievance procedure includes an Advisory/Grievance Committee that includes participants and waiver and state-funded program individuals that meet either in person or via telephone at least quarterly to discuss the provision of FMS and evaluate any grievances filed or feedback provided by participants.

We respond to complaints from participants and workers within two (2) business days. We track all activities related to complaints and resolve FMS related complaints and grievances within five (5) business days of receipt. We provide monthly reports to ADSD outlining the complaints received and the resolutions. Palco also will provide monthly reports to ADSD

outlining the complaints received and the resolutions highlighting any themes presented and proposing strategies for addressing them, as appropriate, in the future.

2.13 END OF CONTRACT DELIVERABLES

Tasks to be completed by the vendor upon termination of the contract include, but are not limited to, the following:

2.13.1 File Nevada Department of Employment, Training and Rehabilitation (DETR) Form NUCS 4072, Employer's Quarterly Contribution Wage Report and pay all State unemployment insurance taxes due through the end of the contract period using the appropriate forms for each applicable program participant-employer and their workers, including zero filings. See NV Unemployment Compensation Program (DETR) Employer Handbook. ***https://uitax.nvdetr.org/crppdf/Employer_Handbook.pdf***

Upon termination of the contract, Palco will file Nevada DETR Form NUCS 4072 and pay all State unemployment insurance taxes due through the end of the contract period using the appropriate forms for each applicable program participant-employer and their workers, including zero filings, according to the DETR Employer Handbook.

2.13.2 File and pay all Federal income tax withholding due through the end of the contract reporting period. This would include the filing of the IRS Form 941, Employer's Quarterly Federal Tax Return, and the Schedule R, Allocation Schedule for Aggregate Form 941 Filers, and Schedule B (Form 941) as applicable, for the first two (2) tax quarters in the contract period for each applicable program participant-employer and their workers.

Upon termination of the contract, Palco will file and pay all Federal income tax withholding due through the end of the contract reporting period, including IRS Form 941, Schedule B, and Schedule R for the first two (2) tax quarters in the contract period for each applicable program participant-employer and their workers.

2.13.3 File and pay all Federal Social Security and Medicare taxes (FICA) due through the end of the contract period. This would include the filing of the IRS Form 941, Employer's Quarterly Federal Tax Return, and the Schedule R, Allocation Schedule for Aggregate Form 941 Filers, and Schedule B (Form 941) as applicable, for the first two (2) quarters in the contract period for each applicable program participant-employer and their workers.

Upon termination of the contract, Palco will file FICA through the end of the contract period. This includes filing IRS Form 941, Schedule B, and Schedule R for the first two (2) tax quarters in the contract period for each applicable program participant-employer and their workers.

2.13.4 Issue IRS Forms W-2, Wage and Tax Statements to workers for the appropriate tax year.

Palco will issue Forms W-2 to workers for the appropriate tax year.

2.13.5 Determine which program participant-employer and workers are eligible for a FICA refund for the period preceding the contract termination date.

Palco will determine which program participant-employer and workers are eligible for a FICA refund for the period preceding the contract termination date. We will coordinate with the incoming vendor to issue FICA refunds as applicable.

2.13.6 Maintain all State unemployment insurance tax filings and payments and other relevant documents for the required period of time in each program participant's archived file.

Please see response in Section 2.13.7.

2.13.7 DETR requires that each employer keep true and accurate work records for each worker. The records must be kept for at least four (4) years and must show:

The beginning and ending date of each payroll period;
The total wages payable for the payroll period and the date paid;
The date the worker was hired;
The date the worker was separated from employment;
The dates the employee worked; and
The State or States in which the services were performed.

Separate entries must be made to record money wages, the cash value of other remuneration, and special payments such as bonuses, prizes, or gifts (DETR Employer Handbook, p. 29).

Palco will maintain all State unemployment insurance tax filings and payments and other relevant documents for the required period of time in each program participant's archived file. We will keep records for at least four (4) years showing beginning and ending payroll dates, wages payable for a period, hire and termination dates, dates worked, and where services were performed. Our on-staff attorney will review the DETR Employer Handbook to ensure our compliance with these laws.

2.13.8 Maintain all Federal tax filings, payments, and other relevant documents for the required time period in each program participant-employer's archived file.

IRS requires that all employment tax records be kept at least four (4) years after the date that the tax becomes due or is paid, whichever is later. The records should be kept longer if they are the subject of an IRS review (IRS website).

Palco will maintain all Federal tax filings, payments, and other relevant documents for the required time period in each program participant-employer's archived file for at least seven (7) years after the date that the tax becomes due or is paid, whichever is later (unless the individual is subject to an IRS review).

Once all required Federal and State filings, payments and reporting are completed by the vendor(s), the vendor(s) must perform the following tasks:

2.13.8.1 Revoke the IRS Form 2678, Employer/Payer Appointment of Agent with each applicable program participant-employer.

2.13.8.2 Receive the IRS Notice of Agent Revocation for each program participant-employer for which it revokes an IRS Form 2678.

2.13.8.3 Maintain copies of revoked IRS Form 2678, Employer/Payer Appointment of Agent, and the IRS Notice of Agent Revocation and related documentation in each program participant-employer's archived file for the required time period.

2.13.8.4 Revoke the IRS Form 8821, Tax Information Authorization.

2.13.8.5 Maintain copies of revoked IRS Form 8821, Tax Information Authorization and related documentation in each program participant-employer's archived file for the required time period.

2.13.8.6 Retire the program participant-employer's Federal employer identification number with the IRS.

2.13.8.7 Maintain copies of the FEIN retirement letter to the IRS and any other related correspondence in each program participant-employer's archived file for the required time period.

2.13.8.8 Revoke the program participant-employer's DETR Power of Attorney (Form NUCS 4556). Vendor should consult the DETR Employer Handbook and contact ADSD to determine how this should be done.

Note: Nevada Unemployment Compensation Law prohibits disclosure of employer information to any other person or the general public. Therefore, in order to discuss a business with a designated agent (or for your agent to be able to access your online account), ADSD must have on file a current and complete Power of Attorney (Form NUCS 4556) or an approved substitute form.

2.13.8.9 Maintain copies of the revocation of the state unemployment compensation Power of Attorney (Form NUCS 4556) in each

program participant-employer's archived file for the required time period.

2.13.8.10 Retire the program participant-employer's NV DETR employer account number for State unemployment insurance tax purposes per DETR requirements. Vendor(s) should consult the DETR Employer Handbook and contact ADSD to discuss how this should be done.

2.13.8.11 Maintain copies of the documentation related to retiring the program participant-employer's NV DETR employer account number in the person's archived file for the required time period.

2.13.8.12 Vendor is responsible for responding to any inquiries raised by IRS or NV DETR related to the tax years the vendor acts as the employer agent for program participant-employers enrolled in the State Funded Self-Directed services program and anyone who used the vendor as the FMS agent. This time period probably will cover four (4) years after the date all Federal and State taxes were filed and paid.

Once the contract is terminated, Palco will revoke Forms 2678 and 8821 and accompanying documentation and retain copies of such in our permanent files. We will retire the individual's FEIN, unemployment, and SIT identification numbers, if applicable. We will revoke any and all Powers of Attorney on the individual. However, in some cases, it may be necessary to continue to file zero wage reports and notify the agency that no activity transpired during the quarter, depending on the agency rules, which may require accounts remain open until W-2s are filed at year-end. In such cases, after W-2s are properly filed, then Palco will terminate participant's accounts. We will respond to all inquiries raised by the IRS or NV DETR related to the tax years during which we acted as agent.

2.13.8.13Assist with the transition process as applicable, to include:

A. Transfer of all records and files to new FMS in a timely manner;

B. Communication with the new FMS to assure timely services with service recipients; and

C. Notification to service recipients regarding FMS changes, to include information regarding pertinent and applicable changes and contact information.

Palco will meet the terms specified in RFP Section 2.13 related to end-of-contract deliverables. Prior to the end of the agreement term, we will implement an ADSD-approved Turnover Plan, which includes the following activities at a minimum:

- ***Transfer of information (records and files) including documentation relating to software and interfaces, functional business process flows, and operational information concerning subcontractors;***
- ***Communication with the new FMS to assure timely services with service recipients;***
- ***Notification to service recipients regarding FMS changes, to include information regarding pertinent and applicable changes and contact information;***
- ***Implement a quality assurance process to monitor turnover activities;***
- ***Plan for training the State and/or a successor vendor's staff in the delivery of services;***
- ***Post-Turnover services, including a Turnover Results Report and access to our staff with technical and operational expertise; and***
- ***Appointment of a manager to manage and coordinate all turnover activities outlined in the Turnover Plan as approved by the State.***

We will execute the approved Turnover Plan in conjunction with the incoming vendor's Transition Plan, including maintaining service delivery staffing levels and providing all turnover data and documents, as well as take the other action items specified in the RFP.

VI. COMPANY BACKGROUND AND REFERENCES

This section includes our written responses to Section 3, Company Background and References in bold/italics immediately following the applicable RFP question, statement and/or section. This section also includes the requested information in Section 3.2, Subcontractor Information, if applicable.

3.1 VENDOR INFORMATION

3.1.1 Vendors shall provide a company profile in the table format below.

Question	Response
Company name:	***Palco, Inc.***
Ownership (sole proprietor, partnership, etc.):	***Corporation***
State of incorporation:	***Arkansas***
Date of incorporation:	***July 21, 2003***
# of years in business:	***14 years***
List of top officers:	***Alicia Paladino, Esq., CPA – Chief Executive Officer*** ***Larry Paladino, CPA – Chief Financial Officer***
Location of company headquarters, to include City and State:	***17300 Chenal Parkway, Suite 300 Little Rock, Arkansas***
Location(s) of the office that shall provide the services described in this RFP:	***17300 Chenal Parkway, Suite 300 Little Rock, Arkansas***
Number of employees locally with the expertise to support the requirements identified in this RFP:	***n/a***
Number of employees nationally with the expertise to support the requirements in this RFP:	***91***
Location(s) from which employees shall be assigned for this project:	***Little Rock, Arkansas***

3.1.2 A Nevada-based business may apply for a five percent (5%) preference on its proposal. This preference may apply if a business has its principal place of business within Nevada. This preference cannot be combined with any other preference, granted for the award of a contract using federal funds, or granted for the award of a contract procured on a multi-state basis. To claim this preference a business must submit a letter with its proposal showing that it qualifies for the preference.

Palco, Inc. is not a Nevada-based business.

3.1.3 Please be advised, pursuant to NRS 80.010, a corporation organized pursuant to the laws of another state shall register with the State of Nevada, Secretary of State's Office as a foreign corporation before a contract can be executed between the State of Nevada and the awarded vendor, unless specifically exempted by NRS 80.015.

Palco, Inc. is currently registered with the State of Nevada, Secretary of State's Office as a foreign corporation. Please see Appendix 8 for a copy of our registration documents.

3.1.4 The selected vendor, prior to doing business in the State of Nevada, shall be appropriately licensed by the State of Nevada, Secretary of State's Office pursuant to NRS76. Information regarding the Nevada Business License can be located at http://nvsos.gov.

Question	Response
Nevada Business License Number:	***V20131682265***
Legal Entity Name:	***Palco, Inc.***

Is "Legal Entity Name" the same name as vendor is doing business as?

Yes	***X***	No	

If "No", provide explanation.

n/a

3.1.5 Has the vendor ever been engaged under contract by any State of Nevada agency?

Yes	***X***	No	

If "Yes", complete the following table for each State agency for whom the work was performed. Table can be duplicated for each contract being identified.

Question	Response
Name of State agency:	***Aging and Disability Services Division***
State agency contact name:	***Jamie Pruneau***
Dates when services were performed:	***1/1/2014 - present***
Type of duties performed:	***Financial Management Services***
Total dollar value of the contract:	***$5,685,470.00***

Question	Response
Name of State agency:	***Nevada Clinical Services, Inc.***
State agency contact name:	***Karla Perez***
Dates when services were performed:	***6/1/2016 – current***
Type of duties performed:	***Financial Management Services***
Total dollar value of the contract:	***$6,000,000.00***

3.1.6 Are you now or have you been within the last two (2) years an employee of the State of Nevada, or any of its agencies, departments, or divisions?

Yes		No	***X***

If "Yes", please explain when the employee is planning to render services, while on annual leave, compensatory time, or on their own time?

n/a

If you employ (a) any person who is a current employee of an agency of the State of Nevada, or (b) any person who has been an employee of an agency of the State of Nevada within the past two (2) years, and if such person shall be performing or producing the services which you shall be contracted to provide under this contract, you shall disclose the identity of each such person in your response to this RFP, and specify the services that each person shall be expected to perform.

n/a

3.1.7 Disclosure of any significant prior or ongoing contract failures, contract breaches, civil or criminal litigation in which the vendor has been alleged to be liable or held liable in a matter involving a contract with the State of Nevada or any other governmental entity. Any pending claim or litigation occurring within the past six (6) years which may adversely affect the vendor's ability to perform or fulfill its obligations if a contract is awarded as a result of this RFP shall also be disclosed.

Does any of the above apply to your company?

Yes		No	***X***

If "Yes", please provide the following information. Table can be duplicated for each issue being identified.

Question	Response	
Date of alleged contract failure or breach:	***n/a***	
Parties involved:	***n/a***	
Description of the contract failure, contract breach, or litigation, including the products or services involved:	***n/a***	
Amount in controversy:	***n/a***	
Resolution or current status of the dispute:	***n/a***	
If the matter has resulted in a court case:	Court	Case Number
	n/a	***n/a***
Status of the litigation:	***n/a***	

3.1.8 Vendors shall review and provide if awarded a contract the insurance requirements as specified in ***Attachment D, Insurance Schedule for RFP 3459***

If awarded this contract, we will provide a copy of our insurance, as specified in Attachment D of the RFP. For the past three years, we have maintained insurance and provided proof of such insurance in relation to our current State of Nevada contracts.

3.1.9 Company background/history and why vendor is qualified to provide the services described in this RFP. Limit response to no more than five (5) pages.

Palco, Inc. has extensive experience providing services and supports for a diverse group of people, including people age 65 and older, adults with physical or intellectual disabilities, children with autism, veterans, and many others.

Our firm became involved in the nation's first self-directed program nearly 20 years ago—at which time, Palco, Inc. was born. For nearly two decades, Palco helped define programmatic guidelines, develop industry standards, and advocate for self-direction. We now deliver fiscal/employer agent services in multiple states across the country. We have vast experience in providing services in accordance with §3504 of the Internal Revenue Code, including enrollment, billing, payroll, and tax reporting.

Over the years, we have expanded our solutions to include care coordination, information and assistance, and skills training to ensure person-centeredness and monitoring of individuals' services. Our highly trained staff offers recommendations so that needs are continually met and takes a conflict-free approach to keep each individual and their circle of support up-to-date on what's available. Our multi-disciplinary skills training solutions were developed by professional educators. We educate individuals and key stakeholders on the details of services being delivered. Our training can be provided in person or remotely, and this extensive online training package is customizable to meet the needs of any program or service.

The core services we provide include:

1. ***Fiscal/Employer Agent***
2. ***Information and Assistance for Self-Directed Services***
3. ***Care Coordination/Case Management***
4. ***Medicaid and Veterans Health Administration Billing and Claims Processing***
5. ***Self-Direction Software Solutions***
6. ***Call Center***
7. ***Financial Management Services (e.g., accounts payable, budget utilization)***
8. ***Reporting***
9. ***Payroll and Tax Filings***
10. ***Skills Training Solutions***

Palco is currently providing F/EA, FMS, and other services in Nevada and has been effective at properly and accurately generating payroll according to Nevada tax and labor laws. We are registered through the Nevada Secretary of State to conduct business in the state. We have solid working relationships with the Nevada ADSD State-Funded Self-Direction, VDHCBS, and ATAP programs

Palco is a privately owned, family company established in 1998 as a subsidiary of an accredited licensed CPA firm established in 1991. It became incorporated in 2003. Its bylaws require ownership by only CPAs. It is currently owned by Larry Paladino, CPA (70%) and Alicia Paladino, Esq., CPA (30%).

Our CPAs ensure the utmost professionalism and expertise in accounting, as well as focus on better program outcomes and participant satisfaction. Our vast knowledge in tax, accounting, and financial management also extends to program-specific software development, education and training, customer service, and much more.
We currently have just under 100 employees and approximately $10 million in annual revenue. Palco, Inc. currently serves 24 programs across the country. See Figure 5 for a full listing. Appendix 9 displays contact information for each project's official who may be contacted. We consistently receive the highest praise from our partners. Below, we highlight some of our programs and outline our key accomplishments with each.

Figure 5: Program Listing

State	Program Name
Arkansas	IndependentChoices
	Alternatives for Adults with Physical Disabilities (AAPD)
	ElderChoices
	ARChoices
	Southeast Arkansas VD-HCBS Program
	Select Care
	Developmental Disabilities Home/Vehicle Modification Pro Tempore Project
	Caddo Council VD-HCBS Program
Texas	Central Texas VD-HCBS Program
	Bexar/Alamo VD-HCBS Program
	Caddo Council VD-HCBS Program
	Harris County VD-HCBS Program
	Child Protective Services Claims Processing

Louisiana	*Caddo Council VD-HCBS Program*
Nevada	*Self-Directed Program*
	VD-HCBS Program
	Autism Treatment Assistance Program
	Board Certified Behavioral Analyst Program
Alabama	*Personal Choices*
	State of Alabama Independent Living
	530 Waiver
	Elderly and Disabled Waiver
	Alabama Community Transition
	Technology Assisted Waiver Program
Minnesota	*Consumer Directed Community Supports Program*
	Consumer Support Grant Program
	Community First Services and Supports
	Independent Living Training Program
	Managing Stress and Challenges of Paid Caregiving Training Program

1. ARKANSAS MEDICAID SELF-DIRECTED PROGRAMS

Services Provided: ***F/EA services, supports counseling for self-direction, in-home skills training, budget training, call center, reporting, billing and claims processing, financial management services***

Programs Description:

Arkansas was one of the first states to adopt self-direction in the 1990s as a means to provide individual choice in delivering health services to its population, and Palco has been there since the beginning. During the implementation, we worked with several national experts, and our input helped create the operational backbone for F/EA services in self-direction. Palco is proud to have pioneered self-direction, which has provided assistance to so many in Arkansas and across the country.

We currently serve over 3,800 participants per month on multiple Medicaid waivers and State Plan services in Arkansas alone. During our work with these programs, we have adapted to a variety of changes, including IRS changes in reporting, forms, and procedures; Department of Labor overtime and wage reporting changes; overhauls in program policies; consolidation of waivers; and, adding and changing different services statewide. We have assisted the State on various compliance issues and multiple campaigns, such as converting more than 5,000 individuals to direct deposit within a few months; reducing fraud, waste, and abuse; and spearheading a change with State tax agencies to improve and streamline tax reporting requirements for each employer-participant. With each challenge that we've faced, we have provided a vast cost savings to the State and further honed our expertise in self-direction.

We have provided F/EA services to all Arkansas self-direction programs for nearly two decades. Five years ago, Palco began providing in-home training and technical assistance on the program model and requirements; rights, risks, and responsibilities; and, how to participate in Budget Authority. Since we started providing this service, we have seen greater programmatic compliance, utilization of items that strengthen an individual's ability to direct their care, and overall enhanced participant satisfaction. Each year, we survey both participants and caregivers and are consistently given over 96% positive results for our F/EA and in-home skills training services.

2. NEVADA HCBS PROGRAMS

Services Provided: ***F/EA services, call center, reporting, billing and claims processing, financial management services, development of training materials***

Programs Description:

Since 2013, we have worked with the State of Nevada to serve hundreds of children with developmental disabilities. Our contract required that we transition from another Fiscal/Employer Agent, which had managed the program for more than 10 years prior, and as such, we encountered a bifurcated tax year. We led the State through this process seamlessly, and families praised Palco during the transition and after.

Because of our track record in Nevada, we have been awarded repeat business. Our partners in Nevada routinely turn to Palco for cost savings and creative approaches to serve their clients. Together, we come up with unique solutions to meet the needs of the families, while allowing them a voice in their care.

We currently serve the following programs in the State:

- ***State of Nevada Self-Directed Program***
- ***Autism Treatment Assistance Program***
- ***Autism Board Certified Behavioral Analyst Program***
- ***Veterans-Directed Home and Community Based Services Program***

In serving these programs, we provide webinar-based trainings to stakeholders and written materials and budgeting tools to case managers in developing the person-centered plan. We continually accommodate program growth and have doubled our population size since entering the State.

3. ALABAMA MEDICAID SELF-DIRECTED PROGRAMS

Services Provided: ***F/EA services, budget training, call center, reporting, billing and claims processing, financial management services, on-site training***

Programs Description:

Palco works with the following Medicaid self-directed programs in Alabama serving over combined 1,000 participants and workers. Both programs offer Employer and Budget authority:

- ✓ ***Personal Choices, a program offered by the Alabama Department of Senior Services (ADSS), that includes four (4) Medicaid waives.***

- ✓ ***State of Alabama Independent Living, a Medicaid program offered by the Alabama Department of Rehabilitative Services (ADRS).***

As the F/EA for these programs, Palco is enrolled as an Alabama Medicaid provider and with the Alabama Department of Revenue (ADOR) and the Alabama Department of Labor (ADOL) to file and deposit state income tax withholdings and state unemployment (SUTA) taxes. We have excellent relationships with all of these entities, which assists with smooth program operations.

We assumed these programs from a previous F/EA contractor. During this transition, we encountered a both bifurcated tax year and a tax quarter. We worked diligently with both ADSS and ADRS to obtain all required information to re-enroll individuals in our system, including budget information, savings balances, and demographic information. We also transitioned tax information held with ADOR and ADOL to our account. All tasks were transitioned seamlessly without interruption in services.

We were selected as F/EA to help the programs expand statewide. In just a few months, we saw over 600% growth in participation and the move from one counseling entity to eleven entities statewide. As the programs expanded into new territories, the programs encountered new challenges, and Palco leveraged our expertise to help stabilize the existing program and chart a course for the future, which included on-site training for the counseling support staff. We are proud to say our work ensures that older individuals and people with disabilities in the State can continue living in the community while they receive the care that they need at home.

4. TEXAS CLAIMS PROCESSING PROGRAM

Services Provided: ***F/EA services, budget training, call center, reporting, billing and claims processing, financial management services.***

Programs Description:

Palco is the single statewide vendor for a program for youth sponsored by the Texas Department of Family and Protective Services. Palco serves children and families in crisis, coordinating assistance with case workers across the State of Texas and disbursing funds to pay for emergency items and supplies for children being removed from dangerous home situations, often with just the clothes on their backs. We also assist with providing life skills classes for children aging out of foster care.

Palco was given one (1) business day notice to implement this project from scratch. Despite the short timeframe, our staff showed tremendous leadership and worked tirelessly to ensure that the program could become operational immediately. Palco has received much praise from program administrators for our responsiveness throughout the transition and subsequent operations.

5. VETERANS-DIRECTED HCBS PROGRAMS

Services Provided: ***F/EA services, budget training, call center, reporting, billing and claims processing, financial management services***

Programs Description:

In 2009, Palco became F/EA for the country's first U.S. Department of Veterans Affairs-funded VD-HCBS program, implemented by the Central Texas Area Agency on Aging—a program we continue to serve. We've expanded our delivery of F/EA supports for VD-HCBS programs, and we now serve programs in multiple states, including Louisiana, Arkansas, Nevada, and Texas. We not only perform F/EA services and call center support, but we also provide training and technical assistance for support staff. For some programs, including those in San Antonio and Houston, Texas, we provide all medical billing services.

The veterans on these programs have developed a trusting relationship with our customer service agents. Satisfaction surveys distributed to veterans ask participants about the timeliness of payment, ease of timesheet submission, and customer service provided by Palco. Recent surveys indicated 99.75% satisfaction, with the overwhelming majority of respondents giving Palco 100% across the board on customer service, accuracy in payroll processing, and responsiveness.

One participant provides a testimonial in a video used by national organizations, such as the Administration for Community Living and the National Resource Center for Participant-Directed Services, in which she expresses satisfaction at Palco's level of service.[14]

6. MINNESOTA SELF-DIRECTED PROGRAMS

Services Provided: ***F/EA services, skills training, budget training, call center, reporting, billing and claims processing, financial management services***

Programs Description:

Palco is set to begin implementation and transition services in Fall 2017 for three Minnesota self-direction programs serving thousands of individuals who direct their own care. They include both §1915(c) and §1915(k) programs. We will also offer statewide training and support services provided in a classroom, group setting for caregivers all across the state. The topics covered by this training include the independent living model, person-centered planning, and managing caregiver stress and burnout. This project is set to begin in June 2017.

[14] See Mr. Atchinson's story at https://www.youtube.com/watch?v=ggFfNMpt9lc.

7. OTHER SERVICES

Palco has worked with various nonprofits and state governments to deliver home and community-based supports on other programs, including pro tempore or grant-funded programs. Partners continually turn to us to assist in program development and implementation, design systems with quality controls, and deliver financial and training services. In addition, our parent company performed a variety of payroll, accounting, and tax services for hundreds of entities across multiple states for more than 25 years.

3.1.10 Provide a brief description of the length of time vendor has been providing services described in this RFP to the public and/or private sector.

We have been providing services described in this RFP since the late 1990s as a subcontractor for a fiscal employer agent company. In 2003, we formed Palco, Inc. to provide fiscal employer agent duties under our FEIN. We have worked with Nevada programs since 2013.

3.1.11 Financial information and documentation to be included in accordance with *Section 8.5, Part III – Confidential Financial Information*.

3.1.11.1 Dun and Bradstreet Number

837482231

3.1.11.2 Federal Tax Identification Number

05-0578399

3.1.11.3 The last two (2) years and current year interim:

- Profit and Loss Statement
- Balance Statement

Please see the Confidential Financial Information packet for the last two years and current year interim profit and loss statement and balance sheet.

3.2 SUBCONTRACTOR INFORMATION

3.2.1 Does this proposal include the use of subcontractors?

Yes		No	***X***

VII. PROPOSED STAFF RESUMES (ATTACHMENT F)

Palco's staff of professionals is what sets us apart from our competitors. We take the time to recruit the best candidates for each position and invest resources in comprehensive training to provide the best outcomes for our clients. This section highlights our staffing for this project. See Attachment F for our key personnel's resumes. Palco will not use subcontractors for this contract.

Our owners are recognized as tax professionals with the IRS, which guarantees the integrity of our financial systems. Included with this proposal is an organizational chart with lines of supervision.

The Palco team represents the top of their respective fields in finance, law, accounting, customer service, communications, human resources, management, information technology, and process engineering. We encourage collaboration to maximize each team member's unique skillset, a strategy that inspires constant innovation, honest feedback, and successful, person-centered solutions. Palco is committed to providing the best practices in the field of self-direction. Our team has an excellent mix of professional competencies that brings synergy to our operations, as directors collaborate to find the most effective solutions. Our experience has brought us the opportunity to be faced with a variety of unexpected situations. With each experience, we have improved our processes to accommodate new possibilities and make our company the best in our industry.

Palco currently employs just under 100 individuals. To support this program, the following key personnel will be involved:

<u>Chief Executive Officer: Alicia Paladino, CPA, Esq.</u>
Alicia defines Palco's vision of success and ensures that all operations meet the company's mission and objectives. She is responsible for the strategy and overall direction of the company, including offering of new services and adjusting processes to accommodate industry changes. During the implementation phase, Alicia will ensure that Palco meets milestone activities and communicates continually with program administrators to ensure that our work meets their needs. Additionally, she lends her legal and accounting backgrounds to ensure contract and legal compliance in all areas of company functions.

<u>Chief Financial Officer: Larry Paladino, CPA</u>
Larry is responsible for ensuring that all aspects of program operations are fully funded and handled responsibly. He will assist with the development and oversight of the financial and reconciliatory functions of program operations. He oversees the preparation of corporate financial records and tests internal controls over program operations. His team of human resource staff will implement the hiring plan to retain Nevadan resources to accomplish in-person training objectives.

<u>Chief Operating Officer: Mark Biviano</u>
Mark provides the leadership, management, and vision necessary to ensure that the company has the proper operational controls, administrative and reporting procedures, and people

systems in place to effectively grow the organization and to ensure financial strength and operational efficiency. For this program, Mark will ensure that the transition and program implementation plan is followed prior to the operational start date. He will lead internal readiness reviews before the go-live date. During the delivery of services, Mark contributes to the development of overall company direction and directs policies and procedures of daily operations to achieve those objectives.

Director of Financial Operations: Amelia Barnes, CPA
Amelia directs the daily operations of payroll, tax, accounts payable, enrollment, and billing teams. Each arm of her department is staffed by accountants and specialists in each area. Her department performs the core VF/EA tasks described in this proposal, including ensuring all employer federal and state tax reports are filed on time in accordance with state and federal tax laws. Amelia monitors quality metrics to ensure that we are meeting contract and company standards, such as timely payrolls and enrollment of participants and their workers.

Chief Information Officer: Jeff Leis
Jeff oversees the development and integration of new software and technologies to support the services we provide, as well as lend his expertise to ensuring that Palco is at the forefront of technological advances in the health care industry. His department is responsible for maintaining our infrastructure to support our transactions, provide disaster recovery, and protect confidential information.

Director of Customer Support: Carlos Young
Carlos manages the call center and other functions related to client communications. He routinely performs quality assurance measures to monitor our service level, taking care to exceed industry standards for caller hold times, speed-to-answer metrics, and handle/resolution times. His staff performs a variety of activities, such as receiving inbound calls, conducting eligibility pre-screening for applicants interested in program enrollment, placing outbound calls (e.g., responses to voicemails or emails, service delivery monitoring, and quality assurance), and providing support activities like providing materials or mailing forms upon request. Under his leadership, our customer support team has achieved satisfaction levels of nearly 100%.

Medicaid Billing Manager: Don Schultz
Don is responsible for all billing processes and leading his team of billing specialists. He oversees and audits the timesheet collection process and ensures that claims pass all audits and controls to be submitted for billing. His team reconciles payments received against those billed and resubmits claims as necessary. Don frequently audits the process to ensure that we are efficient in our billing processes.

Project Manager: Jon Sweeney
Our Project Managers ensure that any new requirements of your program are properly researched, understood, defined, and implemented. They are also instrumental during the transition period in seeing that milestone activities are achieved. They are responsible for ensuring that our operational departments are at the forefront of the industry, monitoring new developments, such as Electronic Visit Verification.

In addition to our key staff and full-time resources devoted to this project, as described above, we currently devote the following resources to this project as well:

- ***Enrollment Services Manager***
  Our Enrollment Services Manager monitors and oversees the enrollment of participants, employers, and workers. They ensure that paperwork is completed timely and accurately, all required checks are run on workers, and that the employer is properly enrolled with the IRS and Nevada agencies as an employer of record. They are also responsible for establishing accounts for which Palco tax staff will deposit and pay payroll taxes. The Enrollment Services Manager reviews not only paper forms, but those that are completed online, through a series of daily reporting and progress checks.

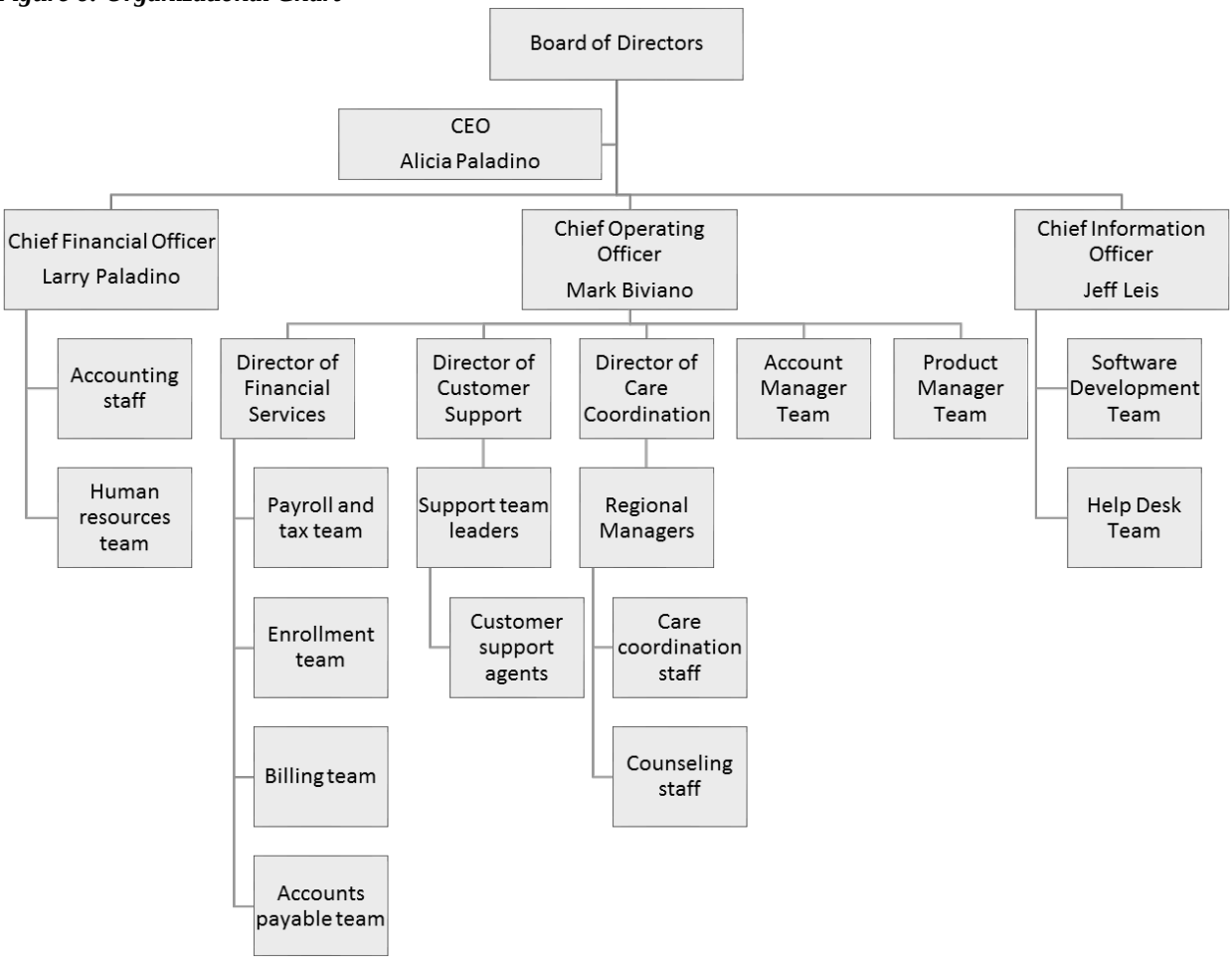
- ***Payroll and Invoice Payment Manager***
  The Payroll and Invoice Payment Manager oversees the entire process from timesheet or payment request submission to actual payment to workers or vendors. They are responsible for monitoring the influx of timesheets and payment requests through the online portal, fax, email, and mail around payday and assigning additional resources, if needed, to meet the submission deadlines. Throughout the submission process, a series of error and variance checks are conducted on the timesheets and payment requests submitted. Any errors are corrected, and a pre-payroll is generated and sent to the quality assurance team for review and checks. Once approved, payments are sent, taxes are filed, and appropriate postings (e.g., payments and journal entries) are made to our general and subsidiary ledgers by the Payroll and Invoice Payment Manager.

- ***Quality Assurance Manager***
  Quality Assurance Managers conduct oversight in our Financial Services division, reviewing random samples of timesheets, payments, and billing each month to ensure accuracy and completeness. They review all payrolls prior to final generation and posting to our ledger. The Quality Assurance Manager also reviews samples of payments to workers, vendors, and tax agencies against enrollment information to ensure that payments were made to properly enrolled individuals. Additionally, they establish internal controls throughout all of our financial and enrollment processes and set up internal monitoring systems to easily review records and transactions on daily, weekly, and monthly bases.

- ***Account Managers***
  Our account managers serve as a single point of contact to specifically meet our clients' needs and be the program's subject matter expert. They perform weekly calls and routine webinars and training for case managers on program operations. They routinely meet with partners, resolving any issues and collaborating to arrive at best practices. Under the account manager's leadership, our customers can expect courteous and responsive customer service, as well as consistent messaging across the board. We will devote one full-time Account Manager with additional support provided by other Account Managers as needed. All Account Managers meet weekly to discuss

their programs, so that the team is cross-trained for all programs. In addition, all contacts are documented in a Customer Relations Management tool so that standby Account Managers can quickly get up to speed on all program operations.

Figure 6: Organizational Chart



PROPOSED STAFF RESUME FOR RFP 3459

A resume must be completed for all proposed prime contractor staff and proposed subcontractor staff.

Company Name Submitting Proposal:	***Palco, Inc***

Check the appropriate box if the proposed individual is prime contractor staff or subcontractor staff.			
Contractor:		**Subcontractor:**	

The following information requested pertains to the individual being proposed for this project.			
Name:	***Alicia Paladino***	**Key Personnel: (Yes/No)**	***Yes***
Individual's Title	***Chief Executive Officer***		
# of Years in Classification:	***4***	**# of Years with Firm:**	***11***

BRIEF SUMMARY OF PROFESSIONAL EXPERIENCE

Information should include a brief summary of the proposed individual's professional experience.

Prior to working at Palco, she provided payroll and bookkeeping services for corporations and nonprofit organizations. While in law school, she specialized in tax and provided pro bono assistance to low-income taxpayers through a legal aid clinic.

She is a member of the American Institute of Certified Public Accountants, the Arkansas Society of Certified Public Accountants, and the Arkansas Bar Association. She is routinely invited to present nationally on self-direction and how such programs are beneficial to governments.

Her experience with legal research and analysis enables Palco to be proactive in accommodating ever-changing tax and labor laws smoothly, without interruption of operations. She periodically tests internal controls over record-keeping and accounting procedures, performs monthly reconciliations to ensure program funds are managed properly, and designs and implements program policies and procedures that comply with HIPAA, contract objectives, and federal and state laws that impact our operations.

RELEVANT EXPERIENCE

Information required should include: timeframe, company name, company location, position title held during the term of the contract/project and details of contract/project.

Alicia is responsible for ensuring compliance with both federal and state tax laws. She is responsible for orchestrating transition of Fiscal/Employer Agents, coordinating meetings with ADSS, and achieving milestone activities. She will play a pivotal role in designing infrastructure that accommodates unlimited program participants without interruptions in operations.

EDUCATION

Information required should include: institution name, city, state, degree and/or Achievement and date completed/received.

Juris Doctorate, December 2009
University of Arkansas, Little Rock, AR

Masters in Business Administration, July 2009
University of Arkansas, Little Rock, AR; Magna Cum Laude

Bachelor of Science in Accounting, May 2006
Louisiana State University, Baton Rouge, LA

CERTIFICATIONS

Information required should include: type of certification and date completed/received.

Admitted to the Arkansas State Bar, April 2010
Certified Public Accountant, May 2011

REFERENCES

A minimum of three (3) references are required, including name, title, organization, phone number, fax number and email address.

Craig Cloud
Director
Arkansas DHS Division of Aging and Adult Services
501.320.6564
craig.cloud@dhs.arkansas.gov

Ardell Ray
Program Director
Texas Child Protective Services
512.834.3353
ardell.ray@dfps.state.tx.us

LeAnn Edwards
Quality Assurance
Arkansas Medicaid
501.771.7688
leann.edwards@dhs.arkansas.gov

PROPOSED STAFF RESUME FOR RFP 3459

A resume must be completed for all proposed prime contractor staff and proposed subcontractor staff.

Company Name Submitting Proposal:	***Palco, Inc***

Check the appropriate box if the proposed individual is prime contractor staff or subcontractor staff.			
Contractor:		**Subcontractor:**	

The following information requested pertains to the individual being proposed for this project.			
Name:	***Larry Paladino***	**Key Personnel: (Yes/No)**	***Yes***
Individual's Title	***Chief Financial Officer***		
# of Years in Classification:	***5***	**# of Years with Firm:**	***14***

BRIEF SUMMARY OF PROFESSIONAL EXPERIENCE

Information should include a brief summary of the proposed individual's professional experience.

Founded Palco in 2003 alongside his CPA firm, which he founded in 1991. Larry is a CPA with nearly forty (40) years of experience in tax, payroll, and public accounting. He has worked closely with self-directed programs and played a pivotal role in the startup of Arkansas HCBS programs. His expertise from the early years of self-direction means that he is one of the most experienced individuals in this industry. Many of the FMS tools and best practices used across the country today originated from the procedures he designed in the work he performed with the nation's first self-directed program.

To maintain professional licensure, he annually completes continuing education in tax and accounting regulations. He has an outstanding reputation in the community and has devoted decades of pro bono accounting assistance to various entities to ensure their financial viability. He has passed on his knowledge and willingness to serve to others within his organization, sustaining his legacy of person-centeredness.

RELEVANT EXPERIENCE

Information required should include: timeframe, company name, company location, position title held during the term of the contract/project and details of contract/project.

Larry has good working relationships with the IRS and state taxing agencies. Having such relationships ensures that we have accurate information and the ability to negotiate changes that would benefit program operations, create greater efficiency, enhance program participants' experience, and represent a cost savings to the state of Nevada.

EDUCATION

Information required should include: institution name, city, state, degree and/or Achievement and date completed/received.

Bachelor of Science in Accounting, 1974
University of Arkansas, Little Rock, AR

CERTIFICATIONS

Information required should include: type of certification and date completed/received.

Certified Public Accountant, 1974

REFERENCES

A minimum of three (3) references are required, including name, title, organization, phone number, fax number and email address.

Reggie Clow, Managing Member
Sharlow Builders, Inc.
1606 Hilldale Road
Alexander, AR 72002
501-268-8000
raclow@sbcglobal.net

Denise Troutman, Principal
North Little Rock Catholic Academy
1518 Parker Street
North Little Rock, AR 72114
501-374-5237
501-374-4292 (fax)
denise.troutman@nlrcatholicacademy.org

Paul Burton, DDS, P.A.
8116 Cantrell,Suite C
LittleRock, AR 72227
501-227-5200
rsburton@hotmail.com

PROPOSED STAFF RESUME FOR RFP 3459

A resume must be completed for all proposed prime contractor staff and proposed subcontractor staff.

Company Name Submitting Proposal:	***Palco, Inc***

Check the appropriate box if the proposed individual is prime contractor staff or subcontractor staff.			
Contractor:		**Subcontractor:**	

The following information requested pertains to the individual being proposed for this project.			
Name:	***Mark Biviano***	**Key Personnel: (Yes/No)**	***Yes***
Individual's Title	***Chief Operating Officer***		
# of Years in Classification:	***1***	**# of Years with Firm:**	***3***

BRIEF SUMMARY OF PROFESSIONAL EXPERIENCE

Information should include a brief summary of the proposed individual's professional experience.

Mark has over 30 years of experience as a partner in a political and business consulting firm and as a Fortune 500 corporate executive with extensive global and international business experience, serving as Vice President of Global Health for both Oracle and SAP. He also served two terms as an Arkansas State Representative to District 46. Mark was the sponsor for groundbreaking legislation in Arkansas that included the Medicaid Private Option, and legislation establishing a not-for-profit state insurance exchange.

Mark served as SAP's Vice President of Global Healthcare Industry Business Unit where he was responsible for industry leadership and management in the development, design, and deployment of health care solutions serving the insurance, provider and government markets. As Oracle's Vice President Healthcare Solutions, he was responsible for the strategic health initiatives including the startup and expansion of the Oracle vertical model to the U.S. Health Market for payers, providers, and government markets. He provided leadership and industry expertise, application functional knowledge, and strategic direction to the Oracle's health care vertical and development groups.

RELEVANT EXPERIENCE

Information required should include: timeframe, company name, company location, position title held during the term of the contract/project and details of contract/project.

Mark's position as COO, provides the leadership, management, and vision necessary to ensure that the company has the proper operational controls, administrative and reporting procedures, and people systems in place to effectively grow the organization and to ensure financial strength and operation efficiency. He accomplishes this through a respectful, constructive, and energetic style guided by the objectives of Palco.

EDUCATION

Information required should include: institution name, city, state, degree and/or Achievement and date completed/received.

Bachelor of Science in Finance, 1981
University of Arkansas, Fayetteville, AR

CERTIFICATIONS

Information required should include: type of certification and date completed/received.

REFERENCES

A minimum of three (3) references are required, including name, title, organization, phone number, fax number and email address.

Craig Cloud
Director
Arkansas DHS Division of Aging and Adult Services
501.320.6564
craig.cloud@dhs.arkansas.gov

Jeremy Gillam
Speaker of the Arkansas House of Representatives
501.940.5757
jeremy@growing45.com

Richard Bearden
Partner
Impact Management
501.607.3791
bearden@impactmanagement.com

PROPOSED STAFF RESUME FOR RFP 3459

A resume must be completed for all proposed prime contractor staff and proposed subcontractor staff.

Company Name Submitting Proposal:	***Palco, Inc***

Check the appropriate box if the proposed individual is prime contractor staff or subcontractor staff.			
Contractor:		**Subcontractor:**	

The following information requested pertains to the individual being proposed for this project.			
Name:	***Amelia Barnes***	**Key Personnel: (Yes/No)**	***Yes***
Individual's Title	***Director of Financial Management Services***		
# of Years in Classification:	***5***	**# of Years with Firm:**	***.5***

BRIEF SUMMARY OF PROFESSIONAL EXPERIENCE

Information should include a brief summary of the proposed individual's professional experience.

Amelia, a Certified Public Accountant, spent four years at a Big 10 Public Accounting firm, focusing on the nonprofit and manufacturing industries. Prior to her time in public accounting, she prepared individual and corporate tax returns and researched tax law. Recently, she was the controller for a large multi-state law firm, where she oversaw all aspects of financial reporting and budgeting for the company and its subsidiaries. Her past experience has equipped her with the tools necessary to maintain and develop processes relevant to enrollment, budgets, and payroll, as well as ensuring all employer federal and state tax reports are filed on time in accordance with state and federal tax laws.

RELEVANT EXPERIENCE

Information required should include: timeframe, company name, company location, position title held during the term of the contract/project and details of contract/project.

Amelia oversees all financial management functions. Her staff completes an assortment of tasks including:

- Billing
- Payroll processing
- Enrolling participants, workers, and vendors
- Completing background checks
- Verifying banking information
- Applying for state and federal tax information for each employer
- Updating client-specific forms to ensure compliance with federal/state laws
- Paying employer taxes
- Filing quarterly tax reports
- Identifying and resolving issues

She works closely with the Account Managers and the Director of Customer Support to ensure processes flow smoothly and are completed within appropriate timelines.

EDUCATION

Information required should include: institution name, city, state, degree and/or Achievement and date completed/received.

Masters in Accounting, 2012
Hendrix College, Conway, AR

Bachelor of Science in Business Administration, 2011
Hendrix College, Conway, AR

CERTIFICATIONS

Information required should include: type of certification and date completed/received.

Certified Public Accountant, 2013

REFERENCES

A minimum of three (3) references are required, including name, title, organization, phone number, fax number and email address.

Kathryn Fountain,
Program Specialist,
Alabama Department of Rehabilitation services
334-293-7011
334-293-7377 (fax)
Kathryne.Fountain@rehab.alabama.gov

Thom Wilson,
Veterans Options Counselor
Central Texas Aging Disability & Veterans Resource Center
254-770-2355
855-937-2373 (fax)
thomas.wilson@ctcog.org

Samantha Jayme
Developmental Specialist IV
Nevada Department of health and Human Services Division
702-486-9280
702-486-7686 (fax)
sjayme@adsd.nv.gov

PROPOSED STAFF RESUME FOR RFP 3459

A resume must be completed for all proposed prime contractor staff and proposed subcontractor staff.

Company Name Submitting Proposal:	***Palco, Inc***

Check the appropriate box if the proposed individual is prime contractor staff or subcontractor staff.			
Contractor:		**Subcontractor:**	

The following information requested pertains to the individual being proposed for this project.			
Name:	***Jeff Leis***	**Key Personnel: (Yes/No)**	***Yes***
Individual's Title	***Chief Information Officer***		
# of Years in Classification:	***3***	**# of Years with Firm:**	***8***

BRIEF SUMMARY OF PROFESSIONAL EXPERIENCE

Information should include a brief summary of the proposed individual's professional experience.

Prior to joining Palco, Jeff worked for several large software companies, where he gained organizational and project management skills, as well as experience in developing health care and financial software. At Palco, he designed and built PalPro, which has increased efficiency and allowed for greater reporting, unlimited data storage, and processing for use in customer service, program operations, and reporting. This software allows for quicker timesheet processing, fast retrieval of documentation, and electronic record-keeping. With our software developer on-site, we have the ability to continuously create and modify a system to completely satisfy our needs.

RELEVANT EXPERIENCE

Information required should include: timeframe, company name, company location, position title held during the term of the contract/project and details of contract/project.

Jeff is responsible for ensuring that hardware is functioning properly to carry out program objectives and that our software meets program requirements. His staff stays current on trends in digital communication and health records. He provides quick resolution through programmatic updates, when tax and labor laws change. He oversees the maintenance of our computer systems and performs database management and web design. His staff performs regular backups and guarantees that networks are safeguarded against information theft from outside sources.

EDUCATION

Information required should include: institution name, city, state, degree and/or Achievement and date completed/received.

Bachelor of Arts in Computer Science, 2007
University of Arkansas, Fayetteville, AR

CERTIFICATIONS

Information required should include: type of certification and date completed/received.

REFERENCES

A minimum of three (3) references are required, including name, title, organization, phone number, fax number and email address.

LeAnn Edwards
Quality Assurance
Arkansas Medicaid
501.771.7688
leann.edwards@dhs.arkansas.gov

Brandon Slobig
Director of Software Development
Palco, Inc.
501.404.3555
brandon@palcofirst.com

JP Boodhoo
CEO
Develop With Passion
403.928.9022
jp@developwithpassion.com

PROPOSED STAFF RESUME FOR RFP 3459

A resume must be completed for all proposed prime contractor staff and proposed subcontractor staff.

Company Name Submitting Proposal:	***Palco, Inc***

Check the appropriate box if the proposed individual is prime contractor staff or subcontractor staff.			
Contractor:		**Subcontractor:**	

The following information requested pertains to the individual being proposed for this project.			
Name:	***Carlos Young***	**Key Personnel: (Yes/No)**	***Yes***
Individual's Title	***Director of Customer Support***		
# of Years in Classification:	***1.5***	**# of Years with Firm:**	***1.5***

BRIEF SUMMARY OF PROFESSIONAL EXPERIENCE

Information should include a brief summary of the proposed individual's professional experience.

Carlos brings his vast experience with call centers for large-scale companies to Palco. He has served as a Customer Service Supervisor at Cardinal Health, where he effectively managed the day-to-day operations within a large call center. Carlos was also a Customer Service Manager for over 5 years with Cingular Wireless, where he developed and implemented individual/team improvement programs.

RELEVANT EXPERIENCE

Information required should include: timeframe, company name, company location, position title held during the term of the contract/project and details of contract/project.

Carlos ensures that all program requirements are met with regards to customer support and has led his team to achieving satisfaction levels of nearly 100%. He routinely performs quality assurance measures to monitor our service level, taking care to exceed industry standards for caller hold times, speed to answer metrics, and handle/resolution times. His staff performs a variety of activities, such as receiving inbound calls, conducting eligibility pre-screening for applicants interested in program enrollment, placing outbound calls (e.g., callbacks, responses to voicemails or emails, service delivery monitoring, quality assurance, etc.), and providing support activities like providing materials or mailing forms upon request.

Carlos oversees our team of Account Managers, who serve as a single point of contact to specifically serve our clients' needs and customer service agents who staff our call center. He also serves as backup support to the Account Managers, routinely meeting with partners, resolving any issues, and collaborating to arrive at best practices. Under his leadership, our customers can expect courteous and responsive customer service, as well as consistent messaging across the board.

EDUCATION

Information required should include: institution name, city, state, degree and/or Achievement and date completed/received.

Bachelor of Arts in Business Management, 2007

CERTIFICATIONS

Information required should include: type of certification and date completed/received.

REFERENCES

A minimum of three (3) references are required, including name, title, organization, phone number, fax number and email address.

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Area Agency on Aging of Central Texas
254-770-2330 X-2359
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VIII. OTHER INFORMATIONAL MATERIAL

Included with this proposal, please find the following Appendices:

Appendix 1 – Table of Contents of Policies & Procedures Manual
Appendix 2 – Confidentiality Agreement
Appendix 3 – PERT
Appendix 4 – FEIN
Appendix 5 – Sample Employer & Employee Packets
Appendix 6 – Sample Expenditure Report
Appendix 7 – Disaster Recovery Plan and Business Continuity Plan
Appendix 8 – Nevada Secretary of State Registration
Appendix 9 – Program Contact Listing

A Business Reference Questionnaire was submitted on behalf of Palco, Inc. from the following individuals:

Craig Cloud
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Kathryne Fountain
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Appendix 1

Table of Contents

SECTION ONE: INTRODUCTION

1.1 What is Participant Direction?
1.2 What is a Vendor FE/A?

SECTION TWO: AUTHORITY

2.1 Medicaid State Plan
2.2 Medicaid Provider Manual
2.3 State Contract
2.4 Federal Tax Law
2.5 State Tax Law
2.6 HIPAA
2.7 Other

SECTION THREE: PROGRAM ELIBILITY

3.1 Benefit Determination
3.2 Budget Authority & Employer Authority

SECTION FOUR: ENROLLMENT

4.1 Referral
4.2 Initial Communication
- 4.2.1 Counselor Assignment
- 4.2.2 Designation of a Representative

4.3 Enrollment Process
- 4.3.1 Enrollment Packets
  - 4.3.1.1 Packet Types
  - 4.3.1.2 Explanation of Tax Forms
  - 4.3.1.3 Packet Follow-Up
- 4.3.2 Key Dates
- 4.3.3. Changes in Information During Enrollment

4.4 Establishing a Support Worker
4.5 Finalizing Enrollment

SAMPLE

SECTION FIVE: ESTABLISHING A CASH ALLOWANCE

5.1 Employer & Budget Authority Overview
5.2 Plans of Care
5.3 Covered Services
    5.3.1. Service Types
        5.3.1.1 Service Hours Authorized
        5.3.1.2 Explanation of Service Hours
        5.3.1.3 Other Goods and Services
    5.3.2. Services Start Date
    5.3.3. Duration of Services
5.2 Employer & Budget Authority Overview

SECTION FOUR: PROGRAM BENEFITS

SECTION SIX: ENROLLMENT

6.1 Rules Regarding Domestic Employers/Employees
    6.1.1. Workers' Compensation
    6.1.2. Employee Work Status of Personal Care Assistants
    6.1.3. Disability Insurance
6.2 Becoming the Agent
6.3 Acquiring Tax Filing Numbers
    6.3.1. Federal Employer Identification Number
    6.3.2. State Withholding Identification Number
    6.3.1. State Unemployment Insurance Identification Number

SECTION 7: PAYROLL & DISBURSEMENT

7.1 Receiving Program Funds
7.2 Processing Timesheets
    7.2.1 Timesheet Format
    7.2.2 Timesheet Requirements
    7.2.3. Timesheet Submission
    7.2.4. Denied Timesheets
    7.2.5 Timesheet Due Dates
    7.2.6 Timesheet Storage and Recordkeeping
    7.2.7. Retrieving Timesheets
7.3 Payroll
    7.3.1. Determining Gross Pay
    7.3.2. Withholdings
        7.3.2.1 Federal Insurance Contributions Act (FICA) and Medicare Tax
        7.3.2.2 Federal Withholding Tax

SAMPLE

7.3.2.3 State Withholding Tax
7.3.2.4 Federal Unemployment Taxes (FUTA)
7.3.2.5 State Unemployment Insurance Tax
7.3.2.6 Earned Income Credit (EIC)
7.3.3. Garnishments
7.4 MMIS Claim Submission
7.4.1 Denied Claims
7.4.2 Refunding Medicaid
7.5 Participant Fund Disbursement
7.6 Vendor Payments
7.7 Primary Method of Payment

SECTION 8: PROGRAM SERVICES

8.1. Employment Verifications
8.2 Unemployment Claims
8.3 Criminal Background Checks
8.4 Customer Service
8.5 Mandatory Reporter & Medicaid Fraud
8.6 Miscellaneous Forms

SECTION 9: CHANGES IN INFORMATION

9.1 Address Changes
9.2 Name Changes
9.3 Representative Changes
9.4 Worker Change
9.5 Change in Status
9.5.1. Status Definitions
9.5.2. Explanation of Active Date
9.5.3. Statuses and Last Day Worked
9.6 Change in Plan of Care
9.6.1. Change in Service Hours
9.6.2. Change in Authorized Budgeted Goods and Services
9.7 Adjustments to Funds
9.8.1. Hospitalization
9.8.2. Hospice Care
9.8.3. Long-Term Care Placement
9.9 Reassessments and Monitoring

SAMPLE

SECTION 10: DISENROLLMENT

10.1 Types of Disenrollment
- 10.1.1. Voluntary Disenrollment
- 10.1.2. Involuntary Disenrollment
- 10.1.3. Loss of Medicaid Eligibility
- 10.1.3. Loss of Eligibility for Personal Assistant Services
- 10.2 Revoking Agent & Tax Filing Numbers

10.3 Refunds
10.4 Closing Case Files

SECTION 11: END-OF-YEAR PROCEDURES

11.1 General Tax Filing
11.2 End-of-Year Tax Filing
11.3 W-2s and Other Annual Reports
11.4 Miscellaneous Rules

SECTION 12: COMMUNICATION

12.1 Email
12.2 Fax & Regular Mail
12.3 Reporting to Interested Parties
- 12.3.1. Reporting to State
- 12.3.2. Reporting to Participants
- 12.3.3. Reporting to Medicaid
- 12.3.4. New Hire Reporting

SECTION 13: CONFIDENTIAL INFORMATION & RECORDKEEPING

13.1 Recordkeeping
- 13.1.1. Case Files
- 13.1.2. Server Structure

13.2 Confidential Information

SECTION 14: DEFINITIONS

SAMPLE

PALCO **Paladino & Co. P.A.**

Privacy and Security Agreement

I understand that Paladino & Company, P.A. (the "Company") and/or its Subsidiary, Palco, Inc. (collectively, the "Companies") for which I work, volunteer, contract or provide services manages health information as part of its ongoing business operations. I understand that the Company or Companies has a legal and ethical responsibility to safeguard the privacy of all individuals to whom it provides services and to protect the confidentiality of their health information. Additionally, the Company or Companies must assure the confidentiality of its human resources, payroll, fiscal, research, proprietary printed materials or software, internal reporting, strategic planning information or any information that contains Social Security numbers, health insurance claim numbers, passwords, PINs, encryption keys, credit card or other financial account numbers (collectively, with service recipients' identifiable health information, "Confidential Information").

In the course of my employment/association with the Company, I understand that I may come into the possession of this type of Confidential Information. I will access and use this information only when it is necessary to perform my job-related duties in accordance with the Company's policies and procedures. I further understand that I must sign and comply with this Agreement in order to obtain authorization for access to Confidential Information or Company systems.

General Rules

1. I will act in the best interest of the Company and in accordance with its policies and procedures at all times during my relationship with the Company.
2. I understand that I should have no expectation of privacy when using company information systems. The Company may log, access, review and otherwise utilize information stored on or passing through its systems, including email, in order to manage systems and enforce security.
3. I understand that violation of this Agreement may result in disciplinary action up to and including termination of employment, suspension, dissolution of contract, loss of privileges and termination of authorization to work within the Company or Companies, in accordance with the Company's policies.

Protecting Confidential Information

4. I will not disclose or discuss any Confidential Information with others, including friends or family, who do not have a need to know it. Even when disclosing information to those who need such for legitimate purposes, I will take necessary precautions to only disclose the minimum amount necessary.
5. I will not take media or documents containing Confidential Information home with me unless specifically authorized to do so as part of my job.
6. I will not publish or disclose any Confidential Information to others using personal email, or to any Internet sites, or through Internet blogs or social media websites such as Facebook or Twitter. I will only use such communication methods when explicitly authorized to do so in support of Company business and within the permitted uses of Confidential Information as governed by regulations such as HIPAA, FMLA, ADA, FERPA, AICPA and the IRS.
7. I will not in any way divulge, copy, release, sell, loan, alter or destroy any Confidential Information except as properly authorized. I will only reuse or destroy media in accordance with Company policies and procedures.

SAMPLE

8. In the course of working with beneficiaries, I may need to orally communicate health information to or about Medicaid beneficiaries, veterans or others utilizing public funding for their health care. While I understand that my first priority is assisting clients, I will take reasonable safeguards to protect conversations from unauthorized listeners. Such safeguards include, but are not limited to, lowering my voice or using private rooms or areas where available.
9. I will not make any unauthorized transmissions, inquiries, modifications or purging of Confidential Information.
10. I will not transmit Confidential Information outside the Company network unless I am specifically authorized to do so as part of my job responsibilities. If I do transmit Confidential Information outside of the Company using email or other electronic communication methods, I will ensure such information is encrypted according to Company policies and procedures.

Following Appropriate Access

11. I will only access or use systems or devices I am officially authorized to access, and will not demonstrate the operation or function of systems or devices to unauthorized individuals, nor will I allow others to borrow or use devices that have been issued to me to perform my duties or other devices used collectively by Company staff.
12. I will only access software systems to review beneficiary information or Company information when I have a business need to know, as well as any necessary consent. By accessing an individual's health information or Company information, I am affirmatively representing to the Company at the time of each access that I have the requisite business need to know and appropriate consent, and the Company may rely on that representation in granting such access to me.
13. I will not register my email as a login to any third party software, portals or websites. If asked to do so by the sender of an email, I will respond to the sender with boilerplate materials provided by the company and report the incident to Palco Information Technology.

Using Portable Devices and Removable Media

14. I will not copy or store Confidential Information on removable media or portable devices such as laptops, personal digital assistant (PDAs), cell phones, CDs, thumb drives, external hard drives, etc., unless specifically required to do so by my job and authorized by the Company Privacy Officer.
15. I understand that any mobile device (Smart phone, PDA, etc.) that synchronizes company data (e.g., Company email) may contain Confidential Information and as a result, must be protected. Because of this, I understand and agree that the Company has the right to:
    a. Require the use of only encryption capable devices.
    b. Prohibit data synchronization to devices that are not encryption capable or do not support the required security controls.
    c. Implement encryption and apply other necessary security controls (such as an access PIN and automatic locking) on any mobile device that synchronizes company data regardless of it being a Company or personally owned devise.
    d. Remotely "wipe" any synchronized device that has been lost, stolen or belongs to a terminated employee or contractor, regardless of whether that device is a personal or Company device.
    e. Restrict access to any mobile application that poses a security risk to the Company network.

SAMPLE

Doing My Part- Personal Security

16. I understand that I will be assigned a unique identifier to track my access and use of Confidential Information and that the identifier is associated with my personal data provided as part of the initial and periodic credentialing and employment or contracting verification processes.
17. I will:
    a. Use only my officially assigned User-ID and password.
    b. Use only approved licensed software.
    c. Use a device with virus protection software as issued and authorized by the Company.
18. I will never:
    a. Disclose passwords, PINs, or access codes.
    b. Use tools or techniques to break/exploit security measures.
    c. Connect unauthorized systems or devices to the Company network.
19. I will practice good workstation security measures even when my workstation changes locations frequently. Such measure include but are not limited to, using screen savers with activated passwords, putting away Confidential Information when not in use, and positioning screens away from public view.
20. I will immediately notify my manager, Director of Software Development or the Technical Help Desk, and the Privacy Officer if:
    a. My password has been seen, disclosed or otherwise compromised;
    b. Media with Confidential Information stored on it has been lost or stolen;
    c. Devices used by me to communicate, transmit, or otherwise handle Confidential Information have been lost, stolen, broken or otherwise become unusable or are experiencing problems or technical difficulties;
    d. I suspect a virus infection on any system;
    e. I am aware of any activity that violates this Agreement, privacy and security policies, or other Company policies; or
    f. I am aware of any other incident that could possibly have any adverse impact on Confidential Information or Company systems, including but not limited to witnessing other staff engaging in any prohibited activity with regard to Confidential Information or abrogating the terms of this Agreement.

Upon Termination

21. I agree that my obligations under this Agreement will continue after termination of my employment, expiration of my contract, or my relationship ceases with the Company or Companies.
22. Upon termination, I will immediately return any documents, media or devices containing Confidential Information to the Company or Companies.
23. I understand I have no right to, or any ownership interest in, any Confidential Information accessed, communicated, transmitted or created by me during and within the scope of my relationship with the Company or Companies.
24. Failure to comply with the provisions of this Agreement pertaining to Confidential Information shall be deemed a breach of this Agreement and a violation of Company policies, as well as applicable federal and state law, and will result in action by the Company against the individual violating this Agreement including, but not limited to, termination, disciplinary and/or legal action against the individual. The provisions of the Agreement pertaining to Confidential Information shall survive termination of the employment relationship or contract or other relationship with the individual and the Company or Companies.

SAMPLE

25. In the event of a breach of any provisions of this Agreement, regardless or whether there is an ongoing relationship with the Company or Companies through employment or contract or anytime thereafter, the employee, contractor or other individual engaging with the Company or Companies shall hold the Company and Companies harmless from any claims, damages, costs and expenses, including reasonable attorney fees, that are incurred by either Company or both Companies, whether the relationship extended to one or both Companies, as a result of the individuals breach of any provisions of this Agreement or similar provisions provided at law.
26. I further agree that the Company or Companies may obtain injunctive or other equitable relief in a court action to restrain further breach of this Agreement or to prevent unauthorized uses or disclosures of confidential information by me.

By signing this document, I acknowledge that I have read this Agreement and I agree to comply with all the terms and conditions stated above.

_____
Printed Name

_____
Signature

_____
Date

SAMPLE

Appendix 3

Program Evaluation and Review Technique (PERT)

ID		Task Mode	Task Name	Duration	Start	Finish	Predecessors	Resource Names	18, M
1			**Phase 1 - Pre-Launch Activities**	**19 days**	**Mon 7/3/17**	**Thu 7/27/17**			
2			Secure physical space capacity and equipment necessary to operate effectively as a VF/EA FMS organization	19 days	**Mon 7/3/17**	**Thu 7/27/17**			
3			Copy of executed administrative Agreement	1 day	Mon 7/3/17	Mon 7/3/17			
4			Establish a regional presence with the capability to conduct in-person meetings	1 day	Tue 7/4/17	Tue 7/4/17			
5			Register with the Secretary of State to conduct business in state	1 day	Tue 7/4/17	Tue 7/4/17	3		
6			Register in with state SIT and SUTA departments	1 day	Wed 7/5/17	Wed 7/5/17	5		
7			Establish Executive Organization File to include contracts, policy manuals, registrations, transition	1 day	Thu 7/6/17	Thu 7/6/17	6		
8			Ensure all current project staff have completed HIPAA Privacy and Security Training and background	1 day	Fri 7/7/17	Fri 7/7/17	7		
9			Recruit, hire and train additional support staff to support the roll out and transition	1 day	Mon 7/10/17	Mon 7/10/17	8		
10			Draft Palco Welcome Letter	2 days	Tue 7/11/17	Wed 7/12/17	9		
11			Draft Common Law Employment Enrollment Packet	2 days	Thu 7/13/17	Fri 7/14/17	10		
12			Draft Worker Employment Packet	2 days	Mon 7/17/17	Tue 7/18/17	11		
13			Draft Vendor Small Unlicensed Provider and Independent Contractor Agreement Packet	2 days	Wed 7/19/17	Thu 7/20/17	12		
14			Draft Communications Plan for F/EA Transition	1 day	Fri 7/21/17	Fri 7/21/17	13		
15			Research state tax and labor laws and forms related to domestic employment and payroll taxes including	2 wks	Mon 7/3/17	Fri 7/14/17			
16			Establish dedicated Account Manager	1 day	Tue 7/4/17	Tue 7/4/17	3		

SAMPLE

ID		Task Mode	Task Name	Duration	Start	Finish	Predecessors	Resource Names	18, M
17			**Phase 2 - Project Implementation Planning**	**2 mons**	**Fri 7/28/17**	**Thu 9/21/17**	**1**		
18			**Task 2.1 - Project Kick-Off**	**25 days**	**Fri 7/28/17**	**Thu 8/31/17**			
19			Organize and attend on-site Kickoff Meeting to identify programmatic goals and core operational guidelines	1 day	Fri 7/28/17	Fri 7/28/17			
20			Review the Work/Implementation Plan to address program launch risk areas, and expectation and reaction of current FEAs	1 day	Mon 7/31/17	Mon 7/31/17			
21			Designate sub-group to develop a Communication plan in regard to F/EA Transition processes and procedures	1 day	Mon 8/1/17	Tue 8/1/17	20		
22			Confirm enrollment cut off date for existing F/EA FMS providers	1 day	Wed 8/2/17	Wed 8/2/17	21		
23			Review FMS Provider Transfer Request/Authorization Form for Batch Transfers	1 day	Thu 8/3/17	Thu 8/3/17	22		
24			Review documents: Employer Enrollment Packet, Worker Employment Packet, vendor forms, misc. forms	1 day	Fri 8/4/17	Fri 8/4/17	23		
25			Provide and review the detailed program transition Plan	1 day	Mon 8/7/17	Mon 8/7/17	24		
26			Establish weekly status meeting schedule	1 day	Fri 7/28/17	Fri 7/28/17			
27			Review customer service policies and procedures (translation and interpreter services; track and report incidents and complaints)	1 day	Tue 8/8/17	Tue 8/8/17	25		
28			Establish primary contact at State, tax entities, MCOs, Medicaid Claim Testing	1 wk	Fri 7/28/17	Thu 8/3/17			
29			Enter into the VF/EA FMS Provider Agreement	1 day	Fri 8/4/17	Fri 8/4/17	28		

SAMPLE

ID		Task Mode	Task Name	Duration	Start	Finish	Predecessors	Resource Names	18, M
30			Obtain quotes from insurance company for workers' compensation policies	1 day	Fri 7/28/17	Fri 7/28/17			
31			Enroll as a Medicaid Provider	1 day	Fri 8/4/17	Fri 8/4/17	28		
32			Establish program/Palco sub-groups and meeting schedule to develop and finalize key documents and operating protocol	1 wk	Fri 7/28/17	Thu 8/3/17			
33			Develop task matrix defining roles and responsibilities of Financial Operations and Customer Service Staff	3 wks	Fri 7/28/17	8/17/17			
34			*Obtain state approvals:*	**1 mon**	**7/28/17**	**Thu 8/24/17**			
35			Programmatic Business Rules and Process Flow (method for referrals, activating enrollment, budgets, reporting, billing, payroll calendar)	day	Fri 7/2 17	Fri 7/28/17			
36			Approval to draft forms and external mate ls	1 day	Fri 7/28/17	Fri 7/28/17			
37			Common law employer orienta and skills training (when applicable)	1	Fri 7/28/17	Fri 7/28/17			
38			Orientation and training to CM/SC a Administrative entitie n the role and responsibilities of the F/ Ms	1 day	Fri 7/28/17	Fri 7/28/17			
39			**Task 2.2 - Customer Service perati Infrastructure Development**	**1 mon**	**Fri 7/28/17**	**Thu 8/24/17**			
40			Establish a ed toll-fre elephone number with voi nail and call queue pabilities and the capacity o track nica ons from any source	1 day	Fri 7/28/17	Fri 7/28/17			
41			Document standard inbo d call verification protocol	1 day	Mon 7/31/17	Mon 7/31/17	40		
42			Configure call queue (e.g. general inquiries, Spanish speaking, after hours VM)	1 day	Tue 8/1/17	Tue 8/1/17	41		

SAMPLE

ID		Task Mode	Task Name	Duration	Start	Finish	Predecessors	Resource Names	18, M
43			Configure automated triaging of common CS calls (e.g. timesheet receipt)	1 day	Wed 8/2/17	Wed 8/2/17	42		
44			Configure IVR systems and call prompts	1 day	Thu 8/3/17	Thu 8/3/17	43		
45			Print any required forms that will be unable to be completed web-based and prepare mailing plan	1 day	Fri 8/4/17	Fri 8/4/17	44		
46			Establish designated Toll Free E-Fax account	1 day	Thu 8/3/17	8/3/17			
47			Establish TDD/TTY line	1 day	Fri 8/4/17	Fri 8/4/	44		
48			Train CSRs on program policies and procedures	3	Fri 8/	8/17/17			
49			Establish relevant email accounts	1 day	Mon 8/7/17	Mon 8/7/17	47		
50			**Task 2.3 - Financial Operational Infrastructure Development**	**2 m**	**Fri 7/28/17**	**Thu 9/21/17**			
51			Create a User ID/Password and register for SIT	1 day	Fri 7/28/17	Fri 7/28/17			
52			Create a User ID/Password and regis for electronic filing	1 day	Fri 7/28/17	Fri 7/28/17			
53			Establish EFTS account ral Tax Dep	1 day	Fri 7/28/17	Fri 7/28/17			
54			Define service invoicing pr edu , incl g schedule, fo nd file sp cations with primary contacts	1 day	Fri 7/28/17	Fri 7/28/17			
55			Train Fi ncial ope Spe lists on program policies d pr ures	1 wk	Fri 7/28/17	Thu 8/3/17			
56			*Bank accounts:*	**1 day**	**Mon 8/7/17**	**Mon 8/7/17**			
61			*Funds management:*	**2 wks**	**Tue 8/8/17**	**Mon 8/21/17**	**56**		

SAMPLE

ID		Task Mode	Task Name	Duration	Start	Finish	Predecessors	Resource Names	18, M
69			**Task 2.4 - IT Systems and Web Portal System Set Up and Configuration**	**2 mons**	**Fri 7/28/17**	**Thu 9/21/17**			
70			Provide oversight and compliance with the IT Development Framework	1 wk	Fri 7/28/17	Thu 8/3/17			
71			Complete registration for MBS	1 wk	Fri 7/28/17	Thu 8/3/17			
72			Complete registration for the EVS system for verifying Medicaid eligibility	2 wks	Fri 7/28/17	Thu 8/10/17			
73			Establish DPW Web Portal in test environment with capacity to track all PDS related data	3 wks	Fri 7/28/17	Thu 8/17/17			
74			Add supporting server file structure for PD program	1 day	Fri 7/28/17	Fri 7/28/17			
75			Configure fax routing program to sort paper-based materials	1 day	Fri 7/28/17	Fri 7/28/17			
76			Configure e-timesheets	1 day	Fri 7/28/17	Thu 8/24/17			
77			Establish User Roles	2 wks	Fri 7/28/17	Thu 8/10/17			
78			Establish Users	2 wks	Fri 7/28/17	Thu 8/10/17			
79			Host walk-through for users on profile pages and checklists	1 day	Fri 7/28/17	Fri 7/28/17			
80			State to sign off on walk-through	1 day	Mon 7/31/17	Mon 7/31/17	79		
81			Configure reporting requirements	1 day	Fri 7/28/17	Fri 7/28/17			
82			*Configure payroll and financial system:*	**2 wks**	**Mon 9/11/17**	**Fri 9/22/17**			
83			Establish Program(s)	1 day	Mon 9/11/17	Mon 9/11/17			
84			Service Matrix Configuration	1 day	Mon 9/11/17	Mon 9/11/17			

SAMPLE

ID		Task Mode	Task Name	Duration	Start	Finish	Predecessors	Resource Names	18, M
85			Establish projects for participants and EOR-EE relationships	1 day	Mon 9/11/17	Mon 9/11/17			
86			Pay Controls Configuration	1 day	Mon 9/11/17	Mon 9/11/17			
87			Configure Pay Rates thresholds in accordance with PA specific wage and hour requirements	1 day	Mon 9/11/17	Mon 9/11/17			
88			Configure Taxes and Brackets for all federal, state and locality taxes including thresholds	1 day	Mon 9/11/17	Mon 9/11/17			
89			Configure Timesheet/Invoice program rules	1 day	Mon 9/11/17	Mon 9/11/17			
90			Establish ongoing import and integration features	1 day	Mon 9/11/17	Mon 9/11/17			
91			Set up appropriate states for tax filing purposes and include any local taxes	1 day	Mon 9/11/17	Mon 9/11/17			
92			Make any necessary modifications to General Ledger Chart of Accounts	1 day	Mon 9/11/17	Mon 9/11/17			
93			Configure Service Invoice	1 day	Mon 9/11/17	Mon 9/11/17			
94			Configure Admin Invoice	1 day	Mon 9/11/17	Mon 9/11/17			
95			*Configure systems in weekly*	**1 mon**	**Mon 8/7/17**	**Fri 9/1/17**			
96			Upload billing codes	1 day	Mon 8/7/17	Mon 8/7/17			
97			Configure Participant Profile Page to include all required demographics and Care/Case Service Coordinator info	1 day	Mon 8/7/17	Mon 8/7/17			
98			Configure Common Law Employer Checklist and Packet (to include all required federal and state tax form requirements)	1 day	Mon 8/7/17	Mon 8/7/17			
99			Setup pre-populated Common Law Employer federal and state tax forms for state enrollment	1 day	Mon 8/7/17	Mon 8/7/17			

SAMPLE

ID		Task Mode	Task Name	Duration	Start	Finish	Predecessors	Resource Names	18, M
100			Configure Worker Profile and Packet (to include W-4 withholding fields, CBC Status, I-9 and other required employee required data)	1 day	Mon 8/7/17	Mon 8/7/17			
101			Configure Vendor and Independent Contractor Profile (to include FEIN)	1 day	Mon 8/7/17	Mon 8/7/17			
102			Configure the Common Law Employer-Employee Checklist	1 day	Mon 8/7/17	Mon 8/7/17			
103			Configure Web Portal "Good To Go" and "Good to Serve" logic for Common Law Employers and DCWs/Vendors/Small Unlicensed Contractors	1 day	Mon 8/7/17	Mon 8/7/17			
104			Configure Support Tickets (to include categories and sub-categories for incident tracking)	1 day	Mon 8/7/17	Mon 8/7/17			
105			Configure Budget Period structure and intervals	1 day	Mon 8/7/17	Mon 8/7/17			
106			Configure Individual Service/Spending Plan Authorization Module	1 day	Mon 8/7/17	Mon 8/7/17			
107			Configure Spending Plan Limits/Caps	1 day	Mon 8/7/17	Mon 8/7/17			
108			Establish payroll calendar and including weekly interval for overtime purposes	1 day	Mon 8/7/17	Mon 8/7/17			
109			*Configure reporting in web portal:*	**1 mon**	**Tue 8/1/17**	**Mon 8/28/17**			
110			Monthly, quarterly, annual expenditure reports	1 day	Tue 8/1/17	Tue 8/1/17			
111			Ad hoc report generation process and training	1 day	Wed 8/2/17	Wed 8/2/17	110		
112			Various demographic reports (active employer mailing, change of DOR, demographic info change, change in reps, EE change, relationships, etc.) on individual and macro levels	1 day	Thu 8/3/17	Thu 8/3/17	111		

SAMPLE

ID		Task Mode	Task Name	Duration	Start	Finish	Predecessors	Resource Names	18, M
113			Enrollment reports with statistics, missing info, effective dates, etc.	1 day	Fri 8/4/17	Fri 8/4/17	112		
114			Utilization reports (claims charged by amount and service code with detail) with accrued balances on individual and macro levels	1 day	Mon 8/7/17	Mon 8/7/17	113		
115			Spending reports	1 day	Tue 8/8/17	Tue 8/8/17	114		
116			Accounting reports (A/R, A/P, GL)	1 day	Wed 8/9/17	Wed 8/9/17	115		
117			Timesheet reports based on portal activity and claims requested	1 day	Thu 8/10/17	Thu 8/10/17	116		
118			Payroll summary reports	1 day	Fri 8/11/17	Fri 8/11/17	117		
119			Plan activity with expiration date and support for fair hearings and info requests	1 day	Mon 8/14/17	Mon 8/14/17	118		
120			Denied claims and adjustments report with claim number/TCN, amount, denial code, with final total for each COE category	1 day	Tue 8/15/17	Tue 8/15/17	119		
121			Participant transfer and eligibility status	1 day	Wed 8/16/17	Wed 8/16/17	120		
122			Charges and billing reports (batch denials, budget denials, etc.)	1 day	Thu 8/17/17	Thu 8/17/17	121		
123			User access reports	1 day	Fri 8/18/17	Fri 8/18/17	122		
124			**Task 2.5 - Initiate Transition Enrollment Activities & Communication Plan**	**1 mon**	**Mon 8/21/17**	**Fri 9/15/17**			
125			Obtain Case Manager/Service Coordinator contact information for trainings	1 day	Mon 8/21/17	Mon 8/21/17			
126			Distribute Training schedule and obtain locations/equipment for Palco Orientation and training to CM/SC and Admin entities	1 wk	Tue 8/22/17	Mon 8/28/17	125		
127			Initiate Palco Customer Service Line	1 day?	Mon 8/21/17	Mon 8/21/17			

SAMPLE

ID		Task Mode	Task Name	Duration	Start	Finish	Predecessors	Resource Names	18, M
128			Confirm paper-based timesheet format (and instructions)	1 day?	Mon 8/21/17	Mon 8/21/17			
129			Develop orientation and training to CM/SC and Administrative entities	1 day?	Tue 8/22/17	Tue 8/22/17	128		
130			Develop Common Law Employer Orientation and Skills Training materials	1 day?	Mon 8/21/17	Mon 8/21/1			
131			Distribute Enrollment Session schedule and obtain locations/equipment for newly enrolling Participants	1 wk	Tue 8/29/1	Mo 9/4/17	12		
132			Initiate Communication plan to individuals, Care Managers/Service Coordinators, FEAs in regard to F/EA Transition processes and procedures	2 wks	Mon 1/17	Fri 9/1			
133			Post welcome information on social media and website	1 day	Mon 9/4/	Mon 9/4/17	132		
134			Launch a program-specific website subpage program	1 d	Mon 8/21/17	Mon 8/21/17			
135			Review written internal controls to monitor the accuracy of the website materials	day	Mon 8/21/17	Mon 8/21/17			
136			Distribute F/EA transition policies, p ed and timeline for participant, EOR, worker a provid information submission F/EA on state erhead	1 day	Mon 8/21/17	Mon 8/21/17			
137			Palco to distribute Welco Letter roduction to Palco services (copies to to current FEAs)	1 day	Mon 8/21/17	Mon 8/21/17			
138			Palco to tribute communic on to CM/SC pertaini to prot onv ing service authoriz Palco wi appropriate start dates on state letterhead	1 day	Mon 8/21/17	Mon 8/21/17			
139			Define current F/EA pa il period drop dead date and Palco pay period Start Date (Ensure pay cycles are not overlapping work dates between F/EAs)	1 day	Mon 8/21/17	Mon 8/21/17			

SAMPLE

ID		Task Mode	Task Name	Duration	Start	Finish	Predecessors	Resource Names	18, M
140			Palco to distribute FMA Provider Transfer Request/Authorization Form for Batch Transfers to current F/EA providers (to include submission deadline)	1 day	Mon 8/21/17	Mon 8/21/17			
141			Establish policy and procedure for timesheets submitted past the current FEA drop dead date (to include reimbursement method for old TS and PRFs)	1 day	Mon 8/21/17	Mon 8/21/17			
142			Review program manual and handbooks provided and draft revisions for state approval	1 day	Mon 8/21/17	Mon 8/21/17			
143			*State approvals:*	**1 day**	**Fri 7/28/17**	**Fri 7/28/17**	**142**		
144			Payroll calendar	1 day	Fri 7/28/17	Fri 7/28/17			
145			Paper-based timesheet and instructions	1 day	Fri 7/28/17	Fri 7/28/17			
146			All packets and forms	1 day	Fri 7/28/17	Fri 7/28/17			
147			Orientation and training to CM and Admin entities	1 day	Fri 7/28/17	Fri 7/28/17			
148			Common Law Employer Orientation and Skills Training Materials	1 day	Fri 7/28/17	Fri 7/28/17			
149			**Task 2.6 - Internal Readiness Review**	**1 wk**	**Mon 9/25/17**	**Fri 9/29/17**			
150			Timeframe for preparing enrollment and employment packets and distributing them to new and current individuals and representatives	1 wk	Mon 9/25/17	Fri 9/29/17			
151			Modification to a current call center	5 days	Mon 9/25/17	Fri 9/29/17			
152			Modification to current website	5 days	Mon 9/25/17	Fri 9/29/17			
153			Test payroll system state tax reporting and new hire reporting	5 days	Mon 9/25/17	Fri 9/29/17			

SAMPLE

ID		Task Mode	Task Name	Duration	Start	Finish	Predecessors	Resource Names	18, M
154			Current database modification to meet all requirements of this contract	5 days	Mon 9/25/17	Fri 9/29/17			
155			Recommended modifications to the current processes used by the program	5 days	Mon 9/25/17	Fri 9/29/17			
156			Timeframe for computer networks to be installed and tested	5 days	Mon 9/25/17	Fri 9/29/17			
157			Timeframe for Medicaid billing systems to be implemented and tested	5 days	Mon 9/25/17	Fri 9/29/17			
158			Timeframe for Reporting system and reports to be tested and validated	5 days	Mon 9/25/17	Fri 9/29/17			
159			Develop a quality management system to monitor the requirements of contract	5 days	Mon 9/25/17	Fri 9/29/17			
160			Review Reporting Requirements and Specifications with the program	5 days	Mon 9/25/17	Fri 9/29/17			
161			Receive approval from the program Administrator on report formats	5 days	Mon 9/25/17	Fri 9/29/17			
162			Test Disaster Recovery Plan; include schedule and resources	5 days	Mon 9/25/17	Fri 9/29/17			
163			Review the contingency plan for operations during an emergency situation	5 days	Mon 9/25/17	Fri 9/29/17			
164			Review staff recruitment and training process timeline	5 days	Mon 9/25/17	Fri 9/29/17			
165			Draft Business Rules and Process Flow Document	5 days	Mon 9/25/17	Fri 9/29/17			
166			Revise and finalize Palco VF/MMIS Organizational Policy and Procedures Manual for the state	5 days	Mon 9/25/17	Fri 9/29/17			
167			Present a plan Palco will take to establish, capture, document, evaluate and report on core performance metrics relative to the agreement	5 days	Mon 9/25/17	Fri 9/29/17			
168			Ensure capacity to provide materials in alternate print and languages	5 days	Mon 9/25/17	Fri 9/29/17			

SAMPLE

ID		Task Mode	Task Name	Duration	Start	Finish	Predecessors	Resource Names	18, M
169			Timeframe for enrolling existing common law employers	5 days	Mon 9/25/17	Fri 9/29/17			
170			Demonstrate all outstanding issues have been addressed	5 days	Mon 9/25/17	Fri 9/29/17			
171			Host regular status meetings with the OLTL/PDA/ODP Readiness Review Team	5 days	Mon 9/25/17	Fri 9/29/17			
172			Prepare and submit a Corrective Action Plan (if applicable)	5 days	Mon 9/25/17	Fri 9/29/17			
173			Activate call center	5 days	Mon 9/25/17	Fri 9/29/17			
174			*State approvals:*	**1 day**	**Mon 9/25/17**	**Mon 9/25/17**			
175			Welcome letter, packets, communication plan for F/EA transition	1 day	Mon 9/25/17	Mon 9/25/17			
176			Business rules and process flow	1 day	Mon 9/25/17	Mon 9/25/17			
177			Organizational Policy and Procedures Manual	1 day	Mon 9/25/17	Mon 9/25/17			
178			Training plans for all parties	1 day	Mon 9/25/17	Mon 9/25/17			
179			**Phase 3 - Initiate Enrollment Activities**	**4 mons**	**Mon 8/7/17**	**Fri 11/24/17**	**149**		
180			**Task 3.1 - Training**	**1 wk**	**Mon 8/7/17**	**Fri 8/11/17**			
181			Conduct training orientation for Care Managers/Service Coordinators and admin entities in regard to Palco S and the F/EA Transition processes and procedures	5 days	Mon 8/7/17	Fri 8/11/17			
182			Conduct trainings for Care Managers/Service Coordinators and admin entities on the Web Portal	5 days	Mon 8/7/17	Fri 8/11/17			
183			Provide Enrollment sessions and Common Law Employer orientation for newly enrolling participants	5 days	Mon 8/7/17	Fri 8/11/17			

SAMPLE

ID		Task Mode	Task Name	Duration	Start	Finish	Predecessors	Resource Names	18, M
184			Provide additional support through CS, Web-Ex trainings and conference calls	5 days	Mon 8/7/17	Fri 8/11/17			
185			System training tutorials for entering TS, PRF, Mile, and participant budget	5 days	Mon 8/7/17	Fri 8/11/17			
186			New manuals created with any system changes, upgrades, and/or enhancements	5 days	Mon 8/7/17	Fri 8/11/17			
187			Provide online training video and materials on website	5 days	Mon 8/7/17	Fri 8/11/17			
188			**Task 3.2 - Data Conversion and Testing**	**6 wks**	**Mon 8/14/17**	**Fri 9/22/17**	**180**		
189			Receive Updated Authorization in electronic format with new service date to coincide with first pay period start date	2 wks	Tue 8/15/17	Mon 8/28/17	190		
190			Provide previous vendors with data points and documents required for transition, including testing formats and deadlines	1 day	Mon 8/14/17	Mon 8/14/17			
191			Obtain state sign-off on data provided by previous vendors	1 wk	Mon 8/14/17	Fri 8/18/17			
192			Quality checks on requested demographic and budget data, historical information, documents, and approvals	1 wk	Tue 8/29/17	Mon 9/4/17	189		
193			Implement final date for enrollments in previous vendor and first date of enrollment to Palco	1 day	Mon 8/14/17	Mon 8/14/17			
194			Receive historical payroll data (including dates of pay) and tax reports if bifurcate tax year	2 wks	Tue 8/15/17	Mon 8/28/17	190		
195			Prepare and test import files and required data to Palco system	2 wks	Tue 8/29/17	Mon 9/11/17	194		
196			Receive and import demographic files for participants, EORs, workers, vendors, providers, etc.	2 wks	Mon 8/14/17	Fri 8/25/17			
197			Online electronic application request with electronic signature for access to system	1 day	Mon 8/14/17	Mon 8/14/17			
198			Receive and import budget files	2 wks	Mon 8/14/17	Fri 8/25/17			

SAMPLE

ID		Task Mode	Task Name	Duration	Start	Finish	Predecessors	Resource Names	18, M
199			Ensure pre-population on web-based enrollment information	1 day	Mon 8/14/17	Mon 8/14/17			
200			Test reporting procedures as they relate to programmatic rules	2 wks	Tue 9/12/17	Mo[illegible] 9/[illegible]5/17	195		
201			Test budget setup for periods and business rules	3 days	Mon 8/14/17	Wed 8/16/1[illegible]			
202			**Task 3.3 - Enrollment Processing of Transitioning Common Law Employers**	**4 mons**	**Mon 8/7/1[illegible]**	**Fri [illegible]/24/17**			
203			Create a Participant file to maintain all transitioning common law employer tax and programmatic enrollment documentation	80 days	Mon 8/7/17	Fri [illegible]/24/[illegible]			
204			Work with current F/EA to ensure the timely submission of Participant Demographics information per defined transition protocol and documentation requirements	80 [illegible]ys	Mo[illegible]/7/17	[illegible] 11/24/17			
205			Complete IRS Form 8822 process as appropr[illegible] retain copy in file, and update residency Certification form with the new PSD Code	80 [illegible]s	Mon 8/7/17	Fri 11/24/17			
206			Receive copy of the IRS Notice CP [illegible] G, Assignm[illegible]nt of Employer Identification Numbe[illegible]	80 [illegible]ys	Mon 8/7/17	Fri 11/24/17			
207			Submit a new Form 8821 Tax Informa[illegible] Authorization	80 days	Mon 8/7/17	Fri 11/24/17			
208			Submit new agent appo[illegible]me[illegible] IRS Form [illegible]78, Agent/Payer Authorizatio[illegible] for the [illegible]red consumer	80 days	Mon 8/7/17	Fri 11/24/17			
209			Receive inf[illegible]n related [illegible] participant's state income t[illegible] withholding accou[illegible]s	80 days	Mon 8/7/17	Fri 11/24/17			
210			Receive [illegible]formati[illegible] relat[illegible]d to [illegible]rticipant's state unemploy[illegible] tax withho[illegible]ing accounts	80 days	Mon 8/7/17	Fri 11/24/17			
211			Receive and maintain pa[illegible]cipants individual Service Plans (HCSIS/SA[illegible]) [illegible] Spending Plans (CM/SC for OLTL and PDA)	80 days	Mon 8/7/17	Fri 11/24/17			

SAMPLE

ID		Task Mode	Task Name	Duration	Start	Finish	Predecessors	Resource Names	18, M
212			Distribute common law employer enrollment packets to include pre-populated IRS forms SS-4; 2678;2848;8821; state forms	80 days	Mon 8/7/17	Fri 11/24/17			
213			Submit executed IRS Form 2678 to establish Palco as the Agent of the common law employer to withhold and file employer and employee taxes	80 days	Mon 8/7/17	Fri 11/24/17			
214			Submit executed IRS Form 2848 to establish limited power of attorney for Palco to sign quarterly and annual tax withholdings reports	80 days	Mon 8/7/17	Fri 11/24/17			
215			Submit executed IRS Form 8821 to allow Palco to discuss the common law employer withholding account with the IRS and sign employer tax reports	80 days	Mon 8/7/17	Fri 11/24/17			
216			Obtain executed state forms from each common law employer	80 days	Mon 8/7/17	Fri 11/24/17			
217			Register common law employers for SUTA taxes and maintain the state Employer Account ID in the common law employer file	80 days	Mon 8/7/17	Fri 11/24/17			
218			Obtain an Employer Withholding Account ID for SUTA purposes	80 days	Mon 8/7/17	Fri 11/24/17			
219			Establish and maintain a file for each common law employer to maintain all tax related/enrollment documentation	80 days	Mon 8/7/17	Fri 11/24/17			
220			Record Participant's Individual Service & Spending Plan information in the Web Portal	80 days	Mon 8/7/17	Fri 11/24/17			
221			Submit newly enrolled common law employers information to Palco WC Vendor to initiate national group policy coverage	80 days	Mon 8/7/17	Fri 11/24/17			
222			Create folder structure, add new participants to necessary case folder structure on server and ensure new files are being created from new enrollments	80 days	Mon 8/7/17	Fri 11/24/17			
223			*Transition existing workers compensation policies to the Palco group policy by taking the following actions:*	*80 days*	*Mon 8/7/17*	*Fri 11/24/17*			

SAMPLE

ID		Task Mode	Task Name	Duration	Start	Finish	Predecessors	Resource Names	18, M
224			Palco will create a policy cancellation document that will be signed by the common law employer and the Palco POA	80 days	Mon 8/7/17	Fri 11/24/17			
225			Palco will submit cancellation documentation to the current insurance provider and process premium refunds	80 days	Mon 8/7/17	Fri 11/24/17			
226			Palco will place refunds into a WC refund account for the client to cover premium payments the new policy	80 days	Mon 8/7/17	Fri 11/24/17			
227			**Task 3.4 - Enrollment Processing of Transitioning Workers and Vendors**	**4 mons**	**Mon 8/7/17**	**Fri 11/24/17**			
228			Create a transitioning DCW, Vendor, SUP and IC file to maintain all tax related/enrollment documentation	80 days	Mon 8/7/17	Fri 11/24/17			
229			Current FMS provides Palco with DCW/IC/AG/SUP demographics (to include unique identifier)	80 days	Mon 8/7/17	Fri 11/24/17			
230			Receive DCW documentation and data per defined FE/A transition process and	80 days	Mon 8/7/17	Fri 11/24/17			
231			Receive confirmation that DCWs reported to New Hire reporting agency	80 days	Mon 8/7/17	Fri 11/24/17			
232			Record DCW filing status and exemptions in the Palco Web Portal	80 days	Mon 8/7/17	Fri 11/24/17			
233			Receive DCW{s) holds, garnishments and tax levy state documentation {if applicable)	80 days	Mon 8/7/17	Fri 11/24/17			
234			Verify accuracy and keep W9s in the Vendors/Contractors files	80 days	Mon 8/7/17	Fri 11/24/17			
235			Obtain missing TINs directly from Contractors	80 days	Mon 8/7/17	Fri 11/24/17			
236			Establish a file for each DCW, Vendor, Small Unlicensed Provider and Independent Contractor file to maintain tax related/enrollment documentation	80 days	Mon 8/7/17	Fri 11/24/17			

SAMPLE

ID		Task Mode	Task Name	Duration	Start	Finish	Predecessors	Resource Names	18, M
237			Ensure DCWs meet defined programmatic requirements to establish a Good to Serve status prior to providing services	80 days	Mon 8/7/17	Fri 11/24/17			
238			Maintain copies of judgments, garnishments, tax levies, and other related hold documentation in qualified DCWs file	80 days	Mon 8/7/17	Fri 11/24/17			
239			**Task 3.5 - Communication Plan Engagement**	**3 mons**	**Mon 10/2/17**	**Fri 12/22/17**			
240			Post information pertaining to the Payment Processing Transition on Palco Website	3 mins	Mon 10/2/17	Mon 10/2/17			
241			Distribute first notification to EORs, workers, vendors in various formats including payroll schedule, cutoffs, etc. (include outstanding TS process)	1 day	Mon 10/2/17	Mon 10/2/17			
242			Distribute second notification to EORs, workers, vendors in various formats including payroll schedule, cutoffs, etc. (include outstanding TS process)	1 day	Wed 11/1/17	Wed 11/1/17			
243			Exchange information regarding pending timesheets/invoices with previous [illegible] and sta	1 mon	Mon 10/2/17	Fri 10/27/17			
244			**Task 3.6 - Billing Procedures**	**4 wks**	**Mon 10/2/17**	**Fri 10/27/17**			
245			Generate 837 claim files with billable rates not to exceed negotiated service rates (calculated billable rates derived from established wage/service rate ranges)	1 wk	Mon 10/2/17	Fri 10/6/17			
246			Verify that 837 claim file billable rates account for and are adjusted for OT/SUTA thresholds	1 wk	Mon 10/9/17	Fri 10/13/17	245		
247			Receive Medical Assistance Reimbursements and reconcile 835 remittance with 837 claims file based on hours of services billed and paid	1 wk	Mon 10/16/17	Fri 10/20/17	246		
248			**Phase 4 - Systems Testing and Final Web Portal Configuration**	**3 mons**	**Mon 8/28/17**	**Fri 11/17/17**			
249			Develop User Acceptance Testing (UAT) plan	1 wk	Mon 8/28/17	Fri 9/1/17			

SAMPLE

ID		Task Mode	Task Name	Duration	Start	Finish	Predecessors	Resource Names	18, M
250			Define and test user (and group) roles, access, and authorization credentials and privileges	3 wks	Mon 8/28/17	Fri 9/15/17			
251			Develop additional data capture user and system interfaces	15 days	Mon 8/28/17	Fri 9/15/17			
252			Provide application environments and interfaces	15 days	Mon 8/28/17	Fri 9/15/17			
253			Time entry configuration to include mileage and PRFs, OT calculations, rejections and approvals, budget amounts	15 days	Mon 8/28/17	Fri 9/15/17			
254			Test workflow and triggered alerts	15 days	Mon 8/28/17	Fri 9/15/17			
255			Notification system (expiring budgets, over-utilization, approvals, statuses, changes and modifications, etc.) with history and dates	15 days	Mon 8/28/17	Fri 9/15/17			
256			Automatic password expiration controls and user notifications	15 days	Mon 8/28/17	Fri 9/15/17			
257			Provide the program Administrator with a Relationship Diagram for the facilitation of ad hoc reporting	15 days	Mon 8/28/17	Fri 9/15/17			
258			Test HIPAA and 508 compliance	15 days	Mon 8/28/17	Fri 9/15/17			
259			Promote Web Portal to production to support Enrollment Activities	15 days	Mon 8/28/17	Fri 9/15/17			
260			Test Remaining Portal Functionality (Notifications, timesheets, invoices)	15 days	Mon 8/28/17	Fri 9/15/17			
261			*Test Enrollment Processing:*	**2 wks**	**Mon 8/28/17**	**Fri 9/8/17**			
262			Complete packet online	10 days	Mon 8/28/17	Fri 9/8/17			
263			Print pre-populated packets	10 days	Mon 8/28/17	Fri 9/8/17			
264			Changes to demographic or other important information, including termination information	10 days	Mon 8/28/17	Fri 9/8/17			

SAMPLE

ID		Task Mode	Task Name	Duration	Start	Finish	Predecessors	Resource Names	18, M
265			Electronic signatures	10 days	Mon 8/28/17	Fri 9/8/17			
266			*Test Payroll Processing:*	**1 mon**	**Mon 10/16/17**	**Fri 11/10/17**			
267			Ensure Federal tax exemptions are accurate based on Circular E tax brackets	30 days	Mon 10/16/17	Fri 11/24/17			
268			Ensure State tax exemptions are accurate based on State income tax withholding	30 days	Mon 10/16/17	Fri 11/24/17			
269			Ensure Federal, State and FICA tax exempt status is functional	30 days	Mon 10/16/17	Fri 11/24/17			
270			Ensure FUTA withholding is calculated at appropriate percentage	30 days	Mon 10/16/17	Fri 11/24/17			
271			Ensure SUTA withholdings are accurate based on experience rating	30 days	Mon 10/16/17	Fri 11/24/17			
272			Ensure Social Security taxes are not calculated above threshold	30 days	Mon 10/16/17	Fri 11/24/17			
273			Run test payroll for paper checks	30 days	Mon 10/16/17	Fri 11/24/17			
274			Run test payroll for EFTs	30 days	Mon 10/16/17	Fri 11/24/17			
275			Test voiding and reissuing checks	30 days	Mon 10/16/17	Fri 11/24/17			
276			*Test Billing and MMIS Interface:*	**1 mon**	**Mon 11/13/17**	**Fri 12/8/17**	**266**		
277			Participant eligibility validation	30 days	Mon 11/13/17	Fri 12/22/17			
278			Produce ANSI 837 claims and adjustments	30 days	Mon 11/13/17	Fri 12/22/17			
279			Receive, edit, and integrate participant eligibility files	30 days	Mon 11/13/17	Fri 12/22/17			
280			Receive 835 files	30 days	Mon 11/13/17	Fri 12/22/17			

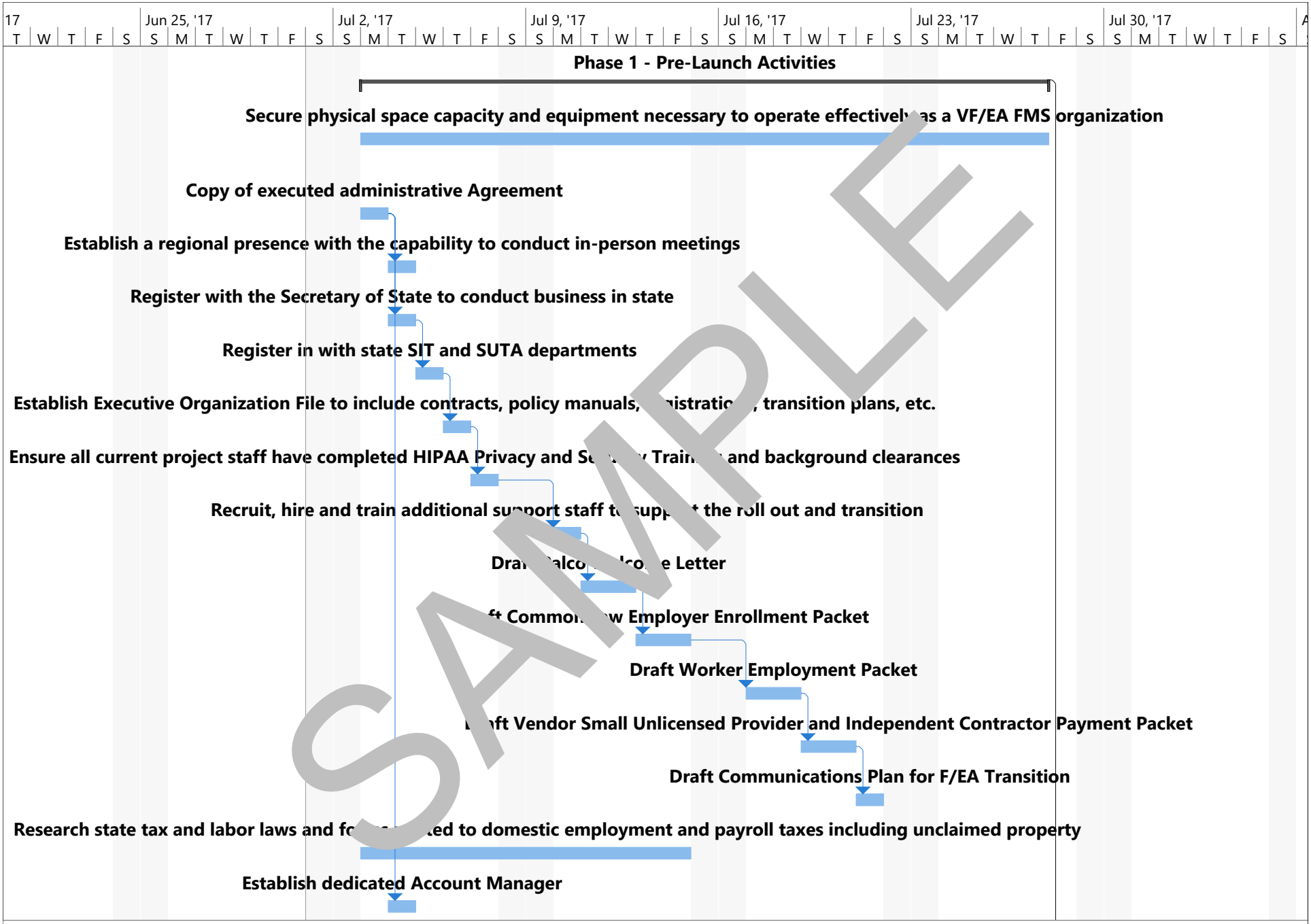
SAMPLE

ID		Task Mode	Task Name	Duration	Start	Finish	Predecessors	Resource Names	18, M
281			Perform quality assurance and testing for each MMIS claims adjudication process	30 days	Mon 11/13/17	Fri 12/22/17			
282			Configure 837 and 835 for MCO	30 days	Mon 11/13/17	Fri 12/22/17			
283			Provide 835 internal Record Layout (IRL) in compliance with CAQH CORE Operating Rule 370 for EFT/ERA re-association	30 days	Mon 11/13/17	Fri 12/22/17			
284			Segments and secures each MCO configuration and operating environment from one another	30 days	Mon 11/13/17	Fri 12/22/17			
285			Creation of compliant X12 835 for only those invoice providers receiving payment via ACH	30 days	Mon 11/13/17	Fri 12/22/17			
286			*Test Service and Support Plans and Budgets:*	**1 month**	**Mon 11/13/17**	**Fri 12/8/17**			
287			Expenditure tracking and reporting, including over-utilization	30 days	Mon 11/13/17	Fri 12/22/17			
288			Configure workflows to support budget approval controls, approvals, denials, and pending statuses	30 days	Mon 11/13/17	Fri 12/22/17			
289			Modifications and changes	30 days	Mon 11/13/17	Fri 12/22/17			
290			**Phase 5 - Program Management**	**783 days**	**Tue 1/2/18**	**Thu 12/31/20**			
291			Commence ongoing F/EA activities	783 days	Tue 1/2/18	Thu 12/31/20			
292			Ensure designated program staff coordinate and effectively communicate with MSC Organizations and programs as necessary	783 days	Tue 1/2/18	Thu 12/31/20			
293			Abide by the program's specific regulations and requirements concerning confidentiality of information and HIPAA Business Associate Language provided by	783 days	Tue 1/2/18	Thu 12/31/20			
294			Comply with applicable federal and state laws, regulations, and rules regarding the security and confidentiality of information individuals receiving Medicaid waiver	783 days	Tue 1/2/18	Thu 12/31/20			

SAMPLE

ID		Task Mode	Task Name	Duration	Start	Finish	Predecessors	Resource Names	18, M
295			Conduct regular Steering Committee Meetings and manage the execution of all resulting action items and deliverables	783 days	Tue 1/2/18	Thu 12/31/20			
296			Establish and review internal performance standards to evaluate effectiveness & efficiency of operations	783 days	Tue 1/2/18	Th 12/31/20			
297			Maintain business licensure and provider registrations	783 days	Tue 1/2/	Thu 12/ 20			

SAMPLE


Jun 25, '17
Jul 2, '17
Jul 9, '17
Jul 16, '17
Jul 23, '17
Jul 30, '17
Phase 1 - Pre-Launch Activities
Secure physical space capacity and equipment necessary to operate effectively as a VF/EA FMS organization
Copy of executed administrative Agreement
Establish a regional presence with the capability to conduct in-person meetings
Register with the Secretary of State to conduct business in state
Register in with state SIT and SUTA departments
Establish Executive Organization File to include contracts, policy manuals, administration, transition plans, etc.
Ensure all current project staff have completed HIPAA Privacy and Security Training and background clearances
Recruit, hire and train additional support staff to support the roll out and transition
Draft Welcome Letter
Draft Common Law Employer Enrollment Packet
Draft Worker Employment Packet
Draft Vendor Small Unlicensed Provider and Independent Contractor Payment Packet
Draft Communications Plan for F/EA Transition
Research state tax and labor laws and fees related to domestic employment and payroll taxes including unclaimed property
Establish dedicated Account Manager

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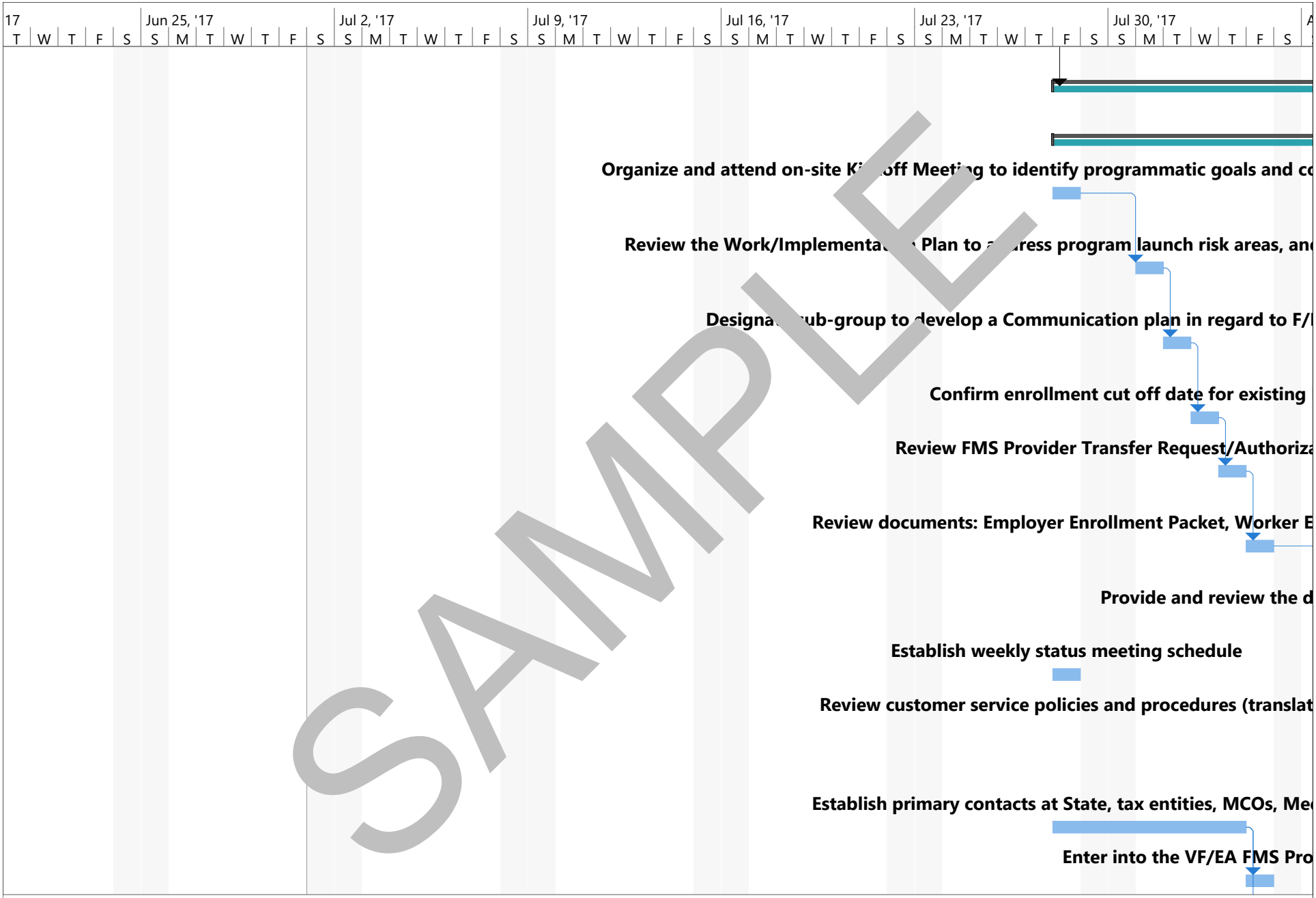
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Organize and attend on-site Ki off Meeti g to identify programmatic goals and co
Review the Work/Implementa Plan to a ress program launch risk areas, an
Designa ub-group to develop a Communication plan in regard to F/
Confirm enrollment cut off date for existing
Review FMS Provider Transfer Request/Authoriza
Review documents: Employer Enrollment Packet, Worker E
Provide and review the d
Establish weekly status meeting schedule
Review customer service policies and procedures (translat
Establish primary contacts at State, tax entities, MCOs, Me
Enter into the VF/EA FMS Pro

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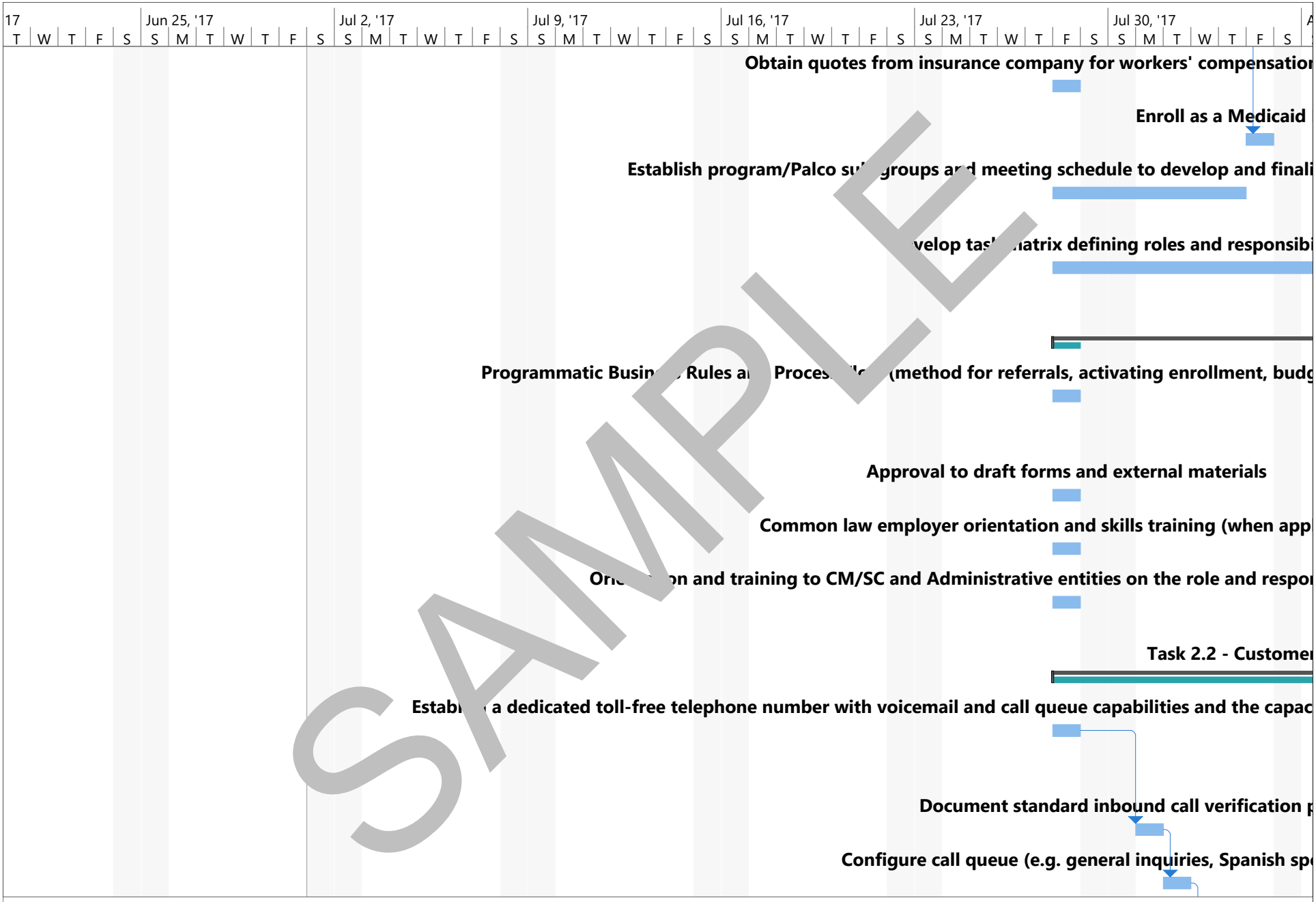
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Obtain quotes from insurance company for workers' compensatio
Enroll as a Medicaid
Establish program/Palco su groups a d meeting schedule to develop and finali
velop tas atrix defining roles and responsibi
Programmatic Busin Rules a Proces (method for referrals, activating enrollment, budg
Approval to draft forms and external materials
Common law employer orientation and skills training (when app
Ori on and training to CM/SC and Administrative entities on the role and respo
Task 2.2 - Custome
Estab a dedicated toll-free telephone number with voicemail and call queue capabilities and the capac
Document standard inbound call verification p
Configure call queue (e.g. general inquiries, Spanish sp

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Configure automated triaging of common CS calls
Configure IVR systems and ca
Pri any required forms that will be unable to be comp
Establish designated Toll Free E
Establish TDD/TT
Train CSRs on progr
Establish rele
Create a User ID/Password and register for SIT
Create a User ID/Password and register for SUTA electronic fi
Establish EFTS account for Federal Tax Deposit
Define service invoicing procedures, including schedule, format and file specificatio
Train Financial operations Specialists on program policie
Ban

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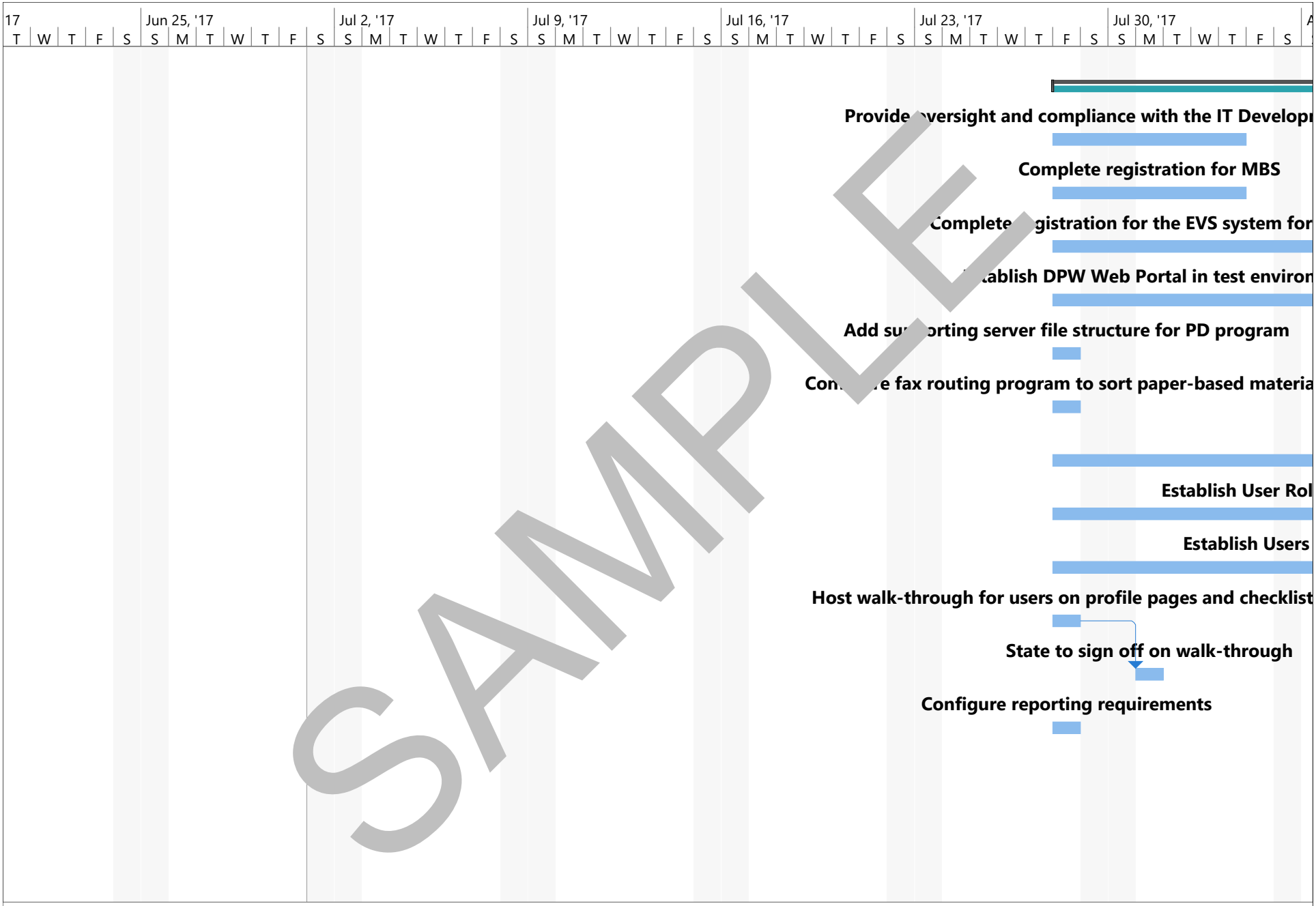
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Provide oversight and compliance with the IT Developr
Complete registration for MBS
Complete registration for the EVS system for
Establish DPW Web Portal in test environ
Add supporting server file structure for PD program
Con e fax routing program to sort paper-based materia
Establish User Rol
Establish Users
Host walk-through for users on profile pages and checklist
State to sign off on walk-through
Configure reporting requirements

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Upload
Configure Participant Profile Page to include all requir
Configure Common Law Employer Checklist and Packet (
Setup pre-populated Common Law Employ

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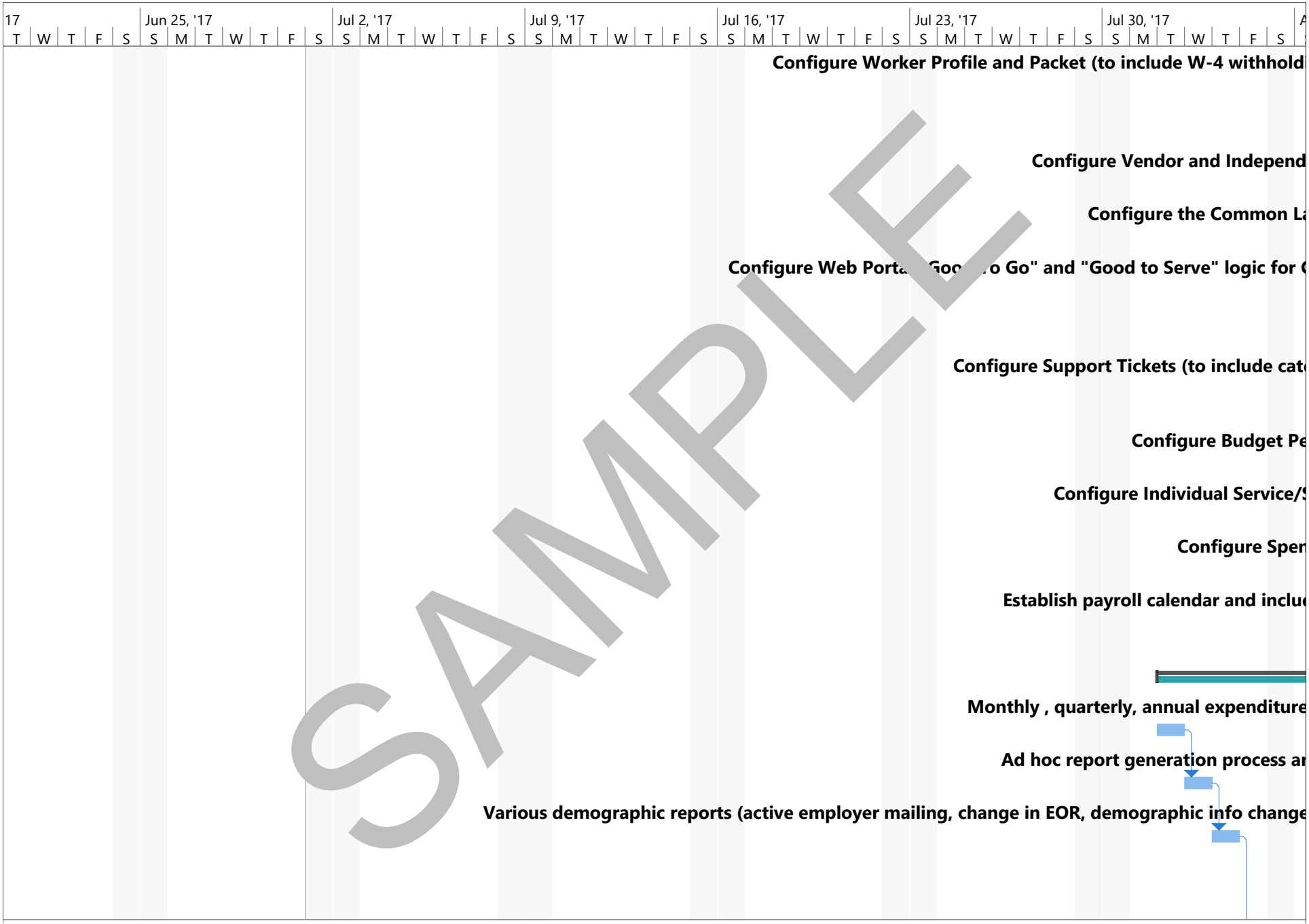
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Configure Worker Profile and Packet (to include W-4 withhold
Configure Vendor and Independ
Configure the Common L
Configure Web Porta Goo o Go" and "Good to Serve" logic for
Configure Support Tickets (to include cat
Configure Budget Pe
Configure Individual Service/
Configure Spen
Establish payroll calendar and inclu
Monthly , quarterly, annual expenditure
Ad hoc report generation process a
Various demographic reports (active employer mailing, change in EOR, demographic info change

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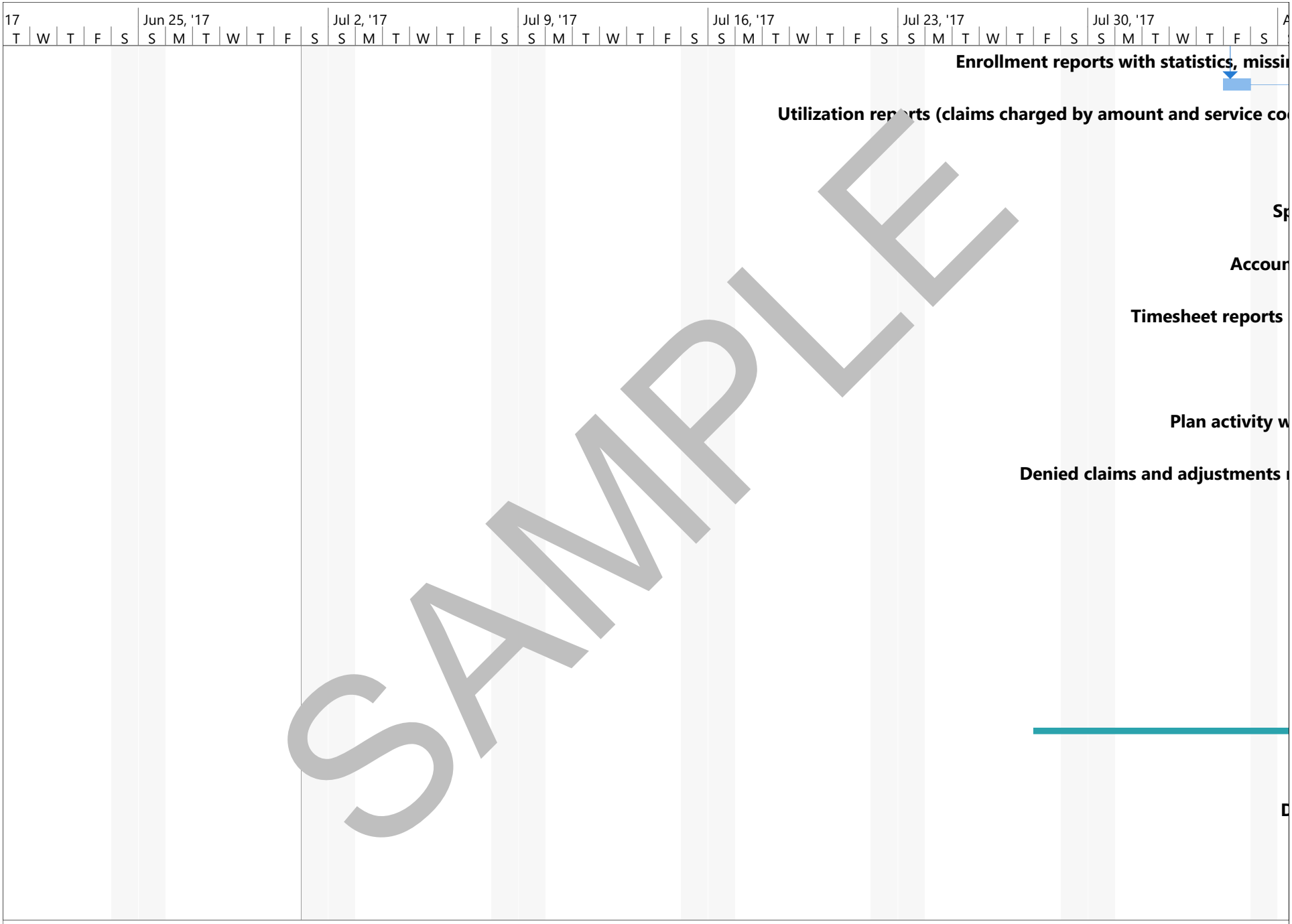
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Enrollment reports with statistics, missi
Utilization reports (claims charged by amount and service co
Sp
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Timesheet reports
Plan activity w
Denied claims and adjustments
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Distribute F/EA transition p
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Define current FEA payrol

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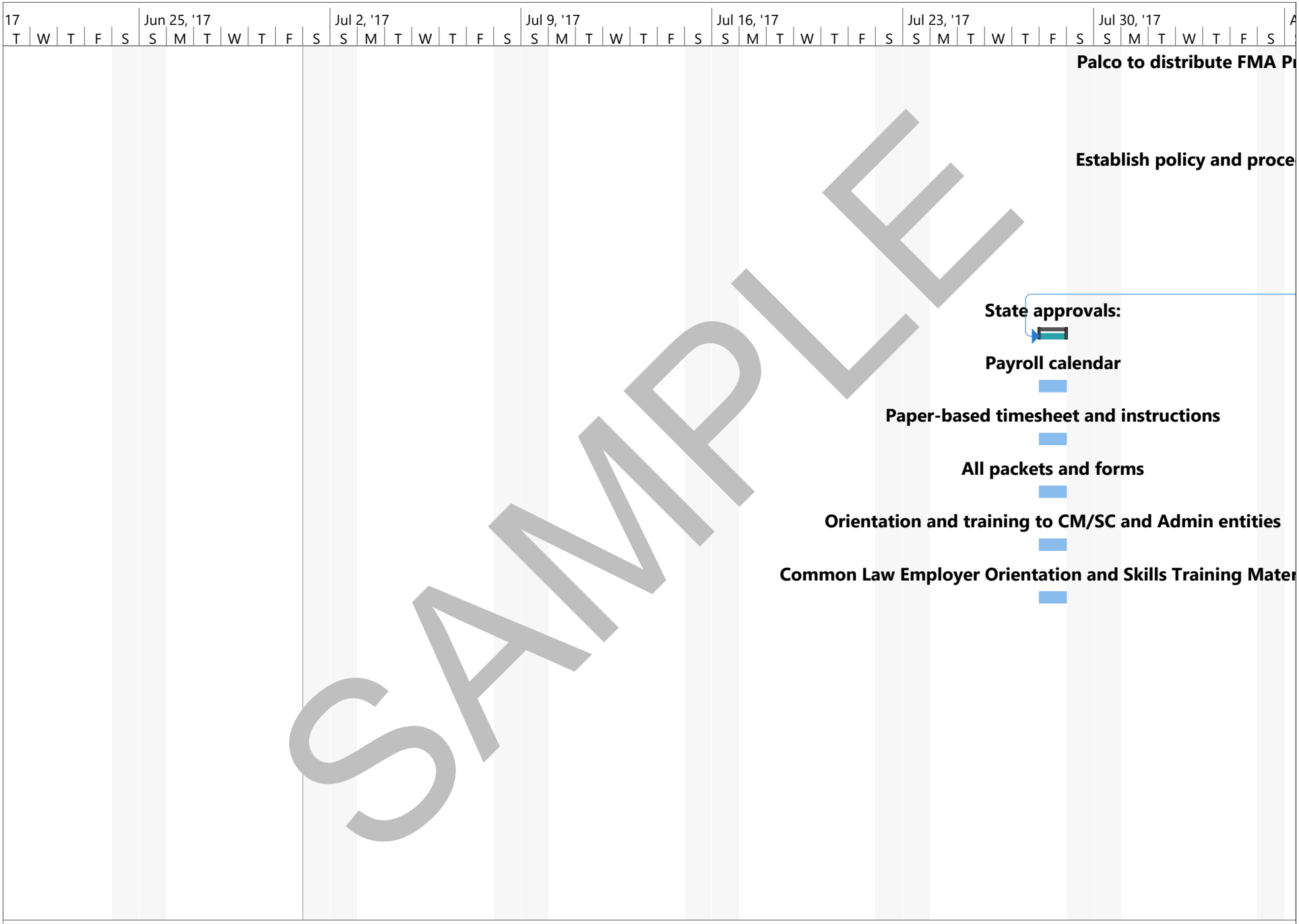
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Palco to distribute FMA Pr
Establish policy and proce
State approvals:
Payroll calendar
Paper-based timesheet and instructions
All packets and forms
Orientation and training to CM/SC and Admin entities
Common Law Employer Orientation and Skills Training Mater

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Phase 3 - Initiate

Conduct trainings/orientations for Care Managers/Service Coordinators ar

Conduct trainings for Care Managers/S

Provide Enrollment sessions and Commo

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Provide additional support th
System training tutorials fo
New manuals created with any
Provide online tra
Task 3
Receive
Provide previous vendors with data
Implement final date
Rec
Online electron

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Ensu

sk 3.3 - Enrollment Processing o

Create a Partic nt e to maintain all transitioning commo

Work th c ent F to en e the timely submission of Participant Demogr

Complete IRS Form 8822 process as appropriate, retain copy in

Receive copy of the IRS Notice CP 575 G, A

Submit a new Form 8821

Submit new agent appointment on IRS Form 2678,

Receive information related to particip

Receive information related to participant'

Receive and maintain participants individual Service Plans

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Distribute common law employer enrollment packets to inc

Submit executed IRS rm 2678 to establish Palco as the Agent of the

Submit exe ed I Form 2848 to establish limited power of att

Subm xecuted IRS Form to allow Palco to discuss the common la

Obtain executed state forms

Register common law employers for SUTA taxes and maintai

Obtain an Employer Withhol

Establish and maintain a file for each common law emp

Record Participant's Individual Service &

Submit newly enrolled common law employers informatio

Create folder structure to add new participants to necessary case file stru

Transition existing workers compensation policies t

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Palco will create a policy cancellation document that wil

Pal will submit cancellation documentation to the

Palc ll place refunds into a WC refund account f

Task 3.4 - Enrollment Processing

C e a transitioning DCW, Vendor, SUP and IC fil

Current FMS provides Palco with DCW/IC/AG

Receive DCW documentation and dat

Receive confirmation that DCWs r

Record DCW filing status and e

Receive DCW{s) holds, garnishments and

Verify accuracy and keep W-9

Obtain missing TINs

Establish a file for each DCW, Vendor, Small Unlicensed Provider and Inde

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Ensure DCWs meet defined programmatic requirements
Maintain copies of judgments, garnishments, tax levies,

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Phase 2 - Project Implementation Planning

Task 2.1 - Project Kick-Off

Organize and attend on-site Kickoff Meeting to identify programmatic goals and core operational guidelines

Review the Work/Implementation Plan to address program launch risk areas, and expectation and realization of current F/EAs

Designate sub-group to develop a Communication plan in regard to F/EA Transition processes and procedures

Confirm enrollment cut off date for existing F/EA FMS providers

Review FMS Provider Transfer Request/Authorization Form for Batch Transfers

Review documents: Employer Enrollment Packet, Worker Employment Packet, Vendor forms, misc. forms

Provide and review the detailed program Transition Plan

Review customer service policies and procedures (translation and interpreter services; track and report incidents and complaints)

Establish primary contacts at State, tax entities, MCOs, Medicaid Claims testing

Enter into the VF/EA FMS Provider Agreement

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Obtain quotes from insurance company for workers' compensation policies

Enroll as a Medicaid Provider

Establish program/Palco sub-groups and meeting schedule to develop and finalize key documents and operating protocol

Develop task matrix defining roles and responsibilities of Financial Operations and Customer Service Staff

Obtain state approvals:

Programmatic Business Rules and Process Flow (method for referrals, activating enrollment, budget reporting, billing, payroll calendar)

Common law employer orientation and skills training (where applicable)

Orientation and training to CM/SC and Administrative entities on the roles and responsibilities of the VF/EA FMs

Task 2.2 - Customer Service Operational Infrastructure Development

Establish a dedicated toll-free telephone number with voicemail and call queue capabilities and the capacity to track all communications from any source

Document standard inbound call verification protocol

Configure call queue (e.g. general inquiries, Spanish speaking, after hours VM)

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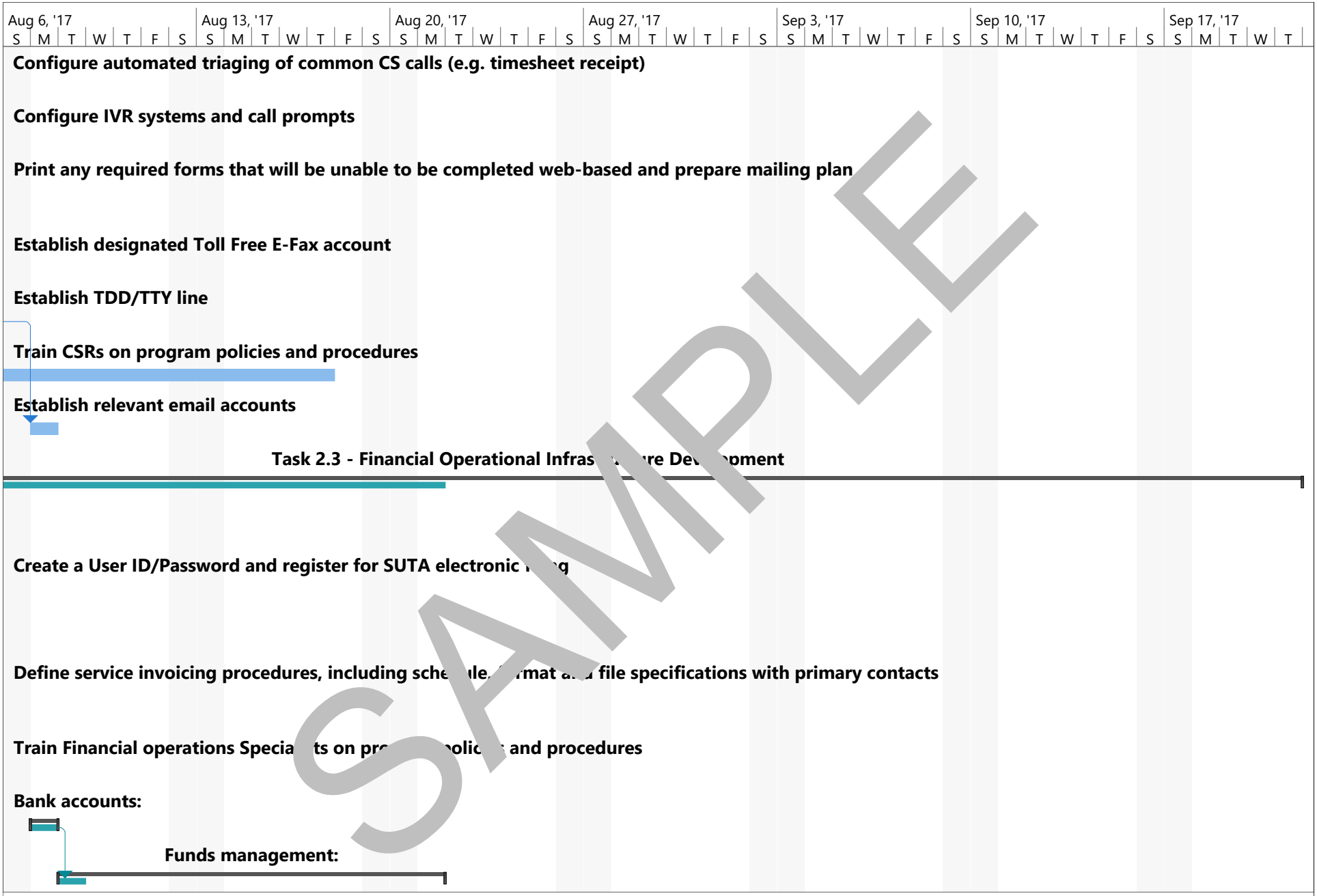
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Configure automated triaging of common CS calls (e.g. timesheet receipt)
Configure IVR systems and call prompts
Print any required forms that will be unable to be completed web-based and prepare mailing plan
Establish designated Toll Free E-Fax account
Establish TDD/TTY line
Train CSRs on program policies and procedures
Establish relevant email accounts
Task 2.3 - Financial Operational Infrastructure Development
Create a User ID/Password and register for SUTA electronic filing
Define service invoicing procedures, including schedule, format and file specifications with primary contacts
Train Financial operations Specialists on program policies and procedures
Bank accounts:
Funds management:

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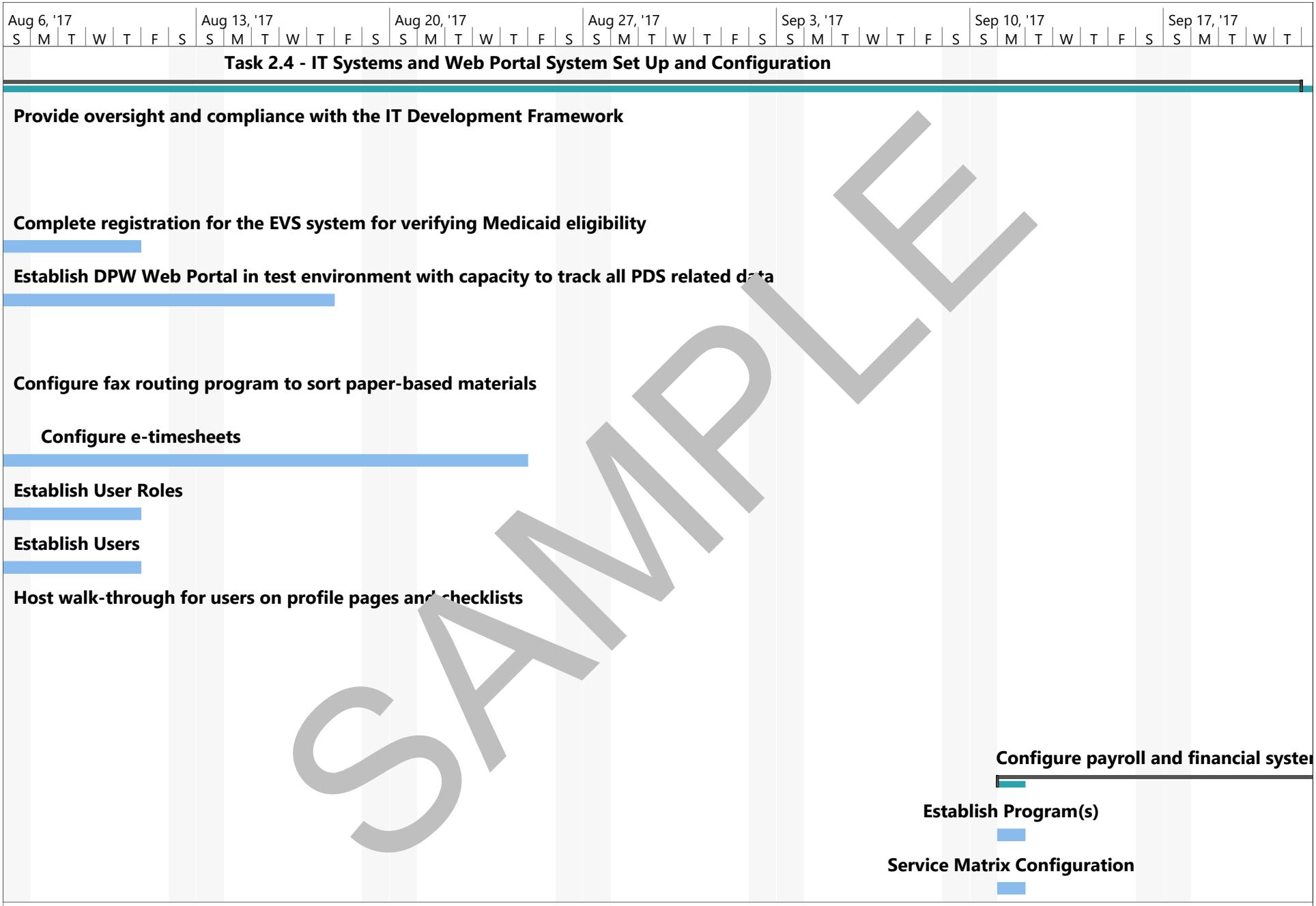
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Task 2.4 - IT Systems and Web Portal System Set Up and Configuration
Provide oversight and compliance with the IT Development Framework
Complete registration for the EVS system for verifying Medicaid eligibility
Establish DPW Web Portal in test environment with capacity to track all PDS related data
Configure fax routing program to sort paper-based materials
Configure e-timesheets
Establish User Roles
Establish Users
Host walk-through for users on profile pages and checklists
Configure payroll and financial syster
Establish Program(s)
Service Matrix Configuration

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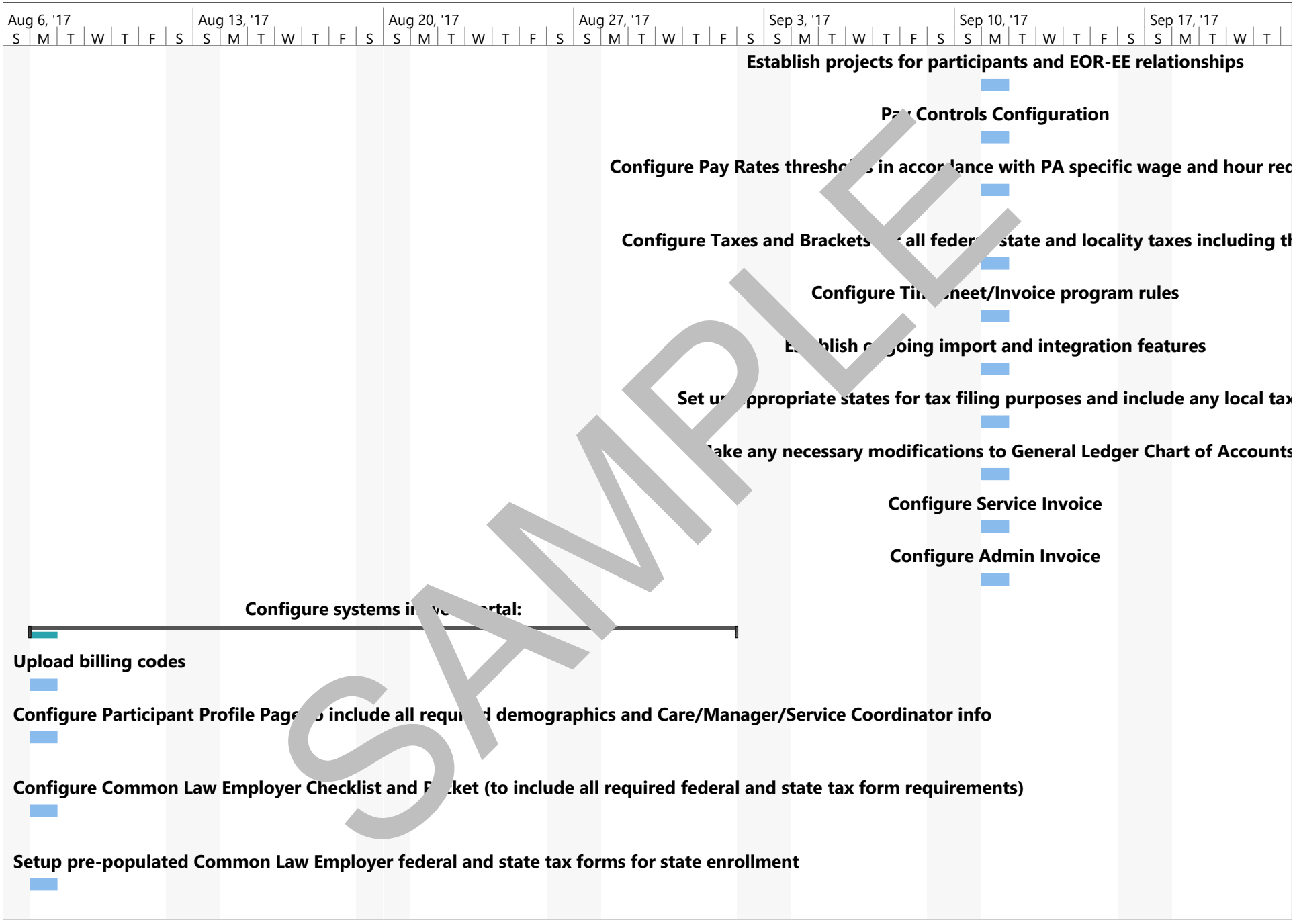
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Establish projects for participants and EOR-EE relationships
Pay Controls Configuration
Configure Pay Rates thresholds in accordance with PA specific wage and hour req
Configure Taxes and Brackets for all federal, state and locality taxes including th
Configure Timesheet/Invoice program rules
Establish ongoing import and integration features
Set up appropriate states for tax filing purposes and include any local tax
Make any necessary modifications to General Ledger Chart of Accounts
Configure Service Invoice
Configure Admin Invoice
Configure systems in self-service portal:
Upload billing codes
Configure Participant Profile Page to include all required demographics and Care/Manager/Service Coordinator info
Configure Common Law Employer Checklist and Packet (to include all required federal and state tax form requirements)
Setup pre-populated Common Law Employer federal and state tax forms for state enrollment

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Configure Worker Profile and Packet (to include W-4 withholding fields, CBC Status, I-9 and other required employee required data)

Configure Vendor and Independent Contractor Profile (to include FEIN)

Configure the Common Law Employer-Employee Checklist

Configure Web Portal "Good To Go" and "Good to Serve" logic for Common Law Employers and DCWs/Vendors/Small Unlicensed Contractors

Configure Support Tickets (to include categories and sub-categories for incident tracking)

Configure Budget Period structure and intervals

Configure Individual Service/Spending Plan Authorization Module

Configure Spending Plan Limits/Caps

Establish payroll calendar and including weekly interval for overtime purposes

Configure reporting in web portal:

Monthly , quarterly, annual expenditure reports

Ad hoc report generation process and tracking

Various demographic reports (active employer mailing, change in EOR, demographic info change, change in reps, EE change, relationships, etc.) on indiv

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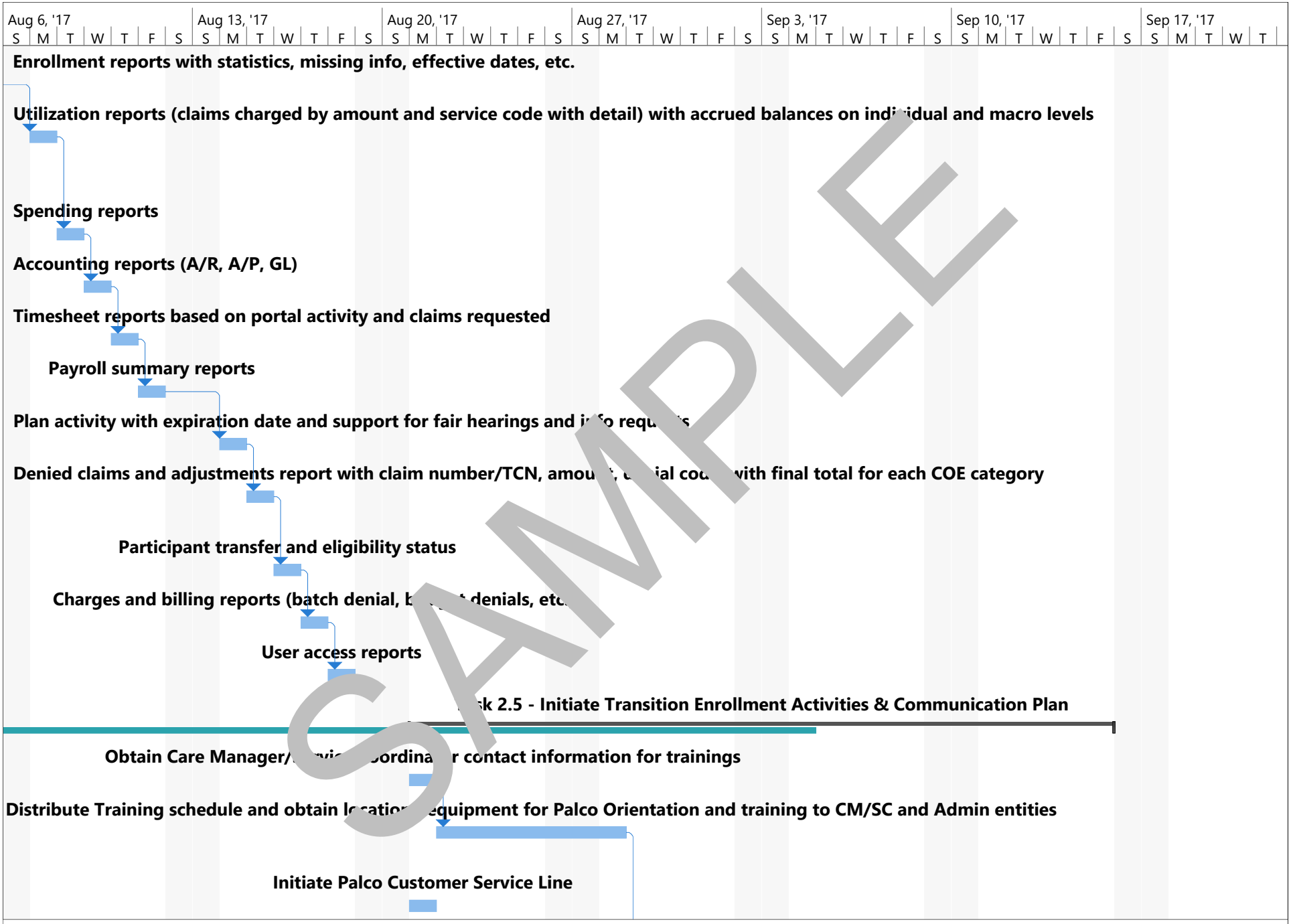
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Enrollment reports with statistics, missing info, effective dates, etc.
Utilization reports (claims charged by amount and service code with detail) with accrued balances on individual and macro levels
Spending reports
Accounting reports (A/R, A/P, GL)
Timesheet reports based on portal activity and claims requested
Payroll summary reports
Plan activity with expiration date and support for fair hearings and info requests
Denied claims and adjustments report with claim number/TCN, amount, denial code with final total for each COE category
Participant transfer and eligibility status
Charges and billing reports (batch denial, batch denials, etc.
User access reports
Task 2.5 - Initiate Transition Enrollment Activities & Communication Plan
Obtain Care Manager/Service Coordinator contact information for trainings
Distribute Training schedule and obtain location equipment for Palco Orientation and training to CM/SC and Admin entities
Initiate Palco Customer Service Line

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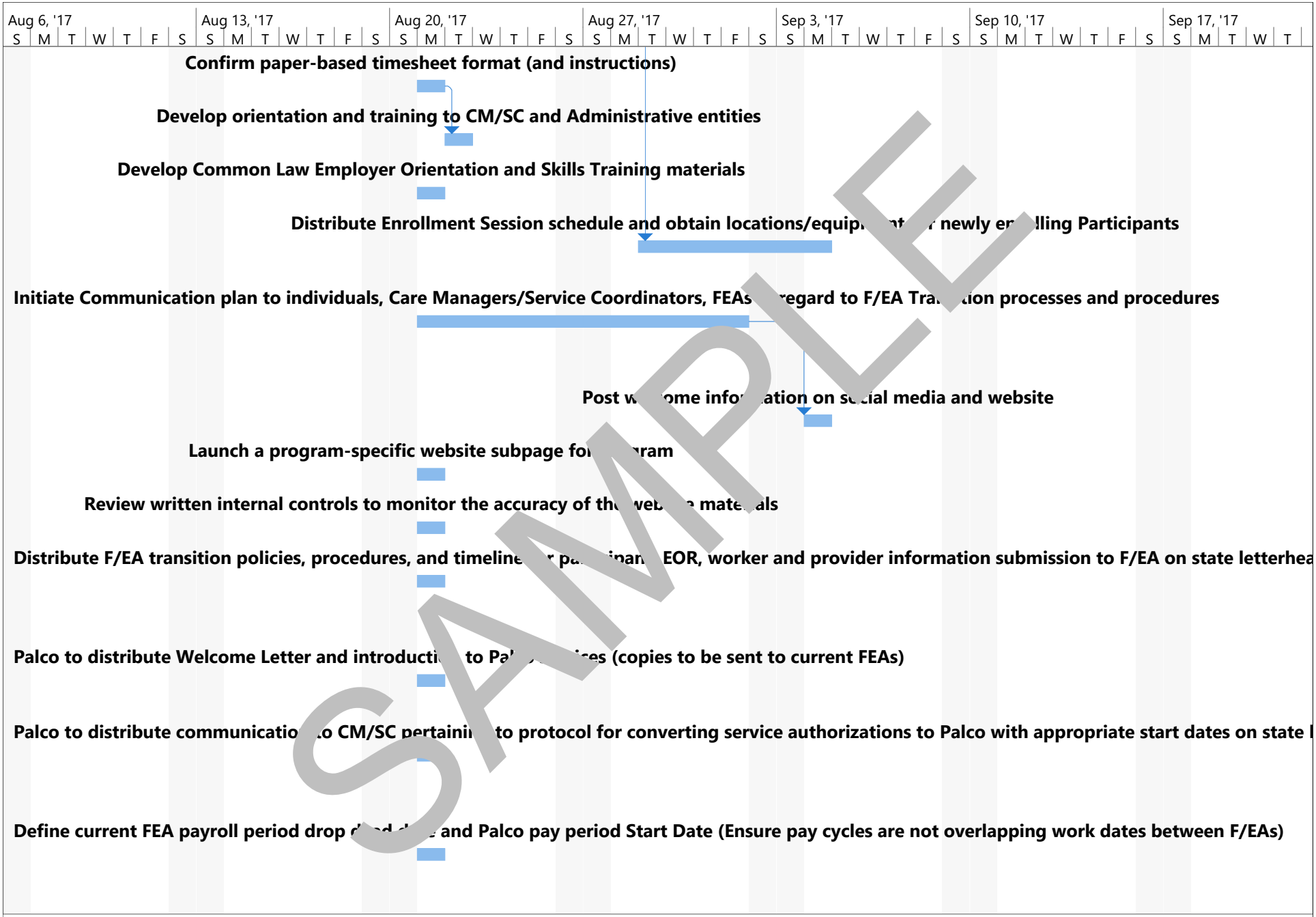
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Confirm paper-based timesheet format (and instructions)
Develop orientation and training to CM/SC and Administrative entities
Develop Common Law Employer Orientation and Skills Training materials
Distribute Enrollment Session schedule and obtain locations/equip
newly en
lling Participants
Initiate Communication plan to individuals, Care Managers/Service Coordinators, FEAs
regard to F/EA Tra
ion processes and procedures
Post w
ome info
ation on s
ial media and website
Launch a program-specific website subpage fo
ram
Review written internal controls to monitor the accuracy of th
web
mate
als
Distribute F/EA transition policies, procedures, and timeline
pa
ipan
EOR, worker and provider information submission to F/EA on state letterhea
Palco to distribute Welcome Letter and introducti
to Pa
ces (copies to be sent to current FEAs)
Palco to distribute communicatio
o CM/SC pertaini
to protocol for converting service authorizations to Palco with appropriate start dates on state
Define current FEA payroll period drop
and Palco pay period Start Date (Ensure pay cycles are not overlapping work dates between F/EAs)

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Palco to distribute FMA Provider Transfer Request/Authorization Form for Batch Transfers to current F/EA providers (to include submission deadline)

Establish policy and procedure for timesheets submitted past the current FEA drop dead date (to include reimbursement method for old TS and PRFs)

Review program manual and handbooks provided and draft revisions for state approval

Common Law Employer Orientation and Skills Training Materi

Ta

Timeframe for preparing enrollment and employme

M

Test payroll sy

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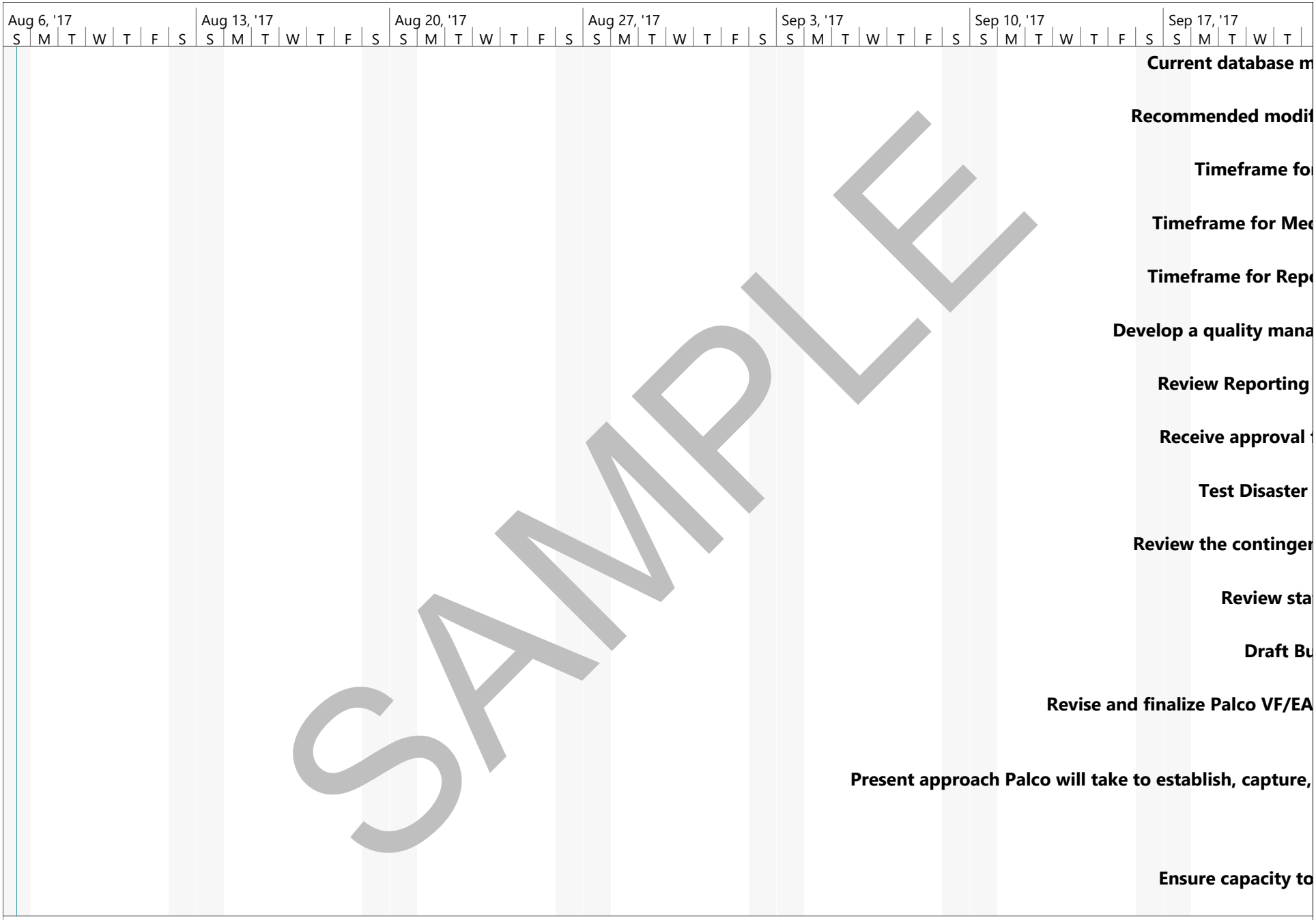
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Develop a quality mana
Review Reporting
Receive approval
Test Disaster
Review the continger
Review sta
Draft Bu
Revise and finalize Palco VF/EA
Present approach Palco will take to establish, capture,
Ensure capacity to

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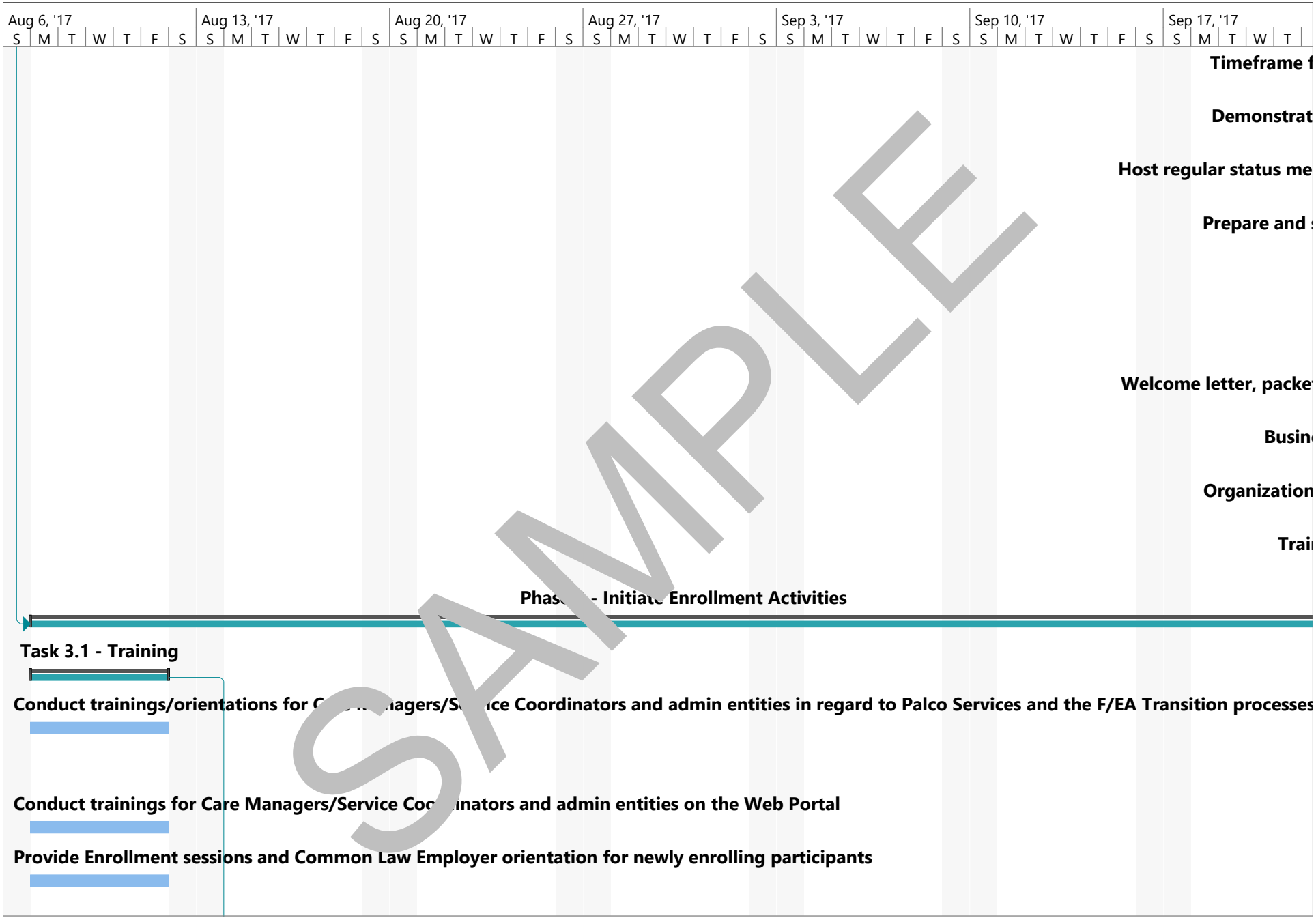
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Phas - Initiate Enrollment Activities
Task 3.1 - Training
Conduct trainings/orientations for C nagers/S ce Coordinators and admin entities in regard to Palco Services and the F/EA Transition processes
Conduct trainings for Care Managers/Service Coo inators and admin entities on the Web Portal
Provide Enrollment sessions and Common Law Employer orientation for newly enrolling participants

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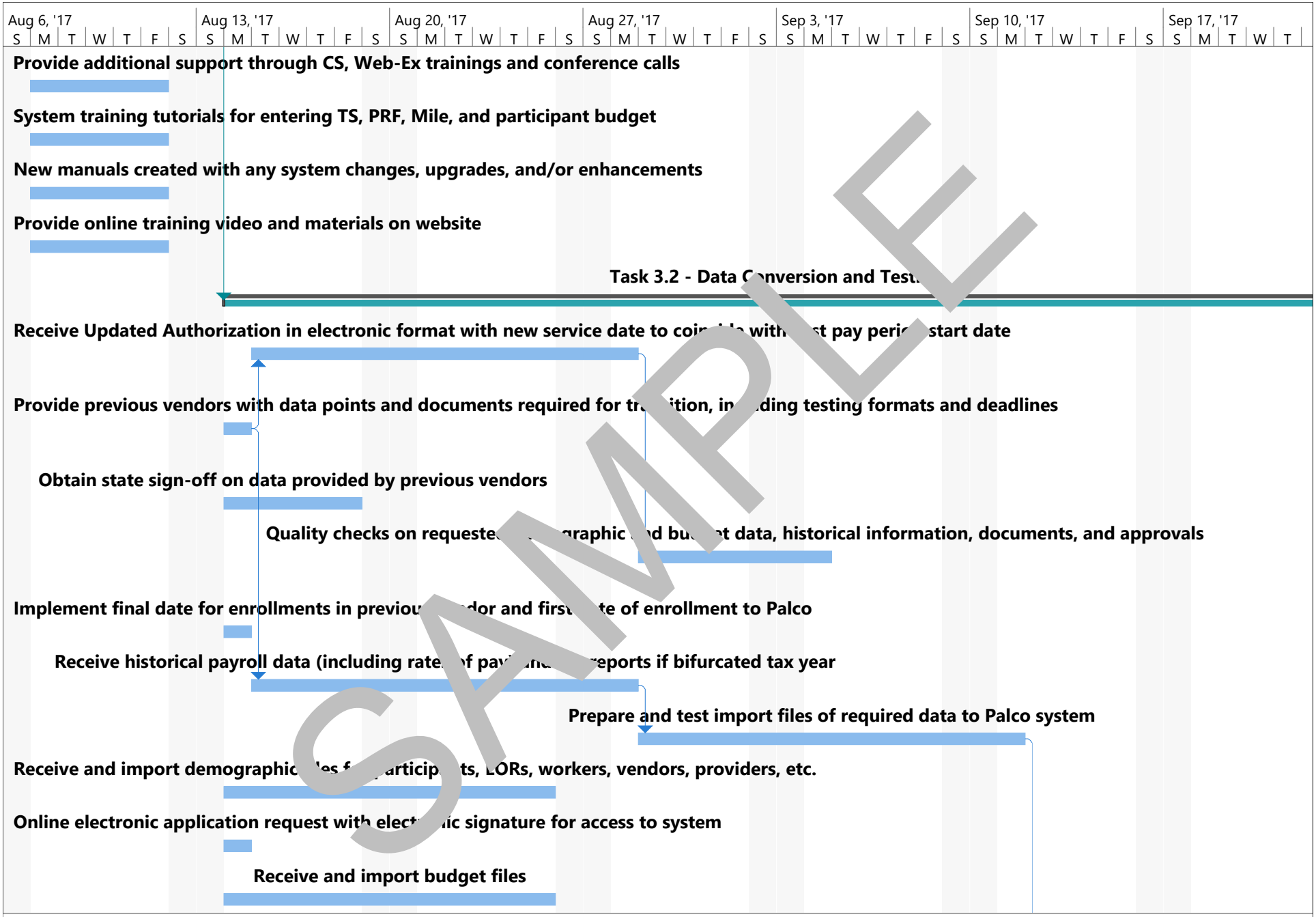
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Provide additional support through CS, Web-Ex trainings and conference calls
System training tutorials for entering TS, PRF, Mile, and participant budget
New manuals created with any system changes, upgrades, and/or enhancements
Provide online training video and materials on website
Task 3.2 - Data Conversion and Test
Receive Updated Authorization in electronic format with new service date to coincide with first pay period start date
Provide previous vendors with data points and documents required for transition, including testing formats and deadlines
Obtain state sign-off on data provided by previous vendors
Quality checks on requested demographic and budget data, historical information, documents, and approvals
Implement final date for enrollments in previous vendor and first date of enrollment to Palco
Receive historical payroll data (including rates of pay and reports if bifurcated tax year
Prepare and test import files of required data to Palco system
Receive and import demographic files for participants, LORs, workers, vendors, providers, etc.
Online electronic application request with electronic signature for access to system
Receive and import budget files

SAMPLE

Aug 6, '17 | Aug 13, '17 | Aug 20, '17 | Aug 27, '17 | Sep 3, '17 | Sep 10, '17 | Sep 17, '17

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Ensure pre-population on web-based enrollment information

Test reporting procedures as they relate to

Test budget setup for periods and business rules

Task 3.3 - Enrollment Processing of Transitioning Common Law Employers

Create a Participant file to maintain all transitioning common law employer tax and programmatic enrollment documentation

Work with current F/EA to ensure the timely submission of Participant Demographic Information per defined transition protocol and documentation re

Complete IRS Form 8822 process as appropriate, retain copy in file, and update residency Certification form with the new PSD Code

Receive copy of the IRS Notice CP 575 E, Assignment of Employer Identification Number

Submit a new Form 8821 Tax Information Authorization

Submit new agent appointment IRS Form 2678, Agent/Payer Authorization for the transferred consumer

Receive information related to participant's state income tax withholding accounts

Receive information related to participant's state unemployment tax withholding accounts

Receive and maintain participants individual Service Plans (HCSIS/SAMS) and Spending Plans (CM/SC for OLTL and PDA)

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Distribute common law employer enrollment packets to include pre-populated IRS forms SS-4; 2678;2848;8821; state forms

Submit executed IRS Form 2678 to establish Palco as the Agent of the common law employer to withhold and file employer and employee taxes

Submit executed IRS Form 2848 to establish limited power of attorney for Palco to sign quarterly and annual tax withholdings reports

Submit executed IRS Form 8821 to allow Palco to discuss the common law employer withholding accounts with the IRS and sign employer tax reports

Obtain executed state forms from each common law employer

Register common law employers for SUTA taxes and maintain the state Employer Account ID in the common law employer file

Obtain an Employer Withholding Account ID for SIT purposes

Establish and maintain a file for each common law employer to maintain all tax related/enrollment documentation

Record Participant Individual Service & Spending Plan information in the Web Portal

Submit newly enrolled common law employers information to Palco WC Vendor to initiate national group policy coverage

Create folder structure to add new participants to necessary case file structure on server and ensure new files are being created from new enrollments

Transition existing workers compensation policies to the Palco group policy by taking the following actions:

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Palco will create a policy cancellation document that will be signed by the common law employer and the Palco POA

Palco will submit cancellation documentation to the current insurance provider and process premium refunds

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Receive DCW documentation and data per defined FE/A transition process and

Receive confirmation that DCW's reported to New Hire reporting agency

Record DCW filing status and exemptions in the Palco Web Portal

Receive DCW(s) new garnishments and tax levy state documentation {if applicable)

Verify accuracy and keep W-9s in the Vendors/Contractors files

Obtain missing TINs directly from Contractors

Establish a file for each DCW, Vendor, Small Unlicensed Provider and Independent Contractor file to maintain all tax related/enrollment documentati

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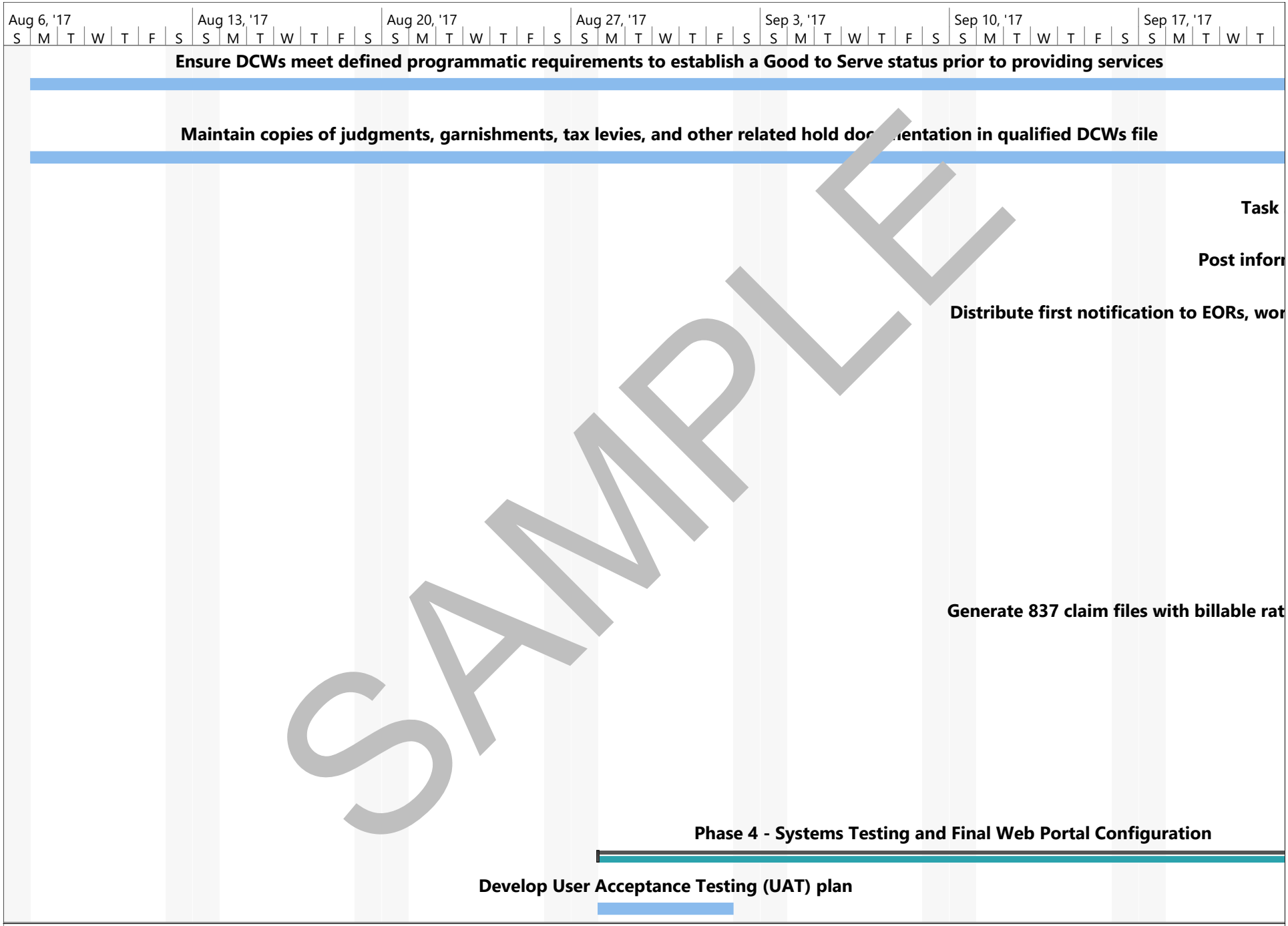
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Task
Post infor
Distribute first notification to EORs, wor
Generate 837 claim files with billable rat
Phase 4 - Systems Testing and Final Web Portal Configuration
Develop User Acceptance Testing (UAT) plan

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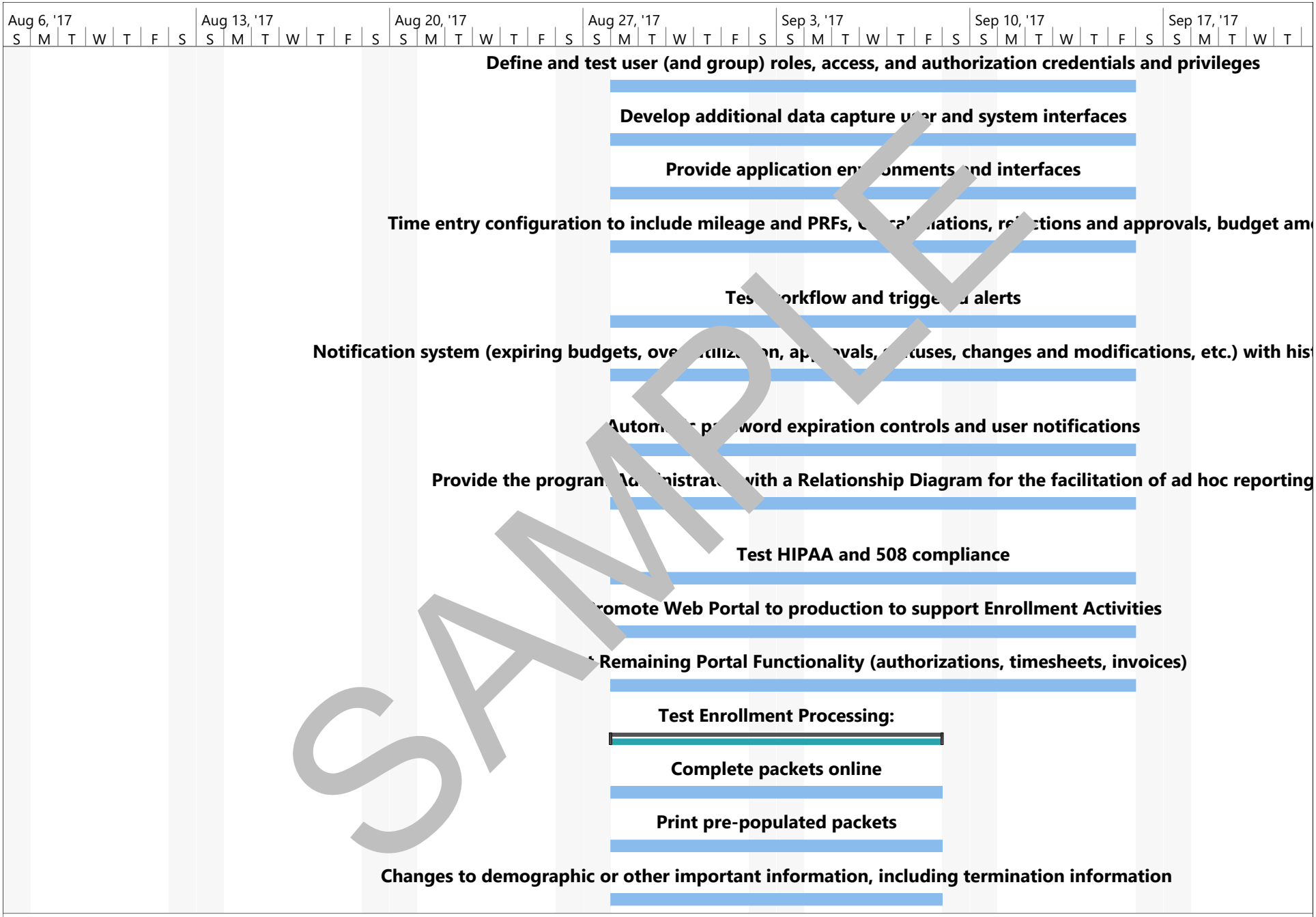
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Define and test user (and group) roles, access, and authorization credentials and privileges
Develop additional data capture u er and system interfaces
Provide application en onments nd interfaces
Time entry configuration to include mileage and PRFs, c ca lations, re ctions and approvals, budget am
Tes orkflow and trigge d alerts
Notification system (expiring budgets, ove tiliz on, ap vals, tuses, changes and modifications, etc.) with his
Autom s p word expiration controls and user notifications
Provide the progran Ad inistrat with a Relationship Diagram for the facilitation of ad hoc reporting
Test HIPAA and 508 compliance
romote Web Portal to production to support Enrollment Activities
Remaining Portal Functionality (authorizations, timesheets, invoices)
Test Enrollment Processing:
Complete packets online
Print pre-populated packets
Changes to demographic or other important information, including termination information

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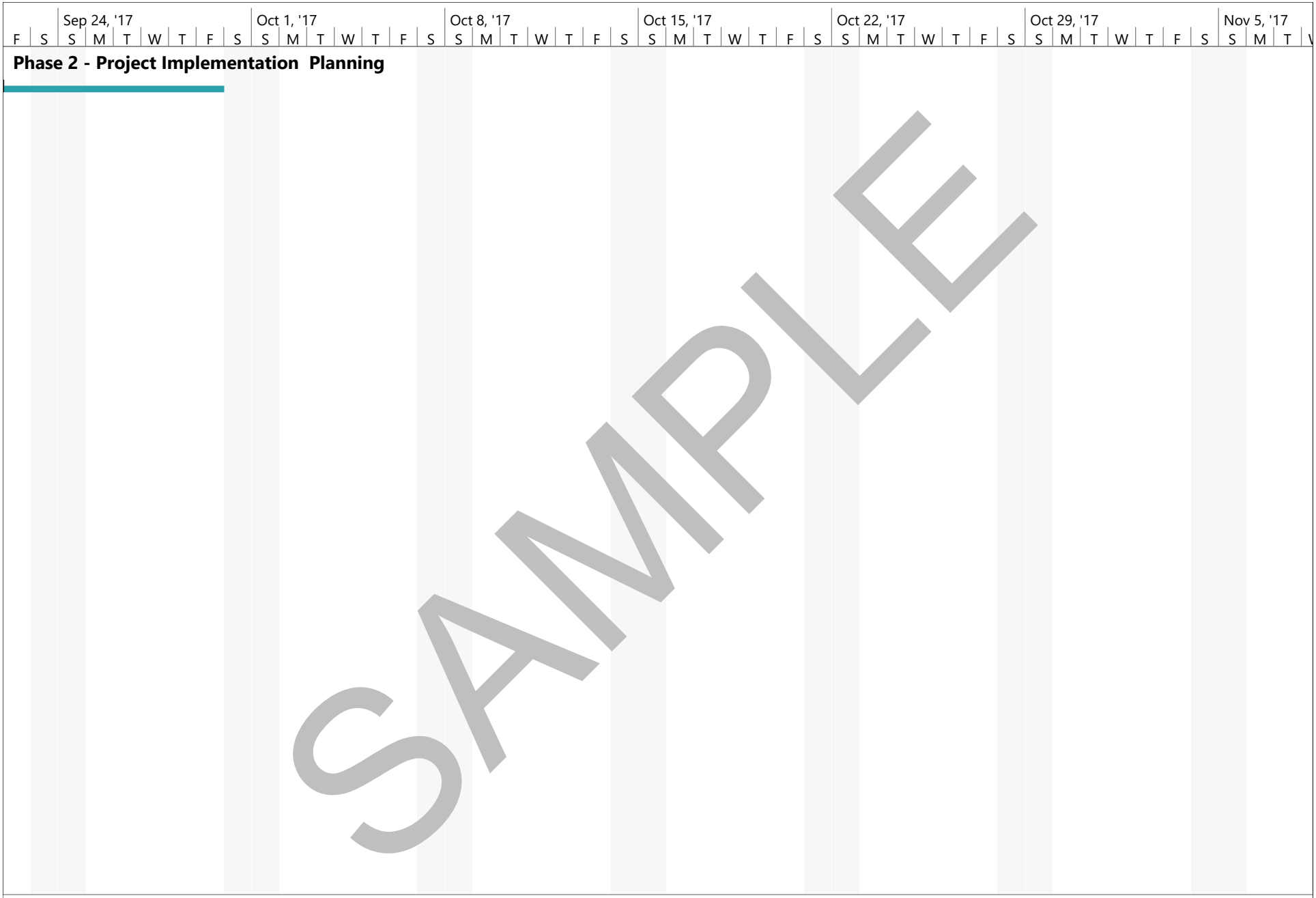
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Phase 2 - Project Implementation Planning
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Task 2.3 - Financial Operational Infrastructure Development

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Task 2.4 - IT Systems and Web Portal System Set Up and Configuration
Configure payroll and financial system:

SAMPLE

Configure Pay Rates thresholds in accordance with PA specific wage and hour requirements

Configure Taxes and Brackets for all federal, state and locality taxes including thresholds

Set up appropriate states for tax filing purposes and include any local taxes

Make any necessary modifications to General Ledger Chart of Accounts

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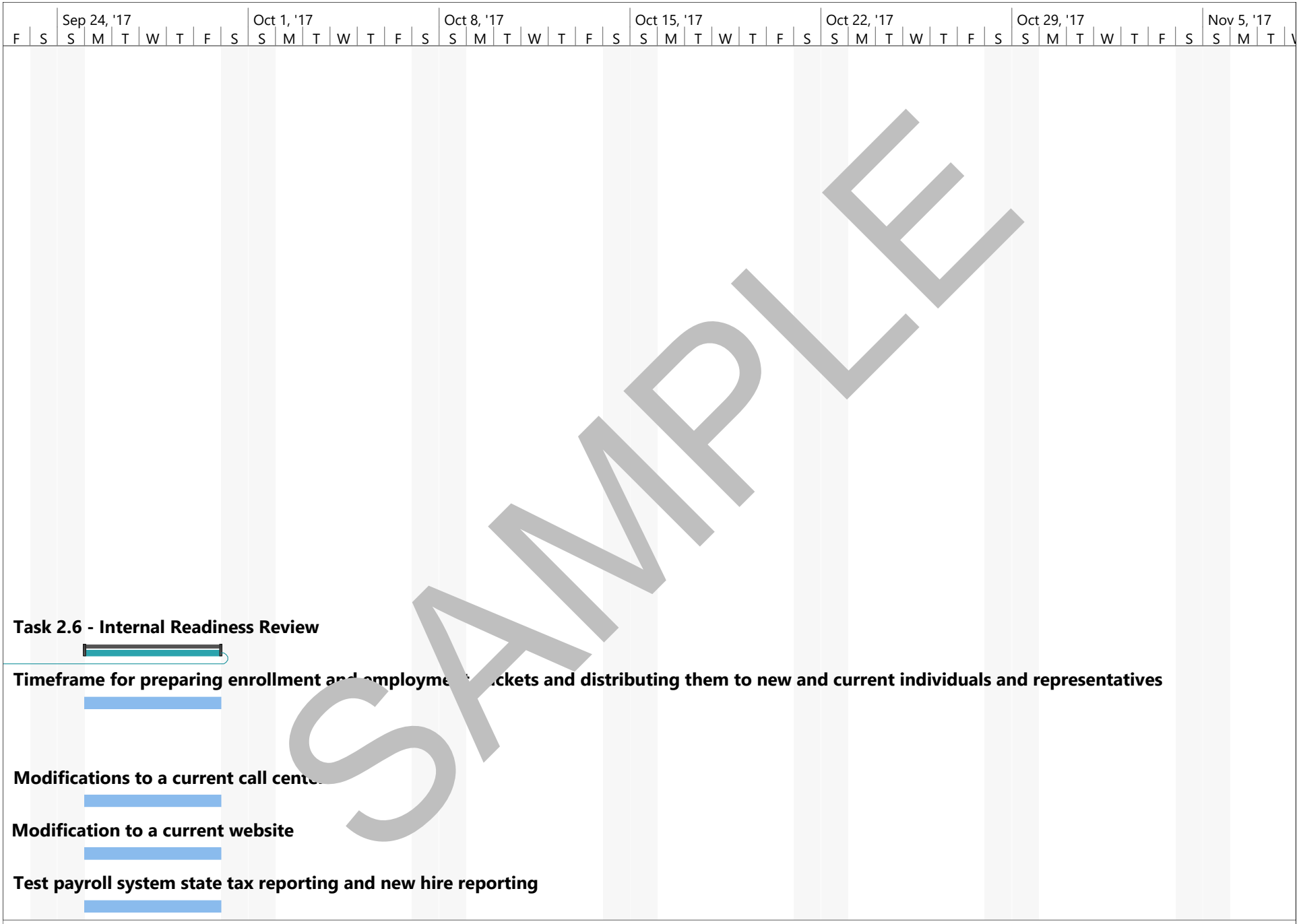
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Task 2.6 - Internal Readiness Review
Timeframe for preparing enrollment and employment packets and distributing them to new and current individuals and representatives
Modifications to a current call center
Modification to a current website
Test payroll system state tax reporting and new hire reporting

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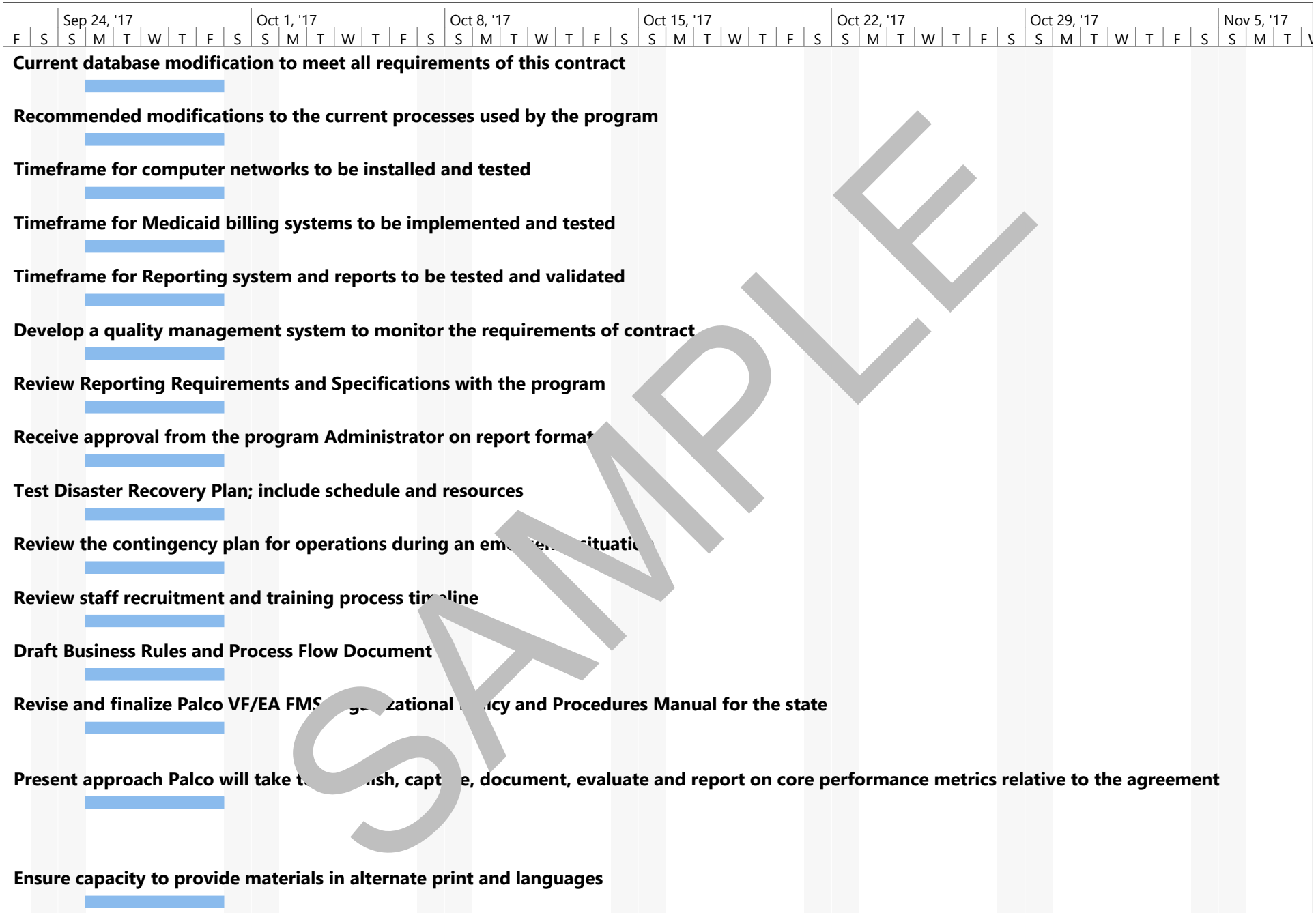
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Current database modification to meet all requirements of this contract
Recommended modifications to the current processes used by the program
Timeframe for computer networks to be installed and tested
Timeframe for Medicaid billing systems to be implemented and tested
Timeframe for Reporting system and reports to be tested and validated
Develop a quality management system to monitor the requirements of contract
Review Reporting Requirements and Specifications with the program
Receive approval from the program Administrator on report format
Test Disaster Recovery Plan; include schedule and resources
Review the contingency plan for operations during an emergency situation
Review staff recruitment and training process timeline
Draft Business Rules and Process Flow Document
Revise and finalize Palco VF/EA FMS organizational policy and Procedures Manual for the state
Present approach Palco will take to establish, capture, document, evaluate and report on core performance metrics relative to the agreement
Ensure capacity to provide materials in alternate print and languages

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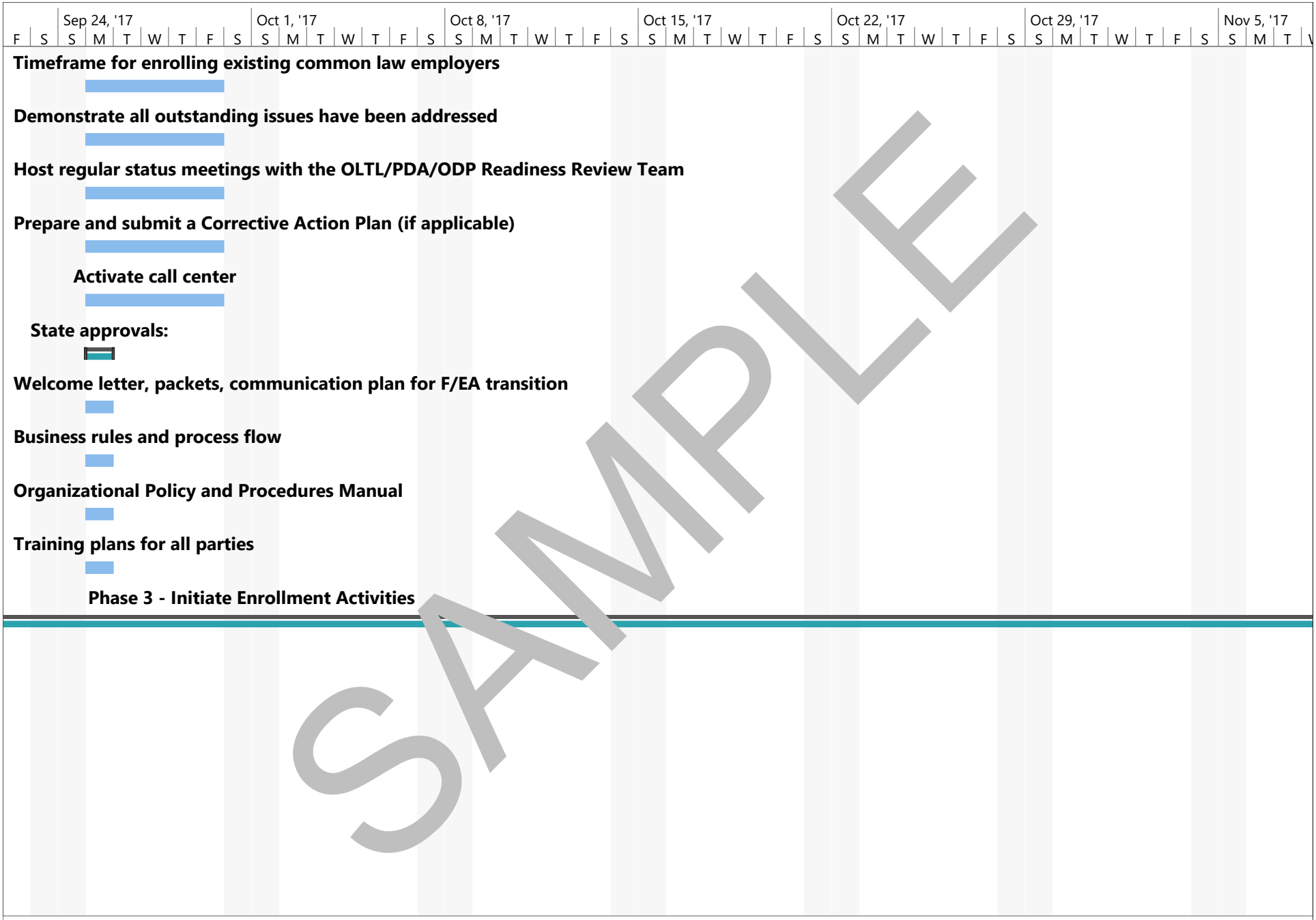
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Timeframe for enrolling existing common law employers
Demonstrate all outstanding issues have been addressed
Host regular status meetings with the OLTL/PDA/ODP Readiness Review Team
Prepare and submit a Corrective Action Plan (if applicable)
Activate call center
State approvals:
Welcome letter, packets, communication plan for F/EA transition
Business rules and process flow
Organizational Policy and Procedures Manual
Training plans for all parties
Phase 3 - Initiate Enrollment Activities

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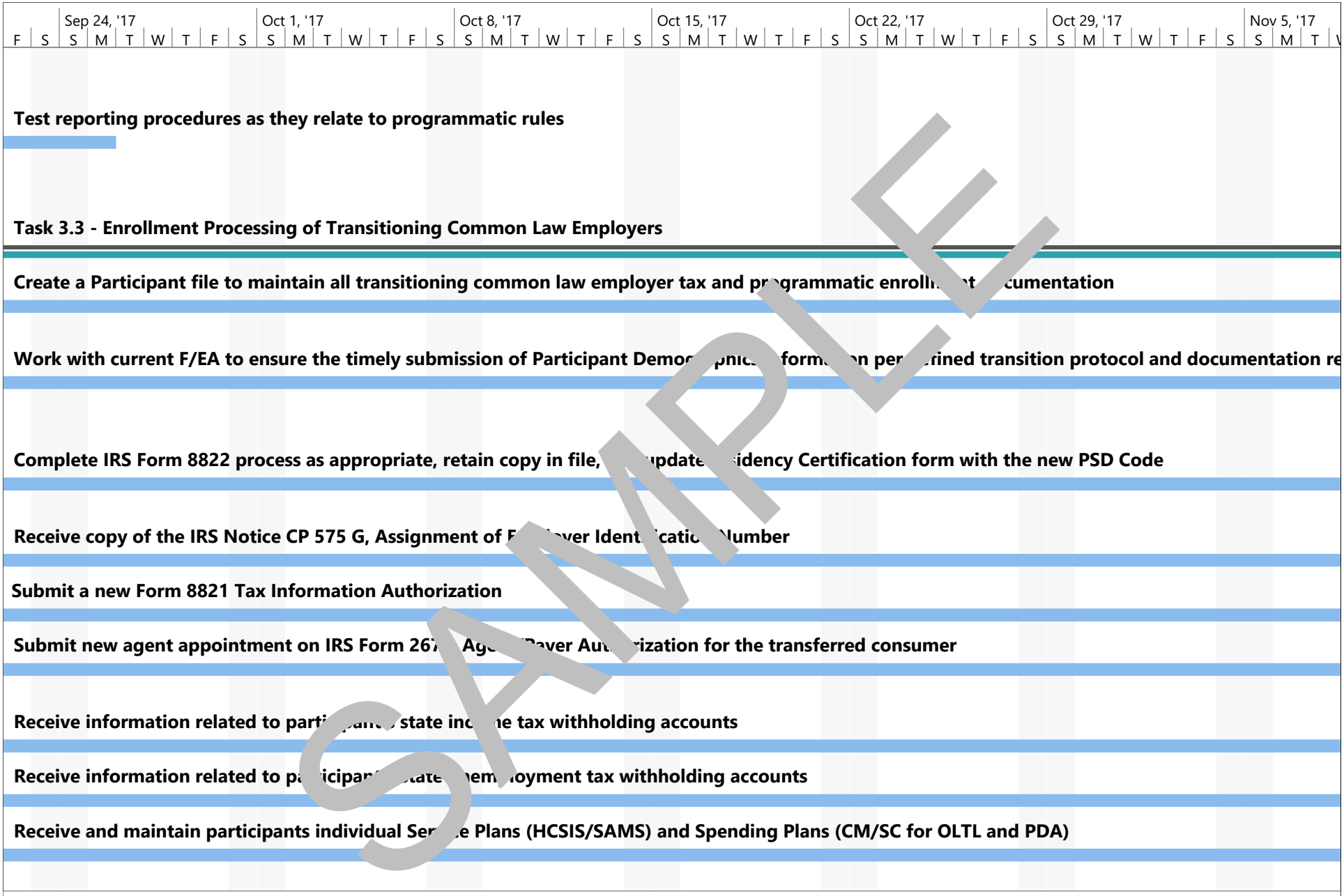
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Test reporting procedures as they relate to programmatic rules
Task 3.3 - Enrollment Processing of Transitioning Common Law Employers
Create a Participant file to maintain all transitioning common law employer tax and programmatic enrollment documentation
Work with current F/EA to ensure the timely submission of Participant Demographic information per determined transition protocol and documentation re
Complete IRS Form 8822 process as appropriate, retain copy in file, update Residency Certification form with the new PSD Code
Receive copy of the IRS Notice CP 575 G, Assignment of Employer Identification Number
Submit a new Form 8821 Tax Information Authorization
Submit new agent appointment on IRS Form 2678 Agent/Payer Authorization for the transferred consumer
Receive information related to participant's state income tax withholding accounts
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Submit executed IRS Form 8821 to allow Palco to discuss the common law employer withholding account with the IRS and sign employer tax reports

Obtain executed state forms from each common law employer

Register common law employers for SUTA taxes and maintain the state Employer Account ID in the common law employer file

Obtain an Employer Withholding Account ID for SIT purposes

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Record Participant's Individual Service & Spending Plan information in the Web Portal

Submit newly enrolled common law employers information to Palco WC Vendor to initiate national group policy coverage

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Transition existing workers compensation policies to the Palco group policy by taking the following actions:

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Receive DCW documentation and data per defined FE/A transition process and

Receive confirmation that DCWs reported to New Hire reporting agency

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Receive DCW{s) holds, garnishments and tax levy state documentation (if applicable)

Verify accuracy and keep W-9s in the Vendors/Contractors files

Obtain missing TINs directly from Contractors

Establish a file for each DCW, Vendor, Small Unlicensed Provider and Independent Contractor file to maintain all tax related/enrollment documentation

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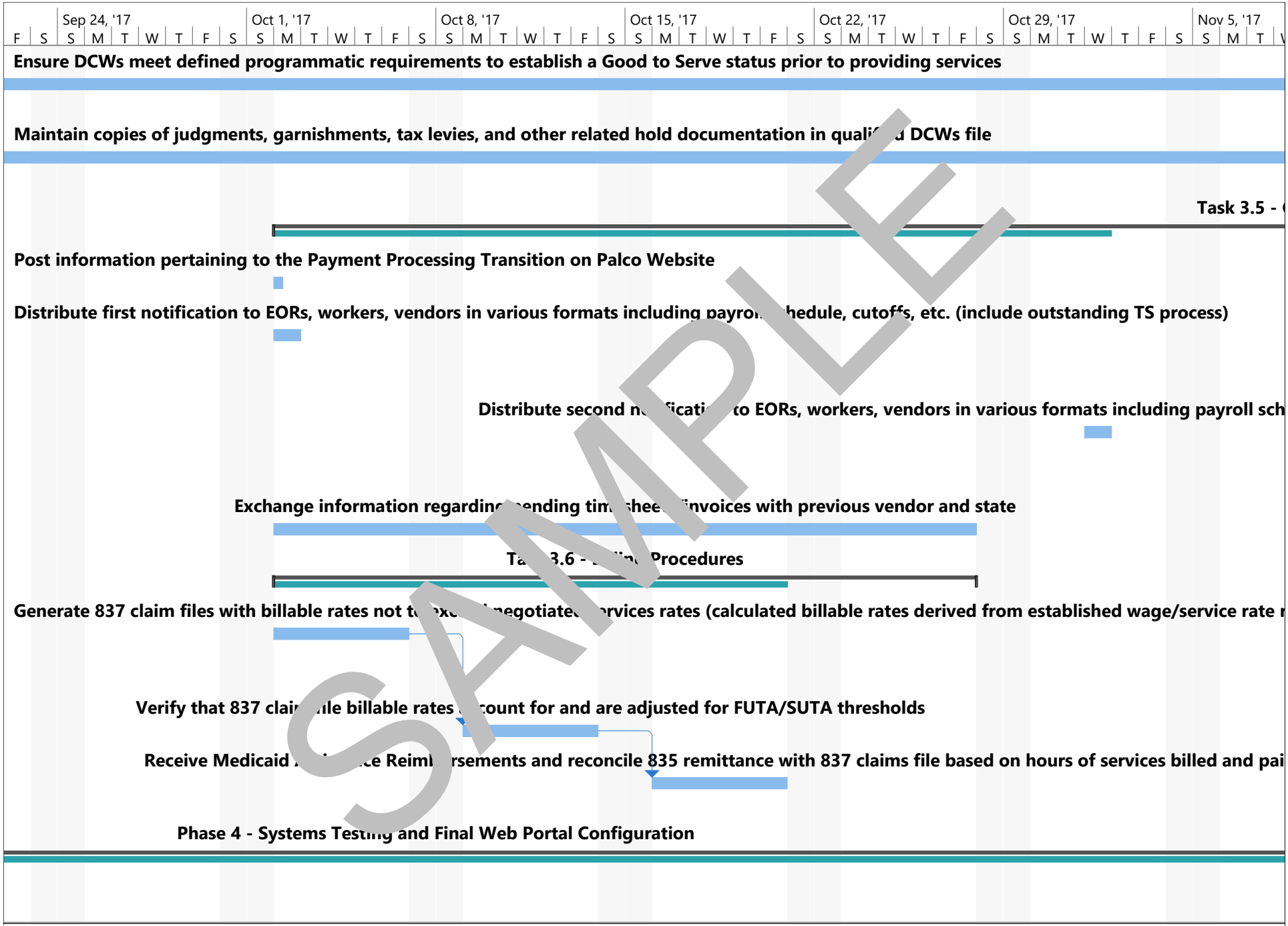
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Ensure DCWs meet defined programmatic requirements to establish a Good to Serve status prior to providing services
Maintain copies of judgments, garnishments, tax levies, and other related hold documentation in qualified DCWs file
Task 3.5 -
Post information pertaining to the Payment Processing Transition on Palco Website
Distribute first notification to EORs, workers, vendors in various formats including payroll schedule, cutoffs, etc. (include outstanding TS process)
Distribute second notification to EORs, workers, vendors in various formats including payroll sch
Exchange information regarding pending timesheets/invoices with previous vendor and state
Task 3.6 - Billing Procedures
Generate 837 claim files with billable rates not to exceed negotiated services rates (calculated billable rates derived from established wage/service rate
Verify that 837 claim file billable rates account for and are adjusted for FUTA/SUTA thresholds
Receive Medicaid Advance Reimbursements and reconcile 835 remittance with 837 claims file based on hours of services billed and pai
Phase 4 - Systems Testing and Final Web Portal Configuration

SAMPLE

Time entry configuration to include mileage and PRFs, OT calculations, rejections and approvals, budget amounts

Notification system (expiring budgets, over-utilization, approvals, statuses, changes and modifications, etc.) with history and dates

Provide the program Administrator with a Relationship Diagram for the facilitation of ad hoc reporting

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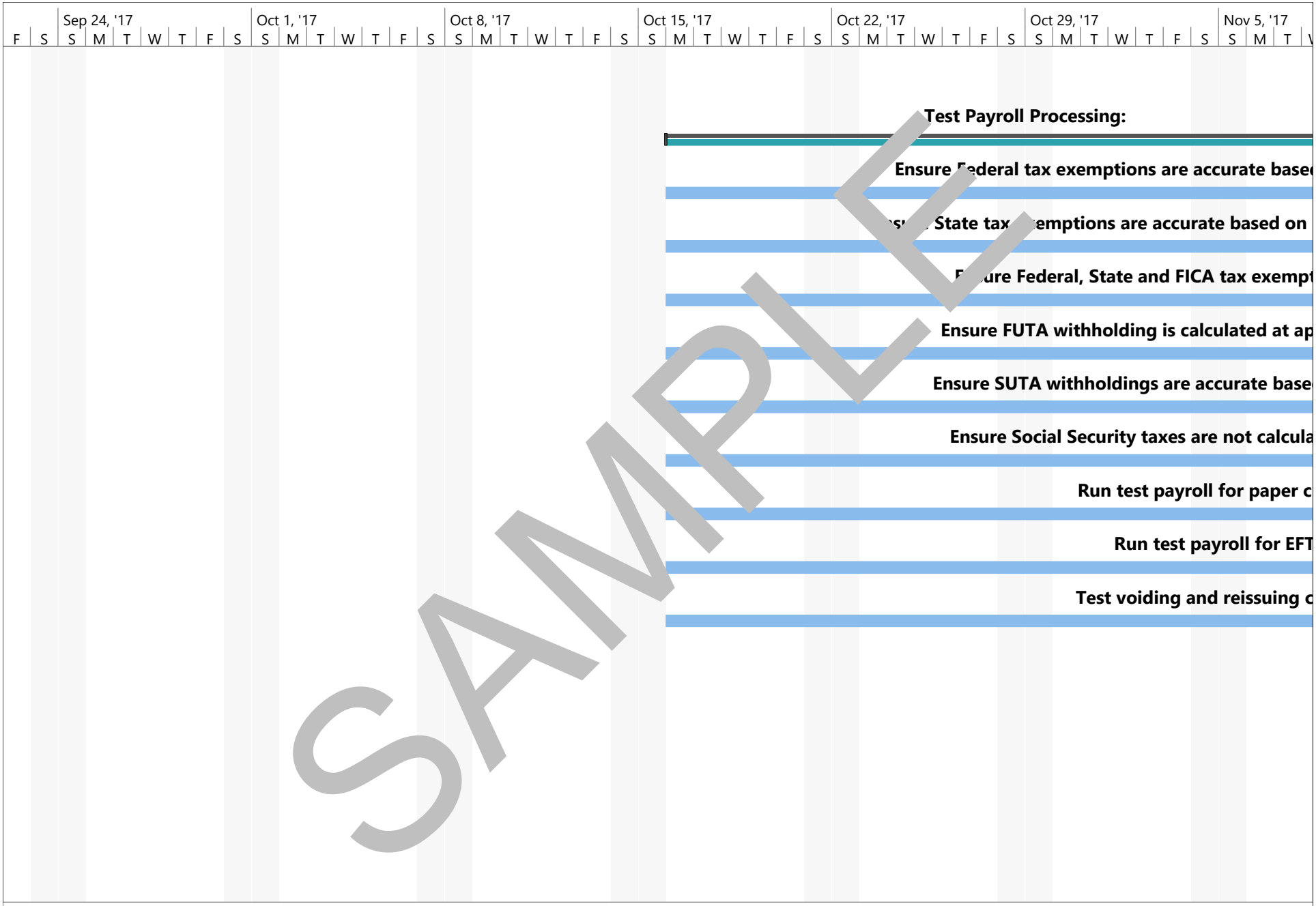
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Test Payroll Processing:
Ensure Federal tax exemptions are accurate base
State tax emptions are accurate based on
ure Federal, State and FICA tax exempt
Ensure FUTA withholding is calculated at ap
Ensure SUTA withholdings are accurate base
Ensure Social Security taxes are not calcula
Run test payroll for paper c
Run test payroll for EFT
Test voiding and reissuing c

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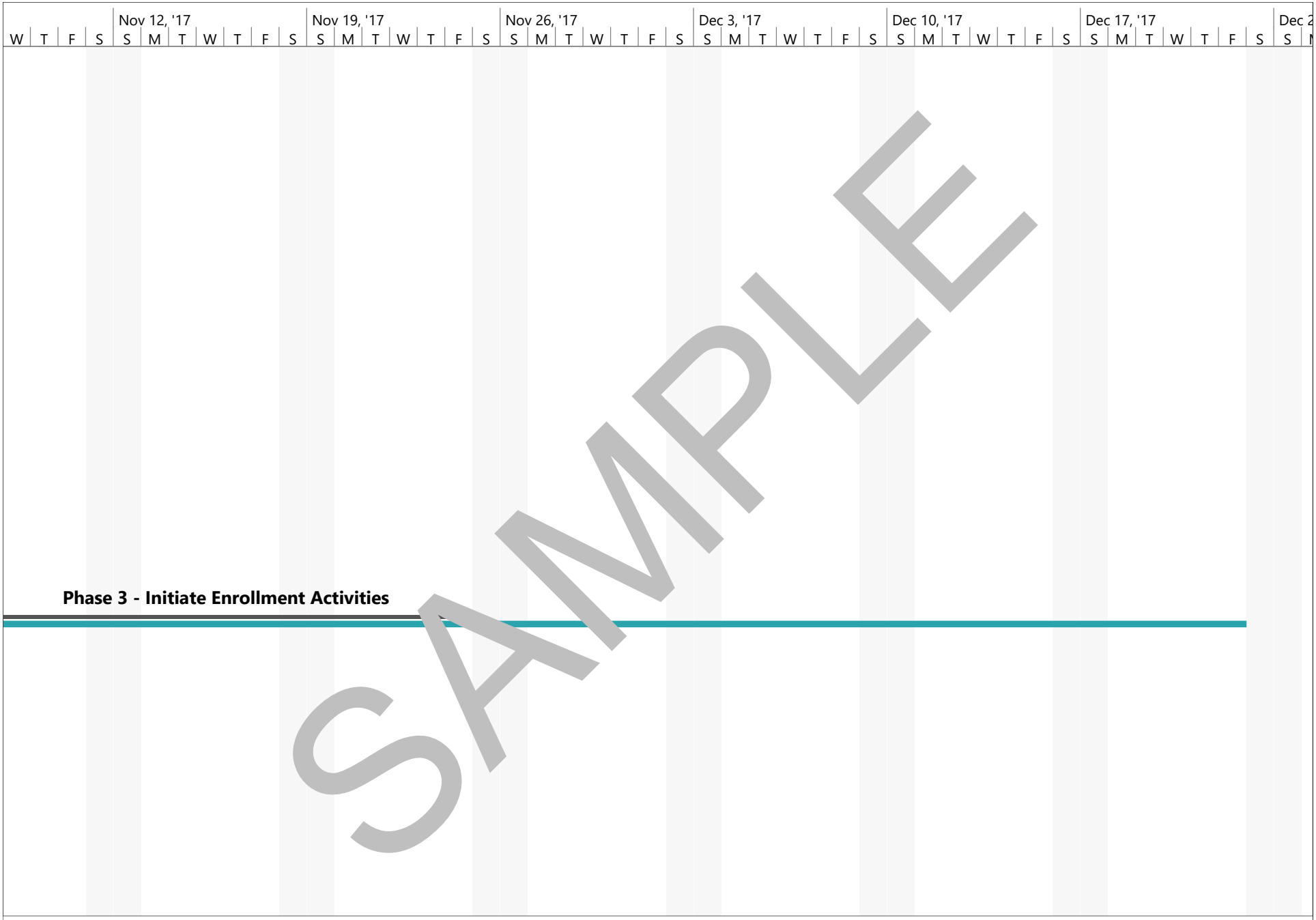
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Phase 3 - Initiate Enrollment Activities

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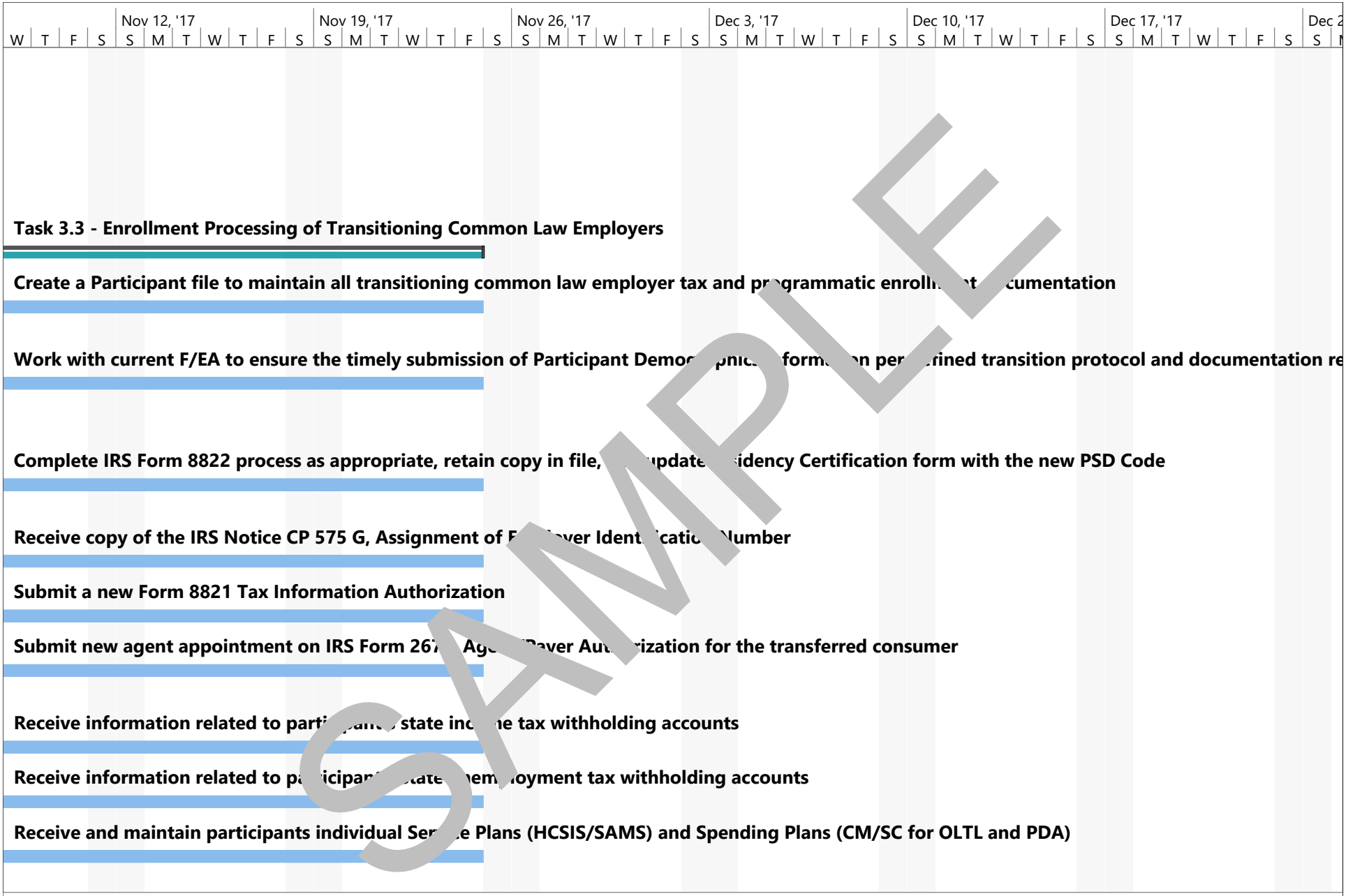
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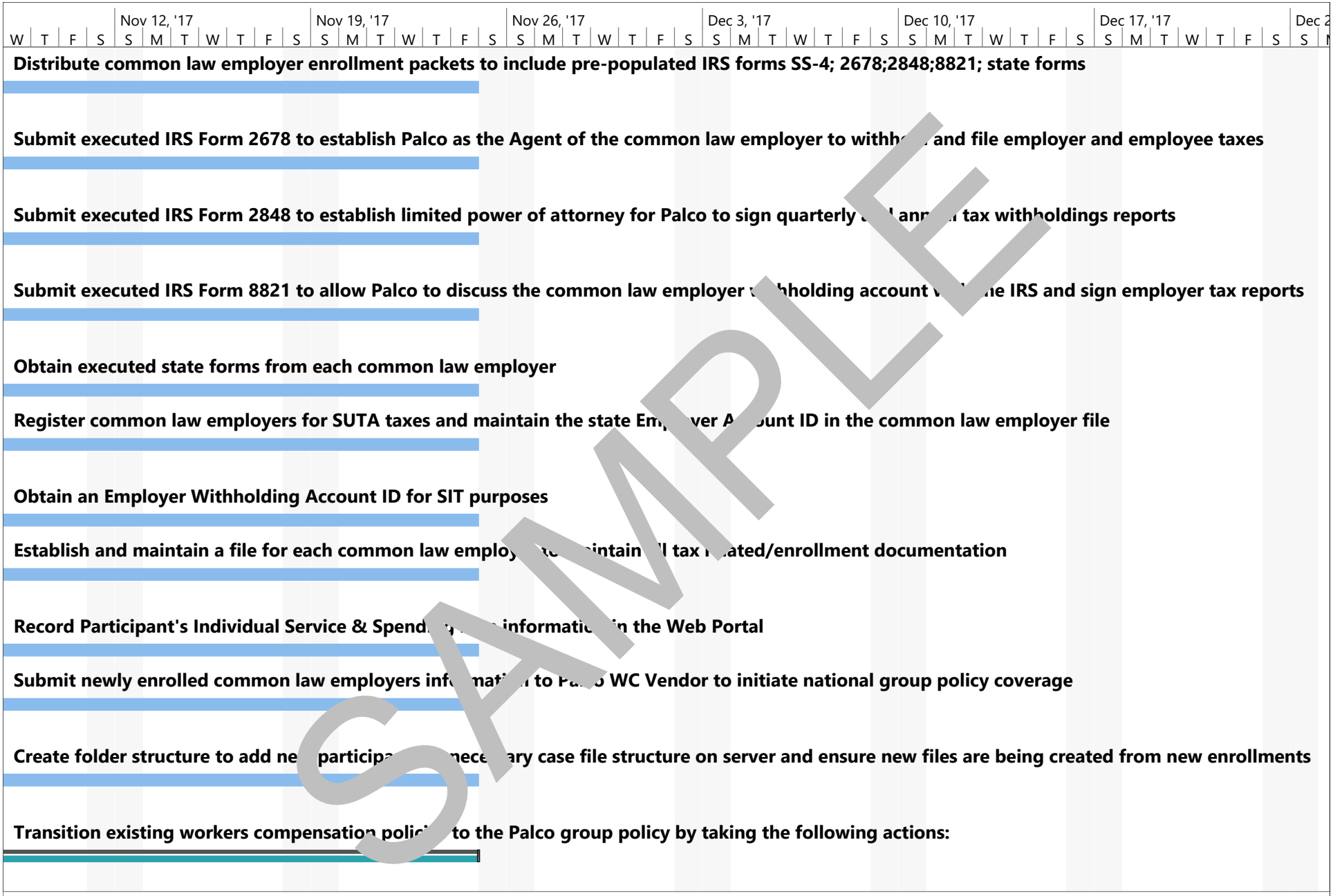
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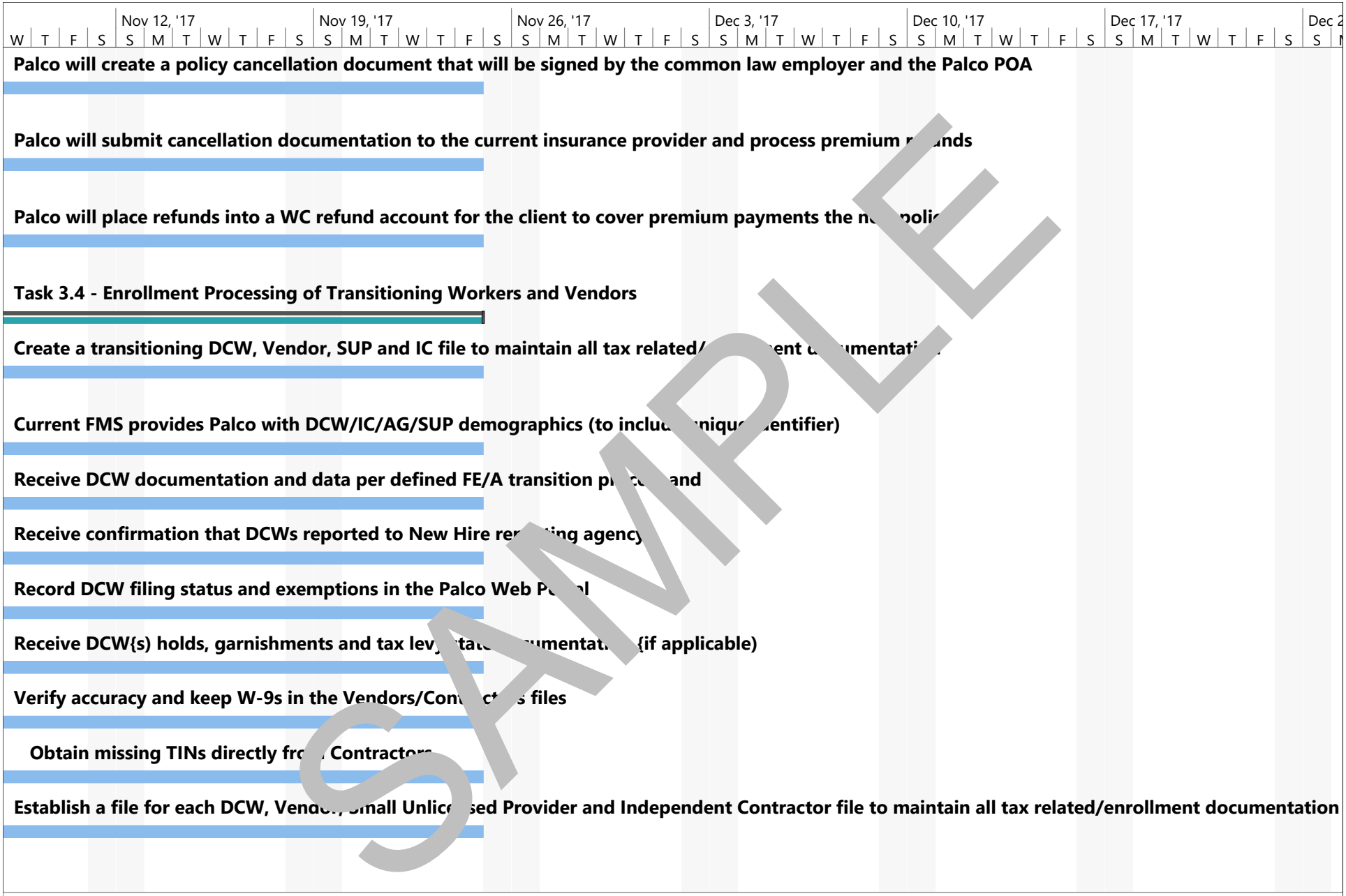
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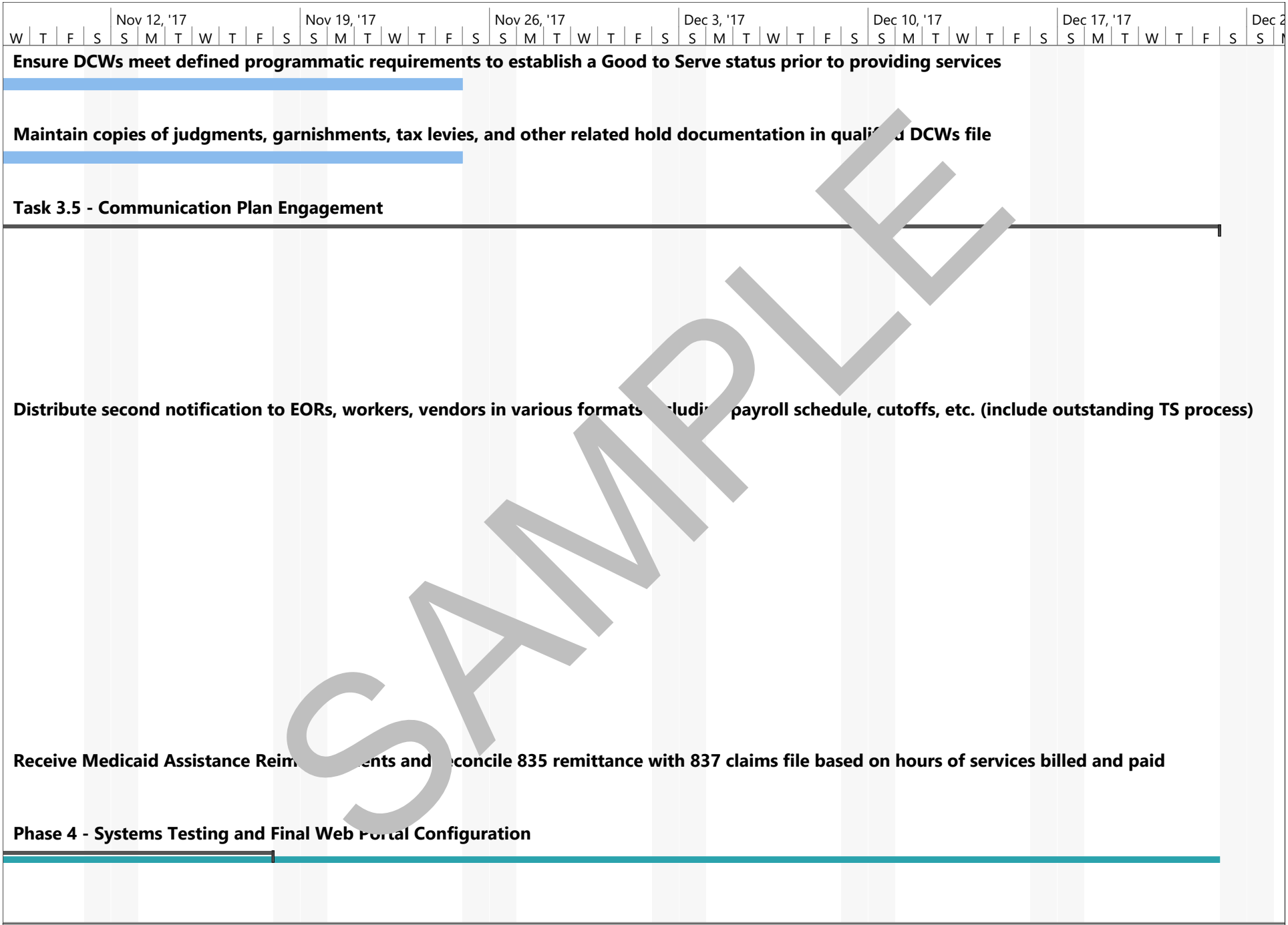
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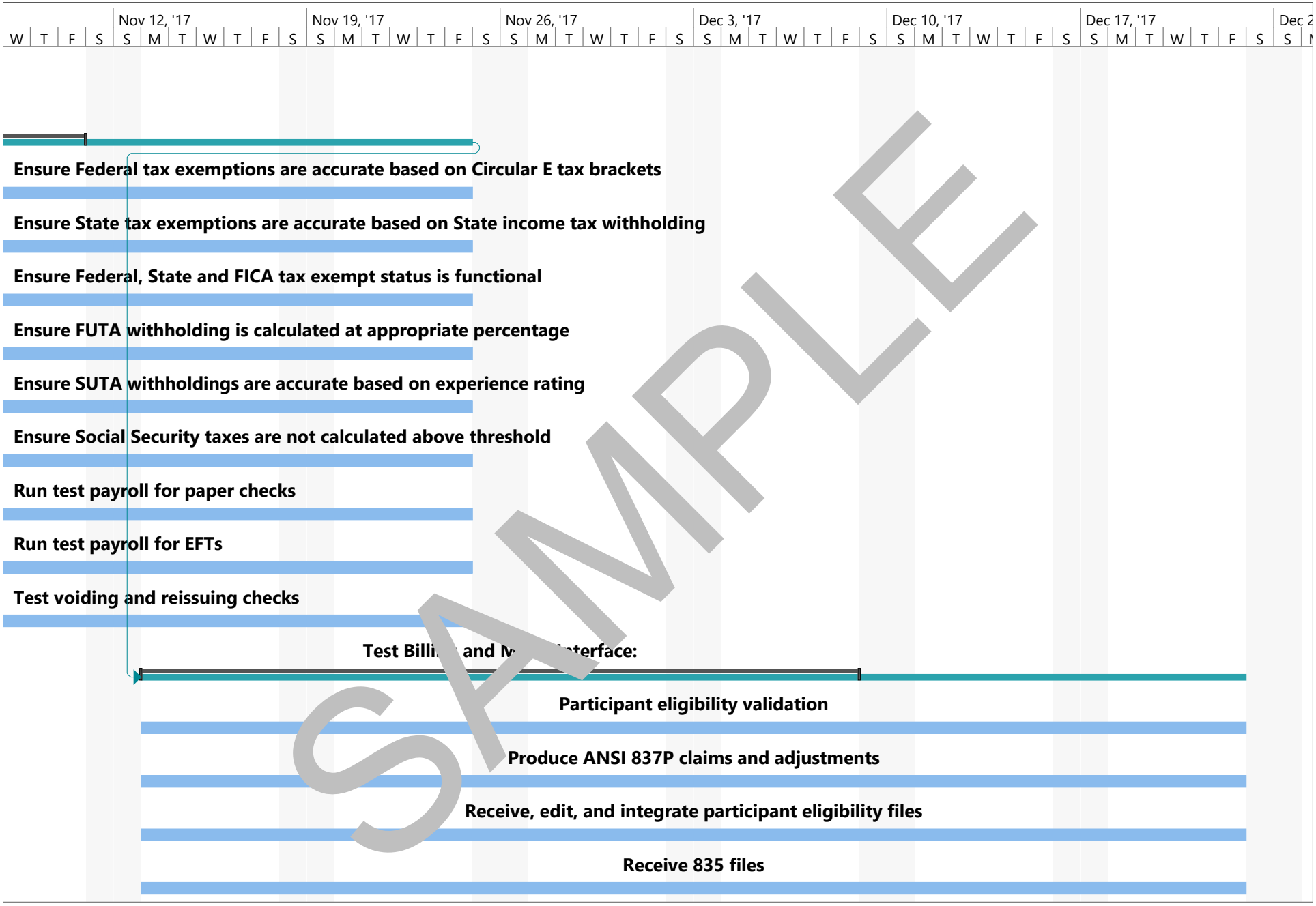
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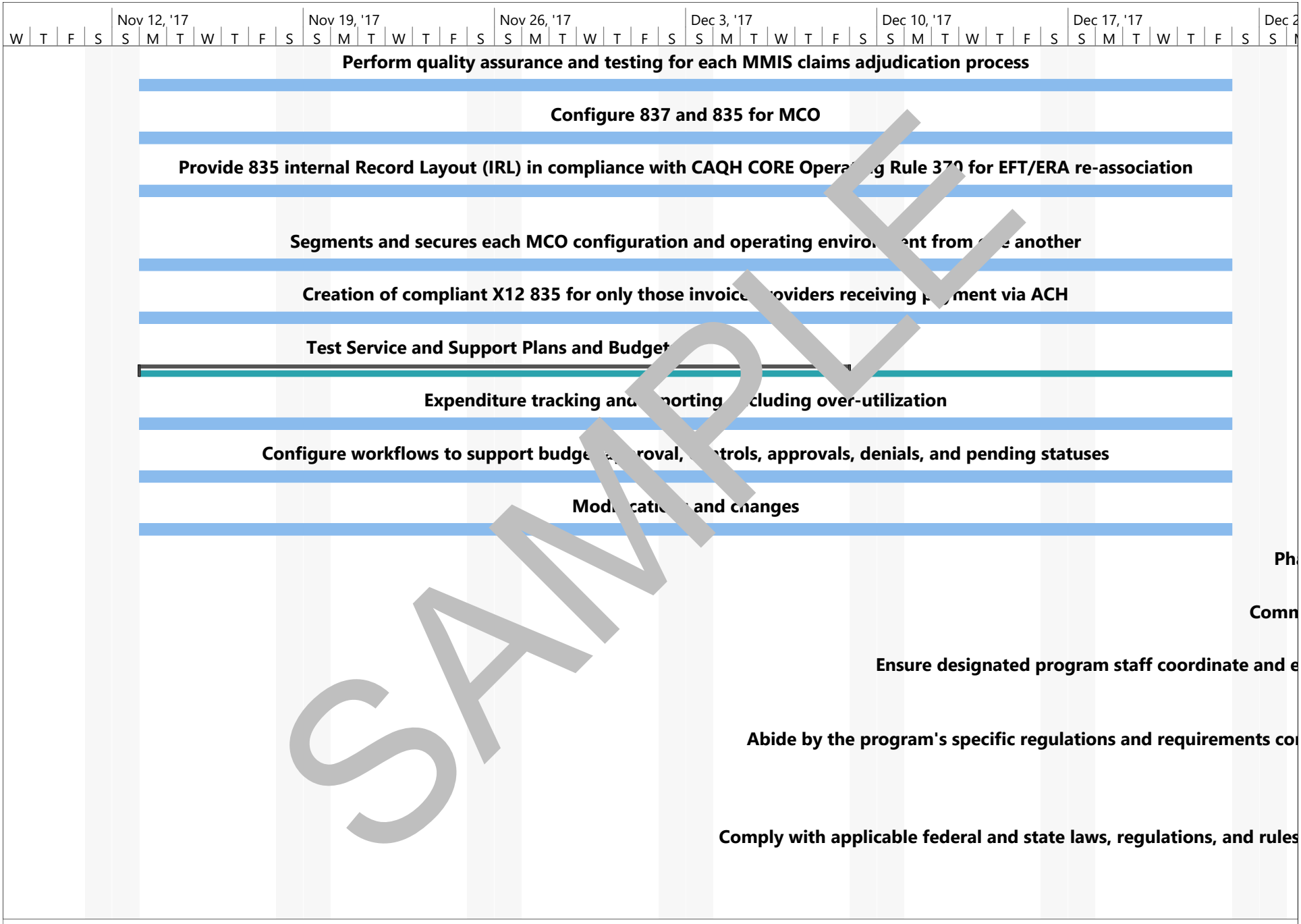
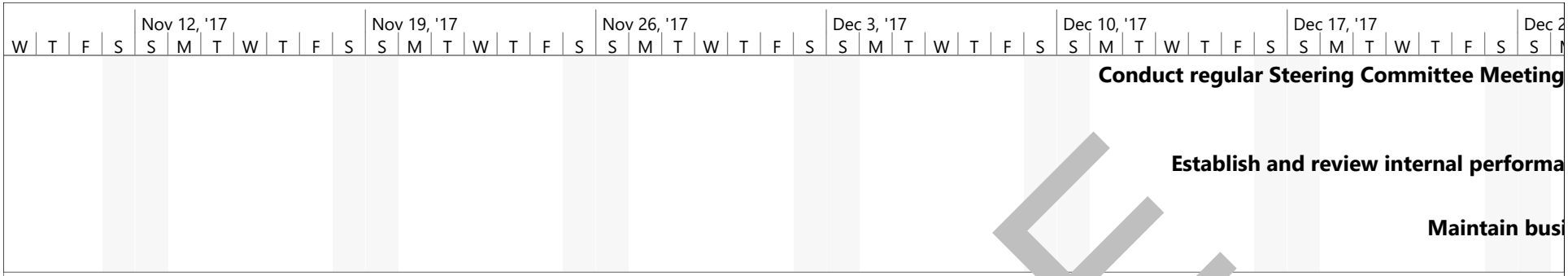
Ensure Federal tax exemptions are accurate based on Circular E tax brackets
Ensure State tax exemptions are accurate based on State income tax withholding
Ensure Federal, State and FICA tax exempt status is functional
Ensure FUTA withholding is calculated at appropriate percentage
Ensure SUTA withholdings are accurate based on experience rating
Ensure Social Security taxes are not calculated above threshold
Run test payroll for paper checks
Run test payroll for EFTs
Test voiding and reissuing checks
Test Billi and M terface:
Participant eligibility validation
Produce ANSI 837P claims and adjustments
Receive, edit, and integrate participant eligibility files
Receive 835 files

SAMPLE


Nov 12, '17
Nov 19, '17
Nov 26, '17
Dec 3, '17
Dec 10, '17
Dec 17, '17
Perform quality assurance and testing for each MMIS claims adjudication process
Configure 837 and 835 for MCO
Provide 835 internal Record Layout (IRL) in compliance with CAQH CORE Operating Rule 370 for EFT/ERA re-association
Segments and secures each MCO configuration and operating environment from one another
Creation of compliant X12 835 for only those invoice providers receiving payment via ACH
Test Service and Support Plans and Budget
Expenditure tracking and reporting including over-utilization
Configure workflows to support budget approval, controls, approvals, denials, and pending statuses
Modifications and changes
Ph
Comm
Ensure designated program staff coordinate and e
Abide by the program's specific regulations and requirements co
Comply with applicable federal and state laws, regulations, and rules

SAMPLE


Nov 12, '17
Nov 19, '17
Nov 26, '17
Dec 3, '17
Dec 10, '17
Dec 17, '17
W T F S S M T W T F S S M T W T F S S M T W T F S S M T W T F S S M T W T F S S M T W T F S S M
Conduct regular Steering Committee Meeting
Establish and review internal performa
Maintain busi

SAMPLE

Create a Participant file to maintain all transitioning common law employer tax and programmatic enrollment documentation

Work with current F/EA to ensure the timely submission of Participant Demographic information per determined transition protocol and documentation re

Complete IRS Form 8822 process as appropriate, retain copy in file, update Residency Certification form with the new PSD Code

Submit new agent appointment on IRS Form 267 Agent/Payer Authorization for the transferred consumer

Receive and maintain participants individual Service Plans (HCSIS/SAMS) and Spending Plans (CM/SC for OLTL and PDA)

SAMPLE

Distribute common law employer enrollment packets to include pre-populated IRS forms SS-4; 2678;2848;8821; state forms

Submit executed IRS Form 2678 to establish Palco as the Agent of the common law employer to withhold and file employer and employee taxes

Submit executed IRS Form 2848 to establish limited power of attorney for Palco to sign quarterly and annual tax withholdings reports

Submit executed IRS Form 8821 to allow Palco to discuss the common law employer withholding account with the IRS and sign employer tax reports

Register common law employers for SUTA taxes and maintain the state Employer Account ID in the common law employer file

Establish and maintain a file for each common law employer and maintain all tax related/enrollment documentation

Submit newly enrolled common law employers information to Palco WC Vendor to initiate national group policy coverage

Create folder structure to add new participants necessary case file structure on server and ensure new files are being created from new enrollments

Transition existing workers compensation policies to the Palco group policy by taking the following actions:

SAMPLE

24, '17 | Dec 31, '17 | Jan 7, '18 | Jan 14, '18 | Jan 21, '18 | Jan 28, '18 | Feb 4, '18

M T W T F S S M T W T F S S M T W T F S S M T W T F S S M T W T F S S M T W T F S S M T W T F

Palco will create a policy cancellation document that will be signed by the common law employer and the Palco POA

Palco will submit cancellation documentation to the current insurance provider and process premium refunds

Palco will place refunds into a WC refund account for the client to cover premium payments the new policy

Create a transitioning DCW, Vendor, SUP and IC file to maintain all tax related/enrollment documentation

Establish a file for each DCW, Vendor, Small Unlicensed Provider and Independent Contractor file to maintain all tax related/enrollment documentation

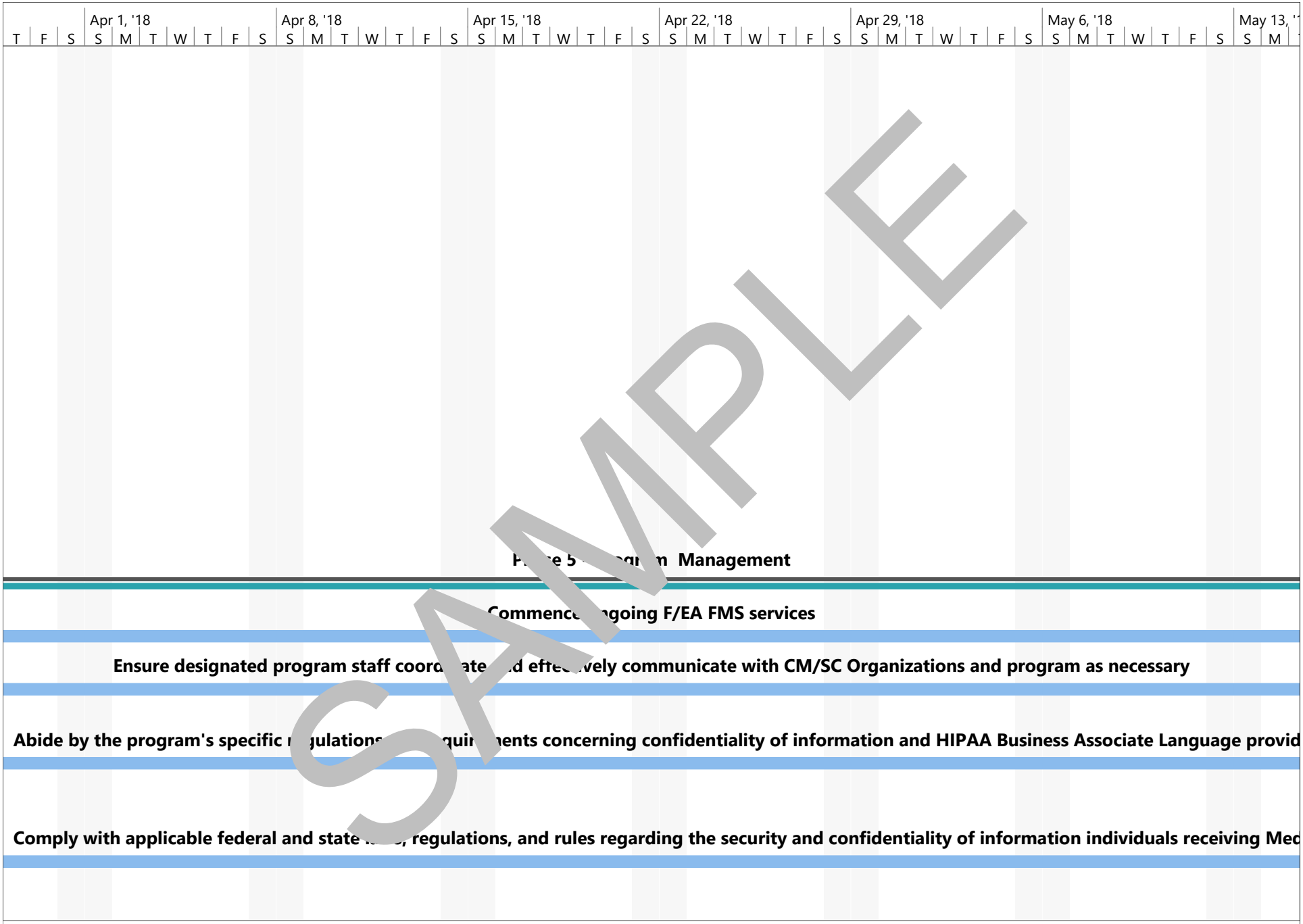
SAMPLE

Ensure DCWs meet defined programmatic requirements to establish a Good to Serve status prior to providing services

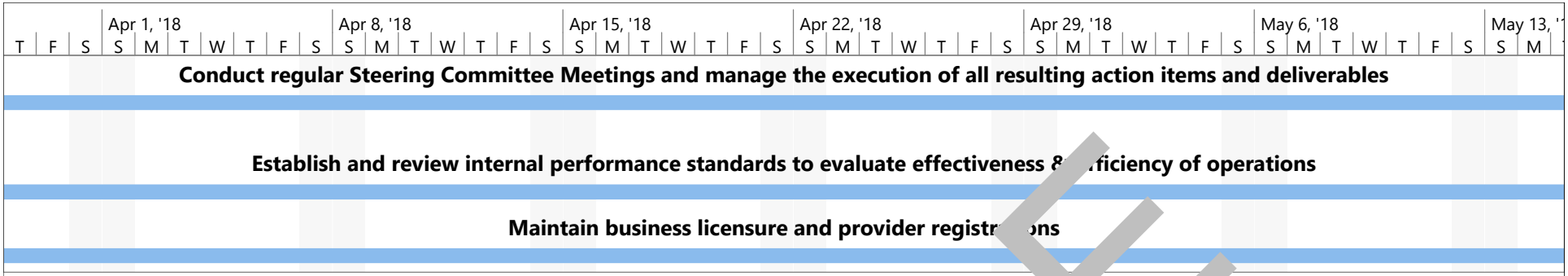
Maintain copies of judgments, garnishments, tax levies, and other related hold documentation in qualified DCWs file

Task 3.5 - Communication Plan Engagement

SAMPLE


Apr 1, '18
Apr 8, '18
Apr 15, '18
Apr 22, '18
Apr 29, '18
May 6, '18
May 13, '1
T F S S M T W T F S S M T W T F S S M T W T F S S M T W T F S S M T W T F S S M T W T F S S M
Phase 5 - Program Management
Commence ongoing F/EA FMS services
Ensure designated program staff coordinate and effectively communicate with CM/SC Organizations and program as necessary
Abide by the program's specific regulations requirements concerning confidentiality of information and HIPAA Business Associate Language provid
Comply with applicable federal and state laws, regulations, and rules regarding the security and confidentiality of information individuals receiving Med

SAMPLE


Apr 1, '18
Apr 8, '18
Apr 15, '18
Apr 22, '18
Apr 29, '18
May 6, '18
May 13, '
T F S S M T W T F S S M T W T F S S M T W T F S S M T W T F S S M T W T F S S M T W T F S S M
Conduct regular Steering Committee Meetings and manage the execution of all resulting action items and deliverables
Establish and review internal performance standards to evaluate effectiveness & efficiency of operations
Maintain business licensure and provider registrations

SAMPLE

SAMPLE

Project: PA transition plan
Date: Thu 5/25/17

Task		Manual Summary	
Split		Start-only	
Milestone		Finish-only	
Summary		External Tasks	
Project Summary		External Milestone	
Inactive Task		Deadline	
Inactive Milestone		Path Predecessor Milestone Task	
Inactive Summary		Path Predecessor Summary Task	
Manual Task		Path Predecessor Normal Task	
Duration-only		Progress	
Manual Summary Rollup		Manual Progress	

X

DEPARTMENT OF THE TREASURY
INTERNAL REVENUE SERVICE
HOLTSVILLE NY 00501-0023

DATE OF THIS NOTICE: 07-28-2003
NUMBER OF THIS NOTICE: CP 575 A
EMPLOYER IDENTIFICATION NUMBER: 05-0578399
FORM: SS-4 NOBOD 0000003484
0133049684 B

FOR ASSISTANCE CALL US AT:
1-800-829-0115

OR WRITE TO THE ADDRESS
SHOWN AT THE TOP LEFT.

IF YOU WRITE, ATTACH THE
STUB OF THIS NOTICE.

PALCO INC
INDEPENDENT CHOICES PALCO
2504 MCCAIN BLVD STE 225
NORTH LITTLE ROCK AR 72116

WE ASSIGNED YOU AN EMPLOYER IDENTIFICATION NUMBER (EIN)

Thank you for your Form SS-4, Application for Employer Identification Number (EIN). We assigned you EIN 05-0578399. This EIN will identify your business account, tax returns, and documents even if you have no employees. Please keep this notice in your permanent records.

Use your complete name and EIN shown above on all federal tax forms, payments and related correspondence. If you use any variation of your name or EIN, it may cause a delay in processing and may result in incorrect information in your account. It also could cause you to be assigned more than one EIN.

Based on the information shown on your Form SS-4, you must file the following form(s) by the date we show.

Form 941	10/31/2003
Form 1120	03/15/2004
Form 940	01/31/2004

Your assigned tax classification is based on information obtained from your Form SS-4. It is not a legal determination of your tax classification, and is not binding on the IRS. If you want a determination of your tax classification, you may seek a private letter ruling from the IRS under the procedures set forth in Revenue Procedure 98-01, 1998-1 I.R.B.7 (or the superceding revenue procedure for the year at issue).

If you need help in determining what your tax year is, you can get Publication 538, Accounting Periods and Methods, at your local IRS office.

If you have questions about the form(s) or the due date(s) shown, you can call us at 1-800-829-0115 or write to us at the address shown above.

APPENDIX 5

EMPLOYER ENROLLMENT PACKET

Self-Direction Program

P.O. Box 242930
Little Rock, AR 72223

501.604.9936 (Phone)
866.710.0456 (Toll-Free)
501.821.0045 (Fax)
Relay Service 711
(TDD/TTY)

info@palcofirst.com
www.palcofirst.com

Information for Employers

Palco serves participants in the self-directed services delivery model. Below are frequently asked questions and answers to help you better understand Palco's role and your role.

Frequently Asked Questions	
What is self-direction?	Self-direction is a type of service delivery model for individuals who choose to exercise more choice and control over their supports and who wish to stay independent in their home.
Who is Palco?	Palco is a fiscal/employer agent (F/EA) who processes enrollment packets, verifies eligibility, and acts as bookkeeper for the program—we receive, disburse, and track program funds. For more details, please refer to the "Employer Service Agreement" in this packet.
Who is the employer of my worker?	The participant or the participant's authorized representative is the employer.
What are my responsibilities as an employer?	Each employer has employer authority and budget authority. "Employer authority" includes hiring, training, supervising, terminating service workers, ensuring backup services, managing conflict and risk, and submitting accurate timesheets for work performed. "Budget authority" includes following your budget accurately. For more details, please refer to the "Employer Services Agreement" in this packet.
How do I enroll on the program?	Complete and promptly submit all enrollment forms required by Palco, including new employment paperwork for service workers hired. You may submit these forms to Palco by fax at 501.821.0045, scan and email to enrollment@palcofirst.com, or mail to P.O. Box 242930, Little Rock, AR 72223.
What do I need to do if my information changes?	Employers should always notify Palco of any changes to their contact information, service workers, or representatives. A "Change of Information" form is located on our website for your convenience, or you may call Palco Customer Support and request a copy.
How can I contact Palco?	Palco Customer Support representatives are available Monday through Friday, 8:00 a.m. to 5:00 p.m.CST, except state holidays. You may reach us by phone at 501.604.9936 or toll free at 1.866.710.0456, email to info@palcofirst.com, fax to 501.821.0045, or mail to P.O. Box 242930, Little Rock, AR 72223.
Does Palco provide online resources that can help me?	Yes, Palco maintains a website where you will find forms and other resources at www.palcofirst.com. You can also visit our Facebook page.

Employer Packet Checklist and Instructions

The employer must complete **all** of the forms in the packet in order to enroll on the self-directed program. Follow the instructions in this packet to enroll properly. **All areas highlighted in yellow must be signed by the employer.** *If the participant designates a representative, the representative becomes the employer and must complete all forms as the employer. If the participant is representing himself/herself but is unable to sign his or her name, the participant must write an "X" by the yellow highlighting, and a witness must write, "Witnessed By," and sign his or her own name at the bottom of the page by the participant's "X."*

When this packet is complete, it must be mailed, faxed, or scanned and emailed to Palco along with your worker(s)' packet. Pictures of forms will NOT be accepted. **Remember, Palco must have this packet in order to complete your enrollment and for your worker(s) to receive pay through the self-directed program.**

Use the **checklist** below to confirm you have enclosed all required items. **Instructions** on how to complete each of the required forms in this packet begin on the following page.

	REQUIRED **Return to Palco**
☐	**Participant Enrollment Information** is filled out & signed.
☐	**Designation of Representative** is filled out & signed, ***if applicable***.
☐	**IRS Form SS-4** is filled out & signed.
☐	**IRS Form 2678** is filled out & signed.
☐	**IRS Form 8821** is filled out & signed.
☐	**Authorization Agreement** is signed.
☐	**State Limited Power of Attorney** is filled out & signed.
☐	**Other State Registration Form** is filled out & signed.
☐	**Employer Service Agreement** is signed.
☐	**Privacy Practice Notice** is signed.
☐	**Direct Deposit Authorization** is filled out & signed, ***if applicable***.
☐	**Voided Check**, **Prepaid Card Form, or Letter from Bank** is **attached**, ***if applicable***.

INFORMATIONAL **Retain the copies of these forms**	
Information for Employers	Timesheet (make copies)
Rate Information for Employers	Employer Reimbursement Request (make copies)
Payroll Schedule	

PACKET SUBMISSION METHODS
Fax: 501.821.0045, Attn: Enrollment **Scan and Email:** enrollment@palcofirst.com **Mail:** Palco, Attn: Enrollment, P.O. Box 242930, Little Rock, AR 72223

INSTRUCTIONS FOR REQUIRED FORMS	
PARTICIPANT ENROLLMENT INFORMATION	
Purpose	The Participant Enrollment Information form gathers the required demographic and program information needed for enrollment with Palco.
Instructions	1. Print the participant's information in each box. 2. The employer must sign and date at the bottom of the page where highlighted in yellow.
DESIGNATION OF REPRESENTATIVE *(if applicable)*	
Purpose	The Designation of a Representative form provides Palco with required information about the participant who is receiving services and authorizes a representative to serve as the employer on behalf of the program participant and defines the roles and responsibilities of the representative under the program. This form is required only when applicable. **When a representative is designated, the representative must complete and sign all forms as the employer.**
Instructions	1. Print the participant's information in the Participant Demographic Information section. 2. Complete all parts of the Representative Information section. 3. Initial by each task. 4. The representative must sign and date where highlighted in yellow. 5. If the participant is unable or not of age to sign, a witness must sign and date where highlighted in purple. The witness cannot be the paid worker.
IRS FORM SS-4	
Purpose	The IRS Form SS-4 gives Palco the ability to file for a Federal Employer Identification Number (FEIN) with the IRS, which allows the employer to act like a small business for payroll tax purposes.
Instructions	Where highlighted in yellow: 1. On **Line 1**, print the employer's full name. 2. On **Line 6**, print the county and state where the employer resides. 3. On **Line 7a**, print the employer's full name again. 4. On **Line 7b**, print the employer's Social Security Number (SSN). The SSN must match the SSN on the employer's Social Security card. 5. The employer must sign and date at the bottom of the page.
IRS FORM 2678	
Purpose	The IRS Form 2678 appoints Palco as the employer's agent *only* for the purpose of paying employment payroll taxes for the employer's worker.
Instructions	Where highlighted in yellow: 1. Print the employer's name in the box by **Line 2,** "Employer's or payer's name." 2. On **Line 4**, "Address," use all 4 boxes to print the employer's address. Do not forget to write the city, state, and zip in the boxes. 3. At the bottom of the page, locate the ✘. a. The employer must sign by the ✘. 4. Print the employer's name and date at the bottom of the page.

IRS FORM 8821	
Purpose	The IRS Form 8821 allows Palco to correspond with the IRS on your behalf for the limited purposes of the self-directed program.
Instructions	Where highlighted in yellow: 1. Under **Box 1**, "Taxpayer's Information:" a. Print the employer's name and address. b. Print the employer's phone number in the "Daytime telephone number" box. 2. Sign, date, and print the employer's name at the bottom of the page.
AUTHORIZATION AGREEMENT	
Purpose	The Authorization Agreement outlines the responsibilities that Palco will take on as the fiscal/employer-agent. By signing this form, the employer allows Palco to disburse money according to the budget, pay the worker, and perform other duties required to keep the participant in compliance with the IRS and state tax authorities.
Instructions	Print the participant and employer's name, sign, and date on the lines provided at the bottom of the page where highlighted in yellow.
EMPLOYER SERVICE AGREEMENT	
Purpose	The Employer Service Agreement defines the roles and responsibilities of each party under the self-directed program.
Instructions	Print the participant and employer's name, sign, and date on the lines provided at the bottom of the page where highlighted in yellow.
PRIVACY PRACTICES NOTICE	
Purpose	The Privacy Practices Notice outlines how Palco will use the participant's protected health information (PHI).
Instructions	Print the participant and employer's name, sign, and date on the lines provided at the bottom of the page where highlighted in yellow.
DIRECT DEPOSIT AUTHORIZATION	
Purpose	This form gives Palco the authority to deposit your reimbursements in your bank account. Palco **does not** send paper checks. This form is required only for reimbursements to be made.
Instructions	1. Fill out every item in the Requestor Information section at the top of the page. 2. For direct deposit into your own account or pre-paid card, attach **one** of the following: ▪ A voided check (no temporary checks or deposit slip) ▪ A typed letter from your bank on the bank's letterhead with your name, account number and routing number. ▪ For a pre-paid card, send a statement from the card company showing the card is activated and registered. This statement must have your name PRINTED on the card. Generally, you can log into the card company's website and print this form, or if you purchase your pre-paid card directly from a bank, the bank can provide the necessary documentation. **A copy of your card is *NOT* valid documentation.** 3. For Palco to issue a Rapid! Paycard Mastercard to you, select the second account option. ▪ Note that the Rapid! Paycard Mastercard will take up to 10 business days to arrive in the mail upon Palco's receipt of your request. 4. Sign and date at the bottom where highlighted in yellow. *If your banking information changes during your enrollment, you need to send in a new direct deposit form with the correct attachment. You can visit our website at www.palcofirst.com/forms to download a form or call our Customer Service department to have one mailed to you. If you*

	exceed two direct deposit changes within a one-year period there will be a $10.00 charge for every change thereafter.
Avoid Common Mistakes! ***Be sure to provide a valid form of documentation. The privacy statement or receipt from purchasing a prepaid card or copy of your card is NOT valid documentation.***	

Participant Enrollment Information

Participant Enrollment Information					
First & Last Name:		**SSN:**			
DOB:		**Gender:**	**Male** ☐ **Female** ☐		
Phone 1:		**Phone 2:**			
Street Address:					
City:		**State:**		**Zip:**	
Email:					
Medicaid #:		**Waiver:**			

Note—As the employer, it is your responsibility to report any change in the above enrollment information. To report a change, complete and submit the "Change of Information" form available on our website at www.palcofirst.com or by calling Customer Support.

_____ _____

Employer Signature **Signature Date**

Designation of a Representative

Participant Demographic Information			
First & Last Name:		**Case ID or SSN:**	
DOB:		**Gender:**	**Male** ☐ **Female** ☐
Parent/ Guardian *(if applicable)*:		**Phone:**	
Representative Information			
Name:		**SSN:**	
Street Address:		**Phone:**	
		Alt Phone:	
City:		**State:**	**Zip:**
Email:		**Relationship to Participant:**	

A representative is an individual aged 18 or older designated by the participant or his/her guardian to direct care on behalf of the participant. As the representative, I agree to the following terms (*please initial by each task*):

	I understand that I may **not** receive monetary compensation for directing care on the participant's behalf in the course of the self-directed program, and I am willing to *volunteer* as the participant's representative. I understand that to become a worker, I can no longer serve as the representative to the participant.
	I understand that I may **not** serve as representative if I have been convicted of any crime involving exploitation, abuse or assault on another person, nor may I have a mental, emotional or physical condition that could result in harm to the participant.
	I accept responsibility to manage the employer of record and related health aspects of the participant's care in relation to the self-directed program, which may require completing employer training and coordinating communications with Palco on the participant's behalf. I will also act as a managing member by supervising and/or assisting with the supervision of caregivers.
	I accept responsibility to handle the financial aspects of the participant's care which include determining how the participant's individual allocation of funds or authorized hours should be spent, ensuring the participant receives necessary care, ensuring workers receive compensation, and verifying the accuracy of financial and personnel records as provided by Palco.
	I will review and sign forms necessary to fulfill documentation requirements of the self-directed program.
	I will demonstrate a strong personal commitment to the participant, display knowledge about and respect for the participant's preferences, follow the participant's wishes, and use sound judgment to act on the participant's behalf.

If the representative is the legal guardian or has Power of Attorney over the participant, copies of the court documents appointing the individual as such over the participant must be attached to this form.

The signatures below indicate that the above named participant or his or her guardian hereby appoints the following individual to serve as his or her representative on the program and that the person signing as representative agrees to serve in such capacity. All parties signing below indicate that they understand their responsibilities and duties and will comply with program policies and requirements.

Participant Signature **Date**

Representative Signature **Date**

Witness Signature* **Date**

**Required if the participant is unable or not of age to sign. The witness CANNOT be the paid worker.*

Form **SS-4**
(Rev. January 2010)
Department of the Treasury
Internal Revenue Service

Application for Employer Identification Number

(For use by employers, corporations, partnerships, trusts, estates, churches, government agencies, Indian tribal entities, certain individuals, and others.)

▶ **See separate instructions for each line.** ▶ **Keep a copy for your records.**

OMB No. 1545-0003

EIN

Type or print clearly.

1 Legal name of entity (or individual) for whom the EIN is being requested

2 Trade name of business (if different from name on line 1)
Palco, Inc.

3 Executor, administrator, trustee, "care of" name
Palco, Inc. as HH Employer Agent

4a Mailing address (room, apt., suite no. and street, or P.O. box)
P.O. Box 242930

5a Street address (if different) (Do not enter a P.O. box.)

4b City, state, and ZIP code (if foreign, see instructions)
Little Rock, AR 72223

5b City, state, and ZIP code (if foreign, see instructions)

6 County and state where principal business is located

7a Name of responsible party

7b SSN, ITIN, or EIN

8a Is this application for a limited liability company (LLC) (or a foreign equivalent)? . . . . . ☐ Yes ☑ No

8b If 8a is "Yes," enter the number of LLC members . . . . ▶

8c If 8a is "Yes," was the LLC organized in the United States? . . . . . ☐ Yes ☐ No

9a **Type of entity** (check only one box). **Caution.** If 8a is "Yes," see the instructions for the correct box to check.

☐ Sole proprietor (SSN) ___
☐ Partnership
☐ Corporation (enter form number to be filed) ▶ ___
☐ Personal service corporation
☐ Church or church-controlled organization
☐ Other nonprofit organization (specify) ▶ ___
☑ Other (specify) ▶ Household Employer (HCSR)

☐ Estate (SSN of decedent) ___
☐ Plan administrator (TIN) ___
☐ Trust (TIN of grantor) ___
☐ National Guard ☐ State/local government
☐ Farmers' cooperative ☐ Federal government/military
☐ REMIC ☐ Indian tribal governments/enterprises
Group Exemption Number (GEN) if any ▶

9b If a corporation, name the state or foreign country (if applicable) where incorporated

State

Foreign country

10 **Reason for applying** (check only one box)

☐ Started new business (specify type) ▶ ___
☐ Hired employees (Check the box and see line 13.)
☐ Compliance with IRS withholding regulations
☑ Other (specify) ▶ Household Employer (HCSR)

☐ Banking purpose (specify purpose) ▶ ___
☐ Changed type of organization (specify new type) ▶ ___
☐ Purchased going business
☐ Created a trust (specify type) ▶ ___
☐ Created a pension plan (specify type) ▶ ___

11 Date business started or acquired (month, day, year). See instructions.

12 Closing month of accounting year

13 Highest number of employees expected in the next 12 months (enter -0- if none).

If no employees expected, skip line 14.

Agricultural	Household	Other
	3	

14 If you expect your employment tax liability to be $1,000 or less in a full calendar year **and** want to file Form 944 annually instead of Forms 941 quarterly, check here. (Your employment tax liability generally will be $1,000 or less if you expect to pay $4,000 or less in total wages.) If you do not check this box, you must file Form 941 for every quarter. ☐

15 First date wages or annuities were paid (month, day, year). **Note.** If applicant is a withholding agent, enter date income will first be paid to nonresident alien (month, day, year) . . . . . ▶

16 Check **one** box that best describes the principal activity of your business.

☐ Construction ☐ Rental & leasing ☐ Transportation & warehousing ☐ Health care & social assistance ☐ Wholesale-agent/broker
☐ Real estate ☐ Manufacturing ☐ Finance & insurance ☐ Accommodation & food service ☐ Wholesale-other ☐ Retail
☑ Other (specify) Household Employer (HCSR)

17 Indicate principal line of merchandise sold, specific construction work done, products produced, or services provided.

18 Has the applicant entity shown on line 1 ever applied for and received an EIN? ☐ Yes ☐ No
If "Yes," write previous EIN here ▶

Third Party Designee

Complete this section **only** if you want to authorize the named individual to receive the entity's EIN and answer questions about the completion of this form.

Designee's name
Larry Paladino

Designee's telephone number (include area code)
(501) 604-9936

Address and ZIP code
P.O. Box 242930, Little Rock, AR 72223

Designee's fax number (include area code)
(501) 821-0045

Under penalties of perjury, I declare that I have examined this application, and to the best of my knowledge and belief, it is true, correct, and complete.

Name and title (type or print clearly) ▶

Applicant's telephone number (include area code)
( )

Applicant's fax number (include area code)
( )

Signature ▶ Date ▶

For Privacy Act and Paperwork Reduction Act Notice, see separate instructions.

Cat. No. 16055N Form **SS-4** (Rev. 1-2010)

Form **2678** **Employer/Payer Appointment of Agent**

(Rev. August 2014) Department of the Treasury — Internal Revenue Service

OMB No. 1545-0748

Use this form if you want to request approval to have an agent file returns and make deposits or payments of employment or other withholding taxes or if you want to revoke an existing appointment.

- If you are an employer or payer who wants to request approval, complete Parts 1 and 2 and sign Part 2. Then give it to the agent. Have the agent complete Part 3 and sign it.

  Note. This appointment is not effective until we approve your request. See the instructions for filing Form 2678 on page 3.

- If you are an employer, payer, or agent who wants to revoke an existing appointment, complete all three parts. In this case, only one signature is required.

For IRS use:

Part 1: **Why you are filing this form...**

(Check one)

☑ You want to **appoint** an agent for tax reporting, depositing, and paying.

☐ You want to **revoke** an existing appointment.

Part 2: **Employer or Payer Information: Complete this part if you want to appoint an agent or revoke an appointment.**

1 **Employer identification number (EIN)** ☐☐ – ☐☐☐☐☐☐☐

2 **Employer's or payer's name** (not your trade name)

3 **Trade name** (if any)

4 **Address**

Number Street Suite or room number

City State ZIP code

Foreign country name Foreign province/county Foreign postal code

5 **Forms for which you want to appoint an agent or revoke the agent's appointment to file.** (*Check all that apply.*)

	For ALL employees/ payees/payments	For SOME employees/ payees/payments
Form 940, 940-PR (Employer's Annual Federal Unemployment (FUTA) Tax Return)*	☑	☐
Form 941, 941-PR, 941-SS (Employer's QUARTERLY Federal Tax Return)	☑	☐
Form 943, 943-PR (Employer's Annual Federal Tax Return for Agricultural Employees)	☐	☐
Form 944, 944(SP) (Employer's ANNUAL Federal Tax Return)	☐	☐
Form 945 (Annual Return of Withheld Federal Income Tax)	☐	☐
Form CT-1 (Employer's Annual Railroad Retirement Tax Return)	☐	☐
Form CT-2 (Employee Representative's Quarterly Railroad Tax Return)	☐	☐

*Generally you cannot appoint an agent to report, deposit, and pay tax reported on Form 940, Employer's Annual Federal Unemployment (FUTA) Tax Return, unless you are a home care service recipient.

☑ Check here if you are a home care service recipient, and you want to appoint the agent to report, deposit, and pay FUTA tax for you. See the instructions.

I am authorizing the IRS to disclose otherwise confidential tax information to the agent relating to the authority granted under this appointment, including disclosures required to process Form 2678. The agent may contract with a third party, such as a reporting agent or certified public accountant, to prepare or file the returns covered by this appointment, or to make any required deposits and payments. Such contract may authorize the IRS to disclose confidential tax information of the employer/payer and agent to such third party. If a third party fails to file the returns or make the deposits and payments, the agent and employer/payer remain liable.

✗ **Sign your name here**

Date / /

Print your name here

Print your title here HCSR Household Employer

Best daytime phone 1-866-710-0456

Now give this form to the agent to complete. ➡

Form **8821**

(Rev. March 2015)

Department of the Treasury
Internal Revenue Service

Tax Information Authorization

▶ **Information about Form 8821 and its instructions is at *www.irs.gov/form8821*.**

▶ **Do not sign this form unless all applicable lines have been completed.**

▶ **Do not use Form 8821 to request copies of your tax returns or to authorize someone to represent you.**

OMB No. 1545-1165

For IRS Use Only

Received by:

Name _____

Telephone _____

Function _____

Date

1 Taxpayer information. Taxpayer must sign and date this form on line 7.

Taxpayer name and address	Taxpayer identification number(s)	
	Daytime telephone number	Plan number (if applicable)

2 Appointee. If you wish to name more than one appointee, attach a list to this form. **Check here if a list of additional appointees is attached** ▶ ☐

Name and address	
Larry Paladino **PO Box 242930** **Little Rock, AR 72223**	CAF No. **5005-46467R** PTIN **P000142099** Telephone No. **501-604-9936** Fax No. **501-821-0045** Check if new: Address ☐ Telephone No. ☐ Fax No. ☐

3 Tax Information. Appointee is authorized to inspect and/or receive confidential tax information for the type of tax, forms, periods, and specific matters you list below. See the line 3 instructions.

(a) Type of Tax Information (Income, Employment, Payroll, Excise, Estate, Gift, Civil Penalty, Sec. 4980H Payments, etc.)	(b) Tax Form Number (1040, 941, 720, etc.)	(c) Year(s) or Period(s)	(d) Specific Tax Matters
Employment	**SS-4,2678,8821**		
Employment	**W-4.W-5**		
Employment	**940,941,W-2,W-3**		

4 Specific use not recorded on Centralized Authorization File (CAF). If the tax information authorization is for a specific use not recorded on CAF, check this box. See the instructions. If you check this box, skip lines 5 and 6 . . . . . ▶ ☐

5 Disclosure of tax information (you **must** check a box on line 5a or 5b unless the box on line 4 is checked):

a If you want copies of tax information, notices, and other written communications sent to the appointee on an ongoing basis, check this box . . . . . ▶ ☑

Note. Appointees will no longer receive forms, publications, and other related materials with the notices.

b If you do not want any copies of notices or communications sent to your appointee, check this box . . . . . ▶ ☐

6 Retention/revocation of prior tax information authorizations. If the line 4 box is checked, skip this line. If the line 4 box is not checked, the IRS will automatically revoke all prior Tax Information Authorizations on file unless you check the line 6 box and attach a copy of the Tax Information Authorization(s) that you want to retain. . . . . ▶ ☐

To revoke a prior tax information authorization(s) without submitting a new authorization, see the line 6 instructions.

7 Signature of taxpayer. If signed by a corporate officer, partner, guardian, executor, receiver, administrator, trustee, or party other than the taxpayer, I certify that I have the authority to execute this form with respect to the tax matters and tax periods shown on line 3 above.

▶ **IF NOT COMPLETE, SIGNED, AND DATED, THIS TAX INFORMATION AUTHORIZATION WILL BE RETURNED.**

▶ **DO NOT SIGN THIS FORM IF IT IS BLANK OR INCOMPLETE.**

Signature	Date
Print Name	**Household Employer (HCSR)** Title (if applicable)

Authorization Agreement

I hereby authorize Palco, Inc. to act as my agent and on my behalf for the items listed herein and any other related necessary tasks to effectuate the items enumerated below:

1. To perform all duties as the contracted Fiscal/Employer Agent as required by contract, policy regulation, statue, and other rules.

2. To file form SS-4 to obtain Federal Employer Identification Number (FEIN).

3. To file form 2678 to represent me as an employer for employer related tax-reporting purposes.

4. To be my agent for the limited purposes of unemployment tax purposes, including applying for a state unemployment tax ID, providing all services for the employer (tax, benefits and appeals) in fulfilling domestic employer responsibilities relative to employing persons through initiatives funded by Medicaid or other government funds, and to receive all documents related to the employer's State unemployment tax account.

5. To receive confidential information and to perform, on my behalf, any and all acts the employer can perform relating to matters pertaining to applicable state and federal law with regard to fiscal management and/or other contracted responsibilities.

6. To receive government funds on my behalf and disburse the funds, as provided in my budget and/or spending plan, and to withhold and pay all state and federal taxes.

7. To accept all correspondence regarding employer tax reporting issues.

8. To conduct the tasks described above during the processing period of becoming my agent.

This Authorization revokes all earlier authorizations and powers of attorney on file. This Authorization Agreement shall remain in full force and effect until revoked by either party in writing or until my participation in the self-directed program ceases. My signature indicates that I understand my responsibilities and agree to the terms of this Authorization Agreement.

Printed Employer Name	**Printed Participant Name** ***(if different than Employer)***
Employer Signature	**Signature Date**

Notice of Privacy Practices

Palco may receive and create records concerning your medical and individually identifiable information ("PHI") and is required to maintain the privacy and security of your PHI. Please read this notice carefully. If you have questions or concerns, contact the Palco Privacy Officer at privacy@palcofirst.com. Make a copy of this signed notice for your records. By signing this document below you acknowledge that you have received notice of your privacy rights.

YOUR RIGHTS
Authorize the use and disclosure of your PHI for reasons not authorized by federal or state law.
Palco will seek your approval to disclose PHI for reasons not required at law, and you may reject disclosure.
Receive this notice of privacy practices.
You can request a copy of this notice or view the posting at palcofirst.com, in enrollment packets, and in program manuals, as applicable. Palco can change the terms of this notice at any time. Changes will apply to all of your medical records. Direct complaints to the Privacy Officer or DHHS.
Review and receive copies of your records and a list of disclosures.
Requests must be on a Request for Sensitive Records. We will provide you with a copy or summary within 10 days of receiving your Request. We may charge a reasonable, cost-based fee for collection of the records, including postage and labor. Palco may reject some requests if required by law.
Request amendments to your records.
Requests must be on a Request to Amend Sensitive Information. We will provide you with a copy or summary or a rejection within 15 days of receiving your Request.
Request information in an alternate format or restrict access on your records.
Requests must be in writing on a Request for Additional Privacy. We will provide you with a copy or summary within 15 days of receiving your Request. We may reject or terminate the request in certain limited cases and will notify you of rejections and terminations.
Be notified in case of a breach of your sensitive information.
You will be notified within 60 days by the Privacy Officer.
Choose someone to act on your behalf with regard to your records.
You must complete a Designation of Representative for that individual to communicate with Palco.
PALCO'S USES & DISCLOSURES
Help manage the health care treatment you receive.
We may disclose your information to provide treatment and administer services, including performing assessments, issuing workers' compensation and administering similar programs, and recommending services in some situations. We may disclose information to others who implement your health services.
Run our business, including payment for and administration of your health services.
We may use and disclosure your information to receive and issue payment on your behalf and bill Medicaid, Medicare, the Veterans Administration, or other bodies.
Comply with federal and state law, including investigations by the United States Department of Health and Human Services and law enforcement.
Palco is required by law to comply with investigations by regulatory bodies and issues involving national security. Palco may be required to disclose your information to coroners and other officials at your death.
Respond to legal actions and health oversight, such as lawsuits or quality assurance reviews.
Palco may be required to respond to requests, including discovery and subpoenas.

_____ _____

Employer Signature **Date**

Direct Deposit Authorization Agreement

Directions: You must complete this ENTIRE form so that your payments can be processed.

Requestor Information			
Name:		**SSN:**	
Phone:		**DOB:**	
Email:			
Address:			

Account Information			
Routing Number	**Account Number**	**Type of Account**	**Submission Reason**
		☐ Checking ☐ Savings ☐ Pre-paid card	☐ New Account ☐ Account Change ☐ Cancellation

Documentation Attached**		
☐ Financial institution letter	☐ Voided check	☐ Typed form from card company

****You must attach validating documentation to this form if using your established checking, savings, or pre-paid card account. All documentation must contain your name, account, and routing number *typed* on the form. *Temporary checks, bank statements, and deposit slips are NOT valid documentation.***

I, the undersigned, understand that the primary method of payment is electronic funds transfer ("EFT"). **I understand that failure to timely submit this form and proper documentation to Palco, Inc. will result in a delay of payment.** I authorize Palco, Inc. to initiate automatic deposits to my checking/savings account or prepaid card indicated herein. I authorize Palco, Inc. to initiate debit entries to the account or card indicated below for the purpose of correcting an erroneous deposited amount previously initiated to my account. If the designated account is closed or has an insufficient balance to allow withdrawal, then I authorize Palco, Inc. to withhold any payment owed to me by Palco, Inc. until the erroneous deposited amounts are repaid.

Any changes to my account must be submitted to Palco, Inc. immediately. I agree I will not hold Palco, Inc. responsible for any delay or loss of funds due to incorrect or incomplete information supplied by me or by my financial institution or due to an error on the part of my financial institution in depositing funds to my account. **I understand that it is my responsibility to verify the crediting of funds by my financial institution prior to writing checks or initiating debits against my account**, and I understand that Palco, Inc. is not responsible for any charges I incur from my financial institution as a result of writing checks against my account before funds have been credited to my account.

I understand that deposit slips and temporary checks are unacceptable forms of enrollment for direct deposit and that I must attach the requisite paperwork for my enrollment to be valid. I understand the risks of sharing an account with others, including my employer or worker. **I understand that it may take up to two (2) business days for funds to be credited to my account.** This authorization will remain in full force and effect until Palco, Inc. has received **written** cancellation in such time and in such manner as to afford Palco, Inc. and all appropriate financial institutions a reasonable opportunity to act on it.

_____ _____

Requestor Signature **Date**

Rate Information for Employers

As an employer, the cost of hiring workers does not only include wages. By law, you are also required to pay payroll taxes. The amount you pay for each of these is a percentage of payroll and are as follows:

Social Security	6.20%
Medicare	1.45%
Federal Unemployment Tax	0.60%
State Unemployment Tax	1.84%
TOTAL Employer Cost Rate*	**10.09%**

*Note—These are default rates only. Your rate may vary from the default rates listed above.

This means that for every $1.00 you pay your worker in wages, you must pay an additional 10.09%, or 11 cents, for payroll taxes.

To determine the total cost for your employee's, multiple the employee's rate of pay by 1.1009.

	X	1.1009	**=**	
Employee Rate		Taxes & Workers' Comp		Cost to You (always round up to next penny)

Palco calculates and pays this amount on your behalf, but it is important for you to understand how this affects your authorized budget. The table below is provided to help you determine your cost to employ someone based on various hourly rate amounts. The "Cost to You" column represents the rate multiplied by the default employer tax rate shown above. You may pay your worker other amounts than those listed in the table.

Hourly Rate	Cost to You	Hourly Rate	Cost to You	Hourly Rate	Cost to You
$8.00	$8.81	$10.75	$11.84	$13.50	$14.87
$8.25	$9.09	$11.00	$12.11	$13.75	$15.14
$8.50	$9.36	$11.25	$12.39	$14.00	$15.42
$8.75	$9.64	$11.50	$12.67	$14.25	$15.69
$9.00	$9.91	$11.75	$12.94	$14.50	$15.97
$9.25	$10.19	$12.00	$13.22	$14.75	$16.24
$9.50	$10.46	$12.25	$13.49	$15.00	$16.52
$9.75	$10.74	$12.50	$13.77	$15.25	$16.79
$10.00	$11.01	$12.75	$14.04	$15.50	$17.07
$10.25	$11.29	$13.00	$14.32	$15.75	$17.64
$10.50	$11.56	$13.25	$14.59	$16.00	$17.62

2017 Biweekly Payroll Schedule

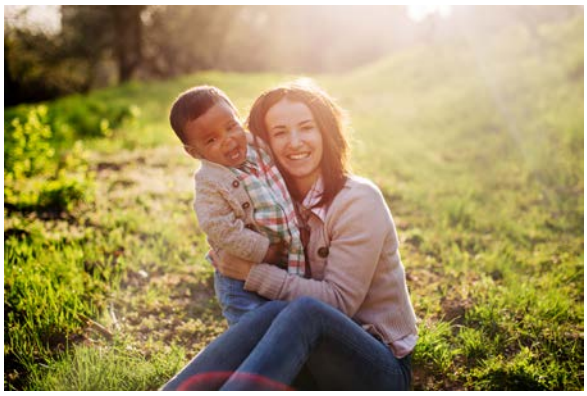
- Submit timesheets to Palco on or before noon (12:00 p.m.) CST by the due dates listed in the table below, even if the due date falls on a holiday.
- If the pay date falls on a holiday, pay will be processed the following business day.

Service Start Date Saturday	Service End Date Friday	Submission Due NO LATER Than Monday	Pay Date Thursday
12/24/16	1/6/17	1/9/17	1/12/17
1/7/17	1/20/17	1/23/17	1/26/17
1/21/17	2/3/17	2/6/17	2/9/17
2/4/17	2/17/17	2/20/17	2/23/17
2/18/17	3/3/17	3/6/17	3/9/17
3/4/17	3/17/17	3/20/17	3/23/17
3/18/17	3/31/17	4/3/17	4/6/17
4/1/17	4/14/17	4/17/17	4/20/17
4/15/17	4/28/17	5/1/17	5/4/17
4/29/17	5/12/17	5/15/17	5/18/17
5/13/17	5/26/17	5/29/17	6/1/17
5/27/17	6/9/17	6/12/17	6/15/17
6/10/17	6/23/17	6/26/17	6/29/17
6/24/17	7/7/17	7/10/17	7/13/17
7/8/17	7/21/17	7/24/17	7/27/17
7/22/17	8/4/17	8/7/17	8/10/17
8/5/17	8/18/17	8/21/17	8/24/17
8/19/17	9/1/17	9/4/17	9/7/17
9/2/17	9/15/17	9/18/17	9/21/17
9/16/17	9/29/17	10/2/17	10/5/17
9/30/17	10/13/17	10/16/17	10/19/17
10/14/17	10/27/17	10/30/17	11/2/17
10/28/17	11/10/17	11/13/17	11/16/17
11/11/17	11/24/17	11/27/17	11/30/17
11/25/17	12/8/17	12/11/17	12/14/17
12/9/17	12/22/17	12/25/17	12/28/17
12/23/17	1/5/18	1/8/18	1/11/18
1/6/18	1/19/18	1/22/18	1/25/18

Post Office Box 242930 • Little Rock, AR 72223
Phone: 501.604.9936 or 866.710.0456 • *Fax*: 501.821.0045
TDD/TTY: Relay Service 711

PALCO

WORKER EMPLOYMENT PACKET



Self-Direction Program

P.O. Box 242930
Little Rock, AR 72223

501.604.9936 (Phone)
866.710.0456 (Toll-Free)
501.821.0045 (Fax)
Relay Service 711
(TDD/TTY)

info@palcofirst.com
www.palcofirst.com

Information for Workers

Palco serves participants in the self-directed services delivery model. Below are frequently asked questions and answers to help you better understand your role, as well as the role of the participant and/or representative and Palco.

Frequently Asked Questions	
What is self-direction?	Self-direction is a type of service delivery model for individuals who choose to exercise more choice and control over their supports and who wish to stay independent in their home.
Who is Palco?	Palco is the bookkeeper for your employer. Palco receives your timesheets, processes your payroll, and withholds all applicable taxes. Palco is **not** your employer.
Who is my employer?	The participant or the participant's authorized representative is your employer.
How do I become an employee?	You must complete all of the required forms in this employment packet in order to become your employer's employee and receive your paycheck through Palco. Instructions for each form are included on the following pages of this packet. Once all forms are completed and you have included the required attachments, you or your employer must submit this packet to Palco by fax to 501.821.0045, scan and email to enrollment@palcofirst.com, or mail to P.O. Box 242930, Little Rock, AR 72223.
I intend to work for more than one employer. Do I have to fill out the required forms twice?	Yes, you must complete a separate packet for each employer for whom you choose to work.
What do I need to do if my information changes?	If your **contact information changes**, you will need to notify Palco immediately and complete a "Change of Information" form. If your **filing status changes**, you will need to complete a new W-4 and State Specific W/H form and submit to Palco. If your **direct deposit information changes**, you will need to complete and submit the Direct Deposit Authorization form and required attachments to Palco. These forms may be found on our website, www.palcofirst.com, or you may call Palco Customer Support and request a copy.
When can I start providing services?	You may start providing services when your employer receives notification from Palco that all enrollment requirements have been completed.
How do I submit my timesheets?	With approval from your employer, you may submit timesheets by fax to 501.821.0045 or scan and email to timesheets@palcofirst.com. These methods are preferable because it enables us to process your pay faster and eliminates timesheets getting lost in the mail. You may also send your timesheets by mail to P.O. Box 242930, Little Rock, AR 72223. A properly submitted timesheet must be received before the deadline to ensure your pay is not significantly delayed.

When do I submit my timesheets?	Your employer is provided with a payroll schedule that shows the deadlines for submitting timesheets and scheduled paydays. The payroll schedule for your program can also be found at www.palcofirst.com.
How will I know if my timesheet was received and approved?	You may call Palco Customer Support one ***business*** day after your submission to check on the status of your timesheet. Please allow one full business day to ensure Palco has processed your timesheet so that our Customer Support staff is able to verify the information immediately.
When will I be paid?	Please refer to the payroll schedule for pay dates. If payroll falls on a holiday or weekend, funds are sent the following ***business*** day.
What if I don't receive my funds on the scheduled payday?	Contact Palco Customer Support **three *business* days** after payday (most financial institutions take up to two business days to make your funds available). Our friendly representatives can help you determine why your pay was not received. To avoid delays in payment, always make sure that Palco has your current direct deposit information on file and that your timesheet is completed and submitted correctly.
What taxes are withheld from my pay?	Palco will withhold all federal, state, and local taxes (as applicable). If you choose to receive a pay stub, a summary of all tax withholdings will appear on your pay stub through the calendar year.
Will I get a W-2 at year-end?	Your W-2 will be mailed by January 31st. Please allow **two weeks** for delivery by mail. If you do not meet the threshold set by the IRS for FICA (see IRS Pub. 15), you will not receive a W-2 and Palco will send you a refund of over-collected FICA. Make sure that your address and direct deposit information is current with Palco prior to this date, even if you are no longer working.
How can I contact Palco?	Palco Customer Support representatives are available Monday through Friday, 8:00 a.m. to 5:00 p.m.CST, except state holidays. You may reach us by phone at 501.604.9936 or toll free at 1.866.710.0456, email to info@palcofirst.com, fax to 501.821.0045, or mail to P.O. Box 242930, Little Rock, AR 72223. All emailed correspondence from Palco is encrypted and secure. By emailing Palco with your personal email account, you accept the risk that your correspondence may not be encrypted, nor secure.
Can Palco provide me with information about the participant's account or budget?	Federal laws (HIPAA, HITECH) prevent Palco from disclosing the participant's protected health information, like account and budget information, to unauthorized individuals, such as workers. As the worker, Palco staff may only discuss with you information that pertains only to your account. Questions about the participant's budget should be directed to your employer.
Does Palco provide online resources?	Yes, Palco maintains a website where you will find forms and other resources at www.palcofirst.com. You can also visit our Facebook pages.

Worker Employment Packet Checklist and Instructions

- You must complete **all required forms** in the packet in order to receive a paycheck through Palco.
- **You** must fill out any information or sign where highlighted in **blue**.
- Your **employer** must fill out information or sign where highlighted in **yellow**.
  If the participant designates a representative, the representative becomes the employer and must complete all forms as the employer. If the participant is representing himself/herself but is unable to sign his or her name, the participant must write an "X" by the yellow highlighting, and a witness must write, "Witnessed By," and sign his or her own name at the bottom of the page by the participant's "X."

When this packet is complete, it must be mailed, faxed, or scanned and emailed to Palco along with your worker(s)' packet. Pictures of forms will not be accepted. **Remember, Palco must have this packet in order to complete your employment and for you to receive pay through the self-directed program.**

Use the **checklist** below to confirm you have enclosed all required items. **Instructions** on how to complete each of the required forms in this packet begin on the following page.

REQUIRED Return to Palco	
☐	**Employment Application and Attestation** is filled out & signed by you and your employer.
☐	Copy of **Proof of Auto Insurance** is **attached** & legible if driving the participant is a duty.
☐	**USCIS FORM I-9** is filled out & signed by you and your employer.
☐	**Copy of Driver's License** is **attached** & legible.
☐	**Copy of Social Security Card** is **attached** & legible.
☐	**Direct Deposit Authorization** is filled out & signed.
☐	**Voided Check**, **Prepaid Card Form, or Letter from Bank** is **attached**.
☐	**Exemptions Worksheet** is filled out & signed.
☐	**IRS Form W-4** is filled out & signed.
☐	**State Counterpart W-4** is filled out & signed.
☐	**Employment Agreement** is filled out & signed.
PACKET SUBMISSION METHODS	
Fax: 501.821.0045, Attn: Enrollment **Scan and Email:** enrollment@palcofirst.com **Mail:** Palco, Attn: Enrollment, P.O. Box 242930, Little Rock, AR 72223	

INSTRUCTIONS FOR REQUIRED FORMS	
EMPLOYMENT APPLICATION AND ATTESTATION	
Purpose	This form serves as your application to provide services to the participant under the self-directed program.
Instructions	1. Complete all of Part I. 2. At the end of Part I, your employer must sign and date where highlighted in yellow, and you must sign and date where highlighted in blue. 3. Your employer must complete all of Part II. 4. At the end of Part II, your employer must initial next to the statements and sign and date where highlighted in yellow.
Avoid Common Mistakes! ***Be sure to provide a legible copy of proof of automobile insurance if driving the participant is one of your duties.***	
USCIS FORM I-9	
Purpose	All employees working in the U.S. must complete this form to document their identity and verify they are able to legally work in the U.S.
Instructions	1. On the first page, complete all parts of Section 1 where highlighted in blue. 2. On the first page, check one of options below the blue highlighted portion that says "check one of the following." 3. Sign and date where highlighted in blue on the first page. 4. At the top of the second page, print your last name, first name, and middle initial. 5. Your employer must complete the portions highlighted in yellow below the Certification section by printing your anticipated first day of employment and signing and dating.
Avoid Common Mistakes! ***Be sure to attach a legible copy of your driver's license (or state-issued ID) and Social Security card.***	
DIRECT DEPOSIT AUTHORIZATION	
Purpose	This form gives Palco the authority to deposit your payroll in your bank account.
Instructions	1. Fill out every item in the Requestor Information section at the top of the page. 2. For direct deposit into your own account or pre-paid card, attach **one** of the following: ▪ A voided check (no temporary checks or deposit slip) ▪ A typed letter from your bank on the bank's letterhead with your name, account number and routing number. ▪ For a pre-paid card, send a statement from the card company showing the card is activated and registered. This statement must have your name PRINTED on the card. Generally, you can log into the card company's website and print this form, or if you purchase your pre-paid card directly from a bank, the bank can provide the necessary documentation. **A copy of your card is *NOT* valid documentation.** 3. For Palco to issue a Rapid! Paycard Mastercard to you, select the second account option. ▪ Note that the Rapid! Paycard Mastercard will take up to 10 business days to arrive in the mail upon Palco's receipt of your request. 4. Sign and date at the bottom where highlighted in blue. *If your banking information changes, you need to send in a new direct deposit form with the correct attachment. You can visit our website at www.palcofirst.com/forms to download a form or call our Customer Service department to have one mailed to you. If you exceed two direct deposit changes within a one-year period there will be a $10.00 charge for every change thereafter.*

Avoid Common Mistakes! ***Be sure to provide a valid form of documentation. The privacy statement or receipt from purchasing a prepaid card or copy of your card is NOT valid documentation.***

EXEMPTIONS WORKSHEET	
Purpose	This form is used to determine any exemptions you qualify for in order for Palco to calculate the proper payroll and payroll tax for you and your employer.
Instructions	1. At the top, print your name, date of birth, your employer's name and his or her case ID. 2. In the "Overtime Exemption" section, you and your employer must check one of the three options. 3. In the "Family Member Tax Exemption" section, you should check any of the statements that apply to you and your relationship to your employer. 4. Your employer must sign and date at the bottom where highlighted in yellow. 5. Sign and date at the bottom where highlighted in blue.
IRS FORM W-4	
Purpose	This form shows the correct amount of federal income tax to withhold from your pay.
Instructions	1. Complete all sections highlighted in blue. It is not required to complete Lines A-H. a. Check the box in Box 4 only if your last name is different from what is printed on your Social Security Card. b. Write in any additional amount you want withheld from each paycheck on Box 6. c. If you meet the two conditions in the bullet points for Box 7, write "Exempt" in the box. Federal income tax will not be withheld from exempt employees' paychecks. 2. Sign and date at the bottom where highlighted in blue.
EMPLOYMENT AGREEMENT	
Purpose	This agreement confirms the conditions of employment between you and your employer.
Instructions	1. On the second page, your employer must print his name, case ID, sign and date where highlighted in yellow. 2. On the second page, you must print your name and sign and date where highlighted in blue.
ATTACHMENTS	
Attachments to Include	• Legible Copy of Proof of Automobile Insurance (if driving participant is a duty) • Legible Copy of Social Security Card • Legible Copy of Driver's License (or state-issued ID card) • Voided Check, Prepaid Card Form or Letter from Bank

Employment Application and Attestation

Participant:_____ Case ID:_____

Part I: To Be Completed by the Applicant

PERSONAL INFORMATION			
First Name:	M.I.:	Last Name:	Gender (optional): ☐ **Male** ☐ **Female**
SSN:	DOB: / /	Phone(s) – *include area code*:	
Mailing Address:			
City:	State:	Zip:	County:
Email Address:	Driver's License No:	State of Issuance:	

QUALIFICATIONS

The applicant must meet the following **required** qualifications (*check the box next to each statement that applies to you, the applicant*):

☐ I am at least 18 years of age.
☐ I am able to complete the tasks listed in the participant's Plan of Care and required by my employer.
☐ I am not the employer, participant, or representative.
☐ I am not the participant's spouse.
☐ I do not live in the same household as the participant.
☐ I have a high school diploma, GED, or trade school diploma in the area of human services, have demonstrated competency, or have verifiable work experience in providing support to individuals with disabilities.

The applicant understands the continued requirement of the qualifications listed above. Failure to meet any one of the requirements at any time will result in the disqualification of the applicant or worker's eligibility.

EDUCATION & SPECIALIZED TRAINING

	School or Licensing Board	Dates Attended or Licensure Dates	Degree Obtained or License Number
High School or GED			
Technical School			
College			
Licensure			
Specialized Training			
Other			

WORK EXPERIENCE

Please list your last 3 (three) jobs beginning with the most recent.

Company Name	Your Title	Supervisor	Dates	Reason for Leaving

May the employer contact your previous supervisors for reference? ☐ YES ☐ NO

REFERENCES

Please list at least three non-relative references.

Name	Company/Occupation	Phone Number(s)

EMERGENCY CONTACT INFORMATION

Name	Relationship	Phone Number(s)

BACKGROUND, CHARACTER, AND OTHER CHECKS

By completing and signing this agreement, I hereby give my permission for and consent freely and voluntarily to the following **required** checks to be conducted as part of my application as a worker on the self-direction program (*please check all that apply*):

☐ Criminal conviction history and background check
☐ State adverse action registry
☐ Automobile insurance check (if driving participant is part of duties)

Previous Names Used (if applicable)	Dates

Previous Addresses (within the last 5 years)	Dates

Voluntary (Optional) Disclosure

Have you ever pled guilty or nolo contendere to a crime or been convicted of a crime other than a minor traffic offense? ☐ **YES** ☐ **NO**	Voluntary explanation:

I understand that the results of all checks and screenings, including related personal, medical, and/or other confidential information, will be shared with my employer, Palco, and program/state administrators. I understand Palco is not my employer and in no way uses this information to determine whether I am able to be employed under the self-directed program. However, my employer may base the decision of my employment on the information provided by the results of any check or screening. I understand I may not provide services for payment until all required checks and screenings are conducted and the employer reviews the results and hires me. I hereby release Palco, my employer and his/her agents from any and all liability, claims and/or demands, of whatever kind, related to the compilation or preparation of the investigative reports, checks, and screenings that I authorized herein. I agree to hold Palco harmless for

any consequences resulting from the information provided on this form or any checks or screenings conducted thereunder. I have read and understand this form. **I certify that all answers given herein are true and complete to the best of my knowledge.** My employer and I attest that we have read, understand, and agree to abide by all program rules and responsibilities as an employer and employee.

Employer Signature **Date**

Worker Signature **Date**

Part II: To Be Completed by the Employer

The **employer** must complete the table below by printing the authorized service category or categories for which the worker will be employed as well as the worker's hourly rate for the service category.

Authorized Service Category	Worker's Hourly Rate	Employer's Initials
	$	
	$	
	$	
	$	
	$	
	$	
	$	

Please **initial** next to the statement below ***if*** it applies:

	I, the employer, hereby certify that the above-named employee will not be providing transportation to the participant, as part of his or her scheduled duties. Therefore, I waive the requirement for the above-named employee to supply his or her driver's license and proof of insurance for his/her vehicle.

Employer Signature **Date**

Employment Eligibility Verification

Department of Homeland Security
U.S. Citizenship and Immigration Services

USCIS
Form I-9
OMB No. 1615-0047
Expires 08/31/2019

▶ **START HERE: Read instructions carefully before completing this form. The instructions must be available, either in paper or electronically, during completion of this form. Employers are liable for errors in the completion of this form.**

ANTI-DISCRIMINATION NOTICE: It is illegal to discriminate against work-authorized individuals. Employers **CANNOT** specify which document(s) an employee may present to establish employment authorization and identity. The refusal to hire or continue to employ an individual because the documentation presented has a future expiration date may also constitute illegal discrimination.

Section 1. Employee Information and Attestation *(Employees must complete and sign Section 1 of Form I-9 no later than the **first day of employment**, but not before accepting a job offer.)*

Last Name *(Family Name)*	First Name *(Given Name)*	Middle Initial	Other Last Names Used *(if any)*

Address *(Street Number and Name)*	Apt. Number	City or Town	State	ZIP Code

Date of Birth *(mm/dd/yyyy)*	U.S. Social Security Number	Employee's E-mail Address	Employee's Telephone Number
	☐☐☐ - ☐☐ - ☐☐☐☐		

I am aware that federal law provides for imprisonment and/or fines for false statements or use of false documents in connection with the completion of this form.

I attest, under penalty of perjury, that I am (check one of the following boxes):

☐ 1. A citizen of the United States

☐ 2. A noncitizen national of the United States *(See instructions)*

☐ 3. A lawful permanent resident (Alien Registration Number/USCIS Number): _____

☐ 4. An alien authorized to work until (expiration date, if applicable, mm/dd/yyyy): _____
Some aliens may write "N/A" in the expiration date field. *(See instructions)*

Aliens authorized to work must provide only one of the following document numbers to complete Form I-9: An Alien Registration Number/USCIS Number OR Form I-94 Admission Number OR Foreign Passport Number.

1. Alien Registration Number/USCIS Number: _____

OR

2. Form I-94 Admission Number: _____

OR

3. Foreign Passport Number: _____

Country of Issuance: _____

QR Code - Section 1
Do Not Write In This Space

Signature of Employee	Today's Date *(mm/dd/yyyy)*

Preparer and/or Translator Certification (check one):

☐ I did not use a preparer or translator. ☐ A preparer(s) and/or translator(s) assisted the employee in completing Section 1.

(Fields below must be completed and signed when preparers and/or translators assist an employee in completing Section 1.)

I attest, under penalty of perjury, that I have assisted in the completion of Section 1 of this form and that to the best of my knowledge the information is true and correct.

Signature of Preparer or Translator	Today's Date *(mm/dd/yyyy)*

Last Name *(Family Name)*	First Name *(Given Name)*

Address *(Street Number and Name)*	City or Town	State	ZIP Code

STOP *Employer Completes Next Page* STOP

Employment Eligibility Verification

Department of Homeland Security
U.S. Citizenship and Immigration Services

USCIS
Form I-9
OMB No. 1615-0047
Expires 08/31/2019

Section 2. Employer or Authorized Representative Review and Verification

(Employers or their authorized representative must complete and sign Section 2 within 3 business days of the employee's first day of employment. You must physically examine one document from List A OR a combination of one document from List B and one document from List C as listed on the "Lists of Acceptable Documents.")

Employee Info from Section 1	Last Name *(Family Name)*	First Name *(Given Name)*	M.I.	Citizenship/Immigration Status

List A Identity and Employment Authorization	OR	List B Identity	AND	List C Employment Authorization
Document Title		Document Title		Document Title
Issuing Authority		Issuing Authority		Issuing Authority
Document Number		Document Number		Document Number
Expiration Date *(if any)(mm/dd/yyyy)*		Expiration Date *(if any)(mm/dd/yyyy)*		Expiration Date *(if any)(mm/dd/yyyy)*
Document Title				
Issuing Authority				
Document Number				
Expiration Date *(if any)(mm/dd/yyyy)*				
Document Title				
Issuing Authority				
Document Number				
Expiration Date *(if any)(mm/dd/yyyy)*				

Additional Information

QR Code - Sections 2 & 3
Do Not Write In This Space

Certification: I attest, under penalty of perjury, that (1) I have examined the document(s) presented by the above-named employee, (2) the above-listed document(s) appear to be genuine and to relate to the employee named, and (3) to the best of my knowledge the employee is authorized to work in the United States.

The employee's first day of employment *(mm/dd/yyyy)*: _____ ***(See instructions for exemptions)***

Signature of Employer or Authorized Representative	Today's Date *(mm/dd/yyyy)*	Title of Employer or Authorized Representative

Last Name of Employer or Authorized Representative	First Name of Employer or Authorized Representative	Employer's Business or Organization Name

Employer's Business or Organization Address (Street Number and Name)	City or Town	State	ZIP Code

Section 3. Reverification and Rehires *(To be completed and signed by employer or authorized representative.)*

A. New Name *(if applicable)*			**B.** Date of Rehire *(if applicable)*
Last Name *(Family Name)*	First Name *(Given Name)*	Middle Initial	Date *(mm/dd/yyyy)*

C. If the employee's previous grant of employment authorization has expired, provide the information for the document or receipt that establishes continuing employment authorization in the space provided below.

Document Title	Document Number	Expiration Date *(if any) (mm/dd/yyyy)*

I attest, under penalty of perjury, that to the best of my knowledge, this employee is authorized to work in the United States, and if the employee presented document(s), the document(s) I have examined appear to be genuine and to relate to the individual.

Signature of Employer or Authorized Representative	Today's Date *(mm/dd/yyyy)*	Name of Employer or Authorized Representative

LISTS OF ACCEPTABLE DOCUMENTS
All documents must be UNEXPIRED

Employees may present one selection from List A
or a combination of one selection from List B and one selection from List C.

LIST A Documents that Establish Both Identity and Employment Authorization	OR	LIST B Documents that Establish Identity	AND	LIST C Documents that Establish Employment Authorization
1. U.S. Passport or U.S. Passport Card		**1.** Driver's license or ID card issued by a State or outlying possession of the United States provided it contains a photograph or information such as name, date of birth, gender, height, eye color, and address		**1.** A Social Security Account Number card, unless the card includes one of the following restrictions: (1) NOT VALID FOR EMPLOYMENT (2) VALID FOR WORK ONLY WITH INS AUTHORIZATION (3) VALID FOR WORK ONLY WITH DHS AUTHORIZATION
2. Permanent Resident Card or Alien Registration Receipt Card (Form I-551)		**2.** ID card issued by federal, state or local government agencies or entities, provided it contains a photograph or information such as name, date of birth, gender, height, eye color, and address		**2.** Certification of Birth Abroad issued by the Department of State (Form FS-545)
3. Foreign passport that contains a temporary I-551 stamp or temporary I-551 printed notation on a machine-readable immigrant visa		**3.** School ID card with a photograph		**3.** Certification of Report of Birth issued by the Department of State (Form DS-1350)
4. Employment Authorization Document that contains a photograph (Form I-766)		**4.** Voter's registration card		**4.** Original or certified copy of birth certificate issued by a State, county, municipal authority, or territory of the United States bearing an official seal
5. For a nonimmigrant alien authorized to work for a specific employer because of his or her status: **a.** Foreign passport; and **b.** Form I-94 or Form I-94A that has the following: (1) The same name as the passport; and (2) An endorsement of the alien's nonimmigrant status as long as that period of endorsement has not yet expired and the proposed employment is not in conflict with any restrictions or limitations identified on the form.		**5.** U.S. Military card or draft record		**5.** Native American tribal document
		6. Military dependent's ID card		**6.** U.S. Citizen ID Card (Form I-197)
		7. U.S. Coast Guard Merchant Mariner Card		**7.** Identification Card for Use of Resident Citizen in the United States (Form I-179)
		8. Native American tribal document		**8.** Employment authorization document issued by the Department of Homeland Security
		9. Driver's license issued by a Canadian government authority		
6. Passport from the Federated States of Micronesia (FSM) or the Republic of the Marshall Islands (RMI) with Form I-94 or Form I-94A indicating nonimmigrant admission under the Compact of Free Association Between the United States and the FSM or RMI		**For persons under age 18 who are unable to present a document listed above:** **10.** School record or report card **11.** Clinic, doctor, or hospital record **12.** Day-care or nursery school record		

Examples of many of these documents appear in Part 8 of the Handbook for Employers (M-274).

Refer to the instructions for more information about acceptable receipts.

Direct Deposit Authorization Agreement

Directions: You must complete this ENTIRE form so that your payments can be processed.

Requestor Information			
Name:		**SSN:**	
Phone:		**DOB:**	
Email:			
Address:			

Account Information			
Routing Number	**Account Number**	**Type of Account**	**Submission Reason**
		☐ Checking ☐ Savings ☐ Pre-paid card	☐ New Account ☐ Account Change ☐ Cancellation
Documentation Attached**			
☐ Financial institution letter	☐ Voided check	☐ Typed form from card company	

****You must attach validating documentation to this form if using your established checking, savings, or pre-paid card account. All documentation must contain your name, account, and routing number *typed* on the form. *Temporary checks, bank statements, and deposit slips are NOT valid documentation.***

I, the undersigned, understand that the primary method of payment is electronic funds transfer ("EFT"). **I understand that failure to timely submit this form and proper documentation to Palco, Inc. will result in a delay of payment.** I authorize Palco, Inc. to initiate automatic deposits to my checking/savings account or prepaid card indicated herein. I authorize Palco, Inc. to initiate debit entries to the account or card indicated below for the purpose of correcting an erroneous deposited amount previously initiated to my account. If the designated account is closed or has an insufficient balance to allow withdrawal, then I authorize Palco, Inc. to withhold any payment owed to me by Palco, Inc. until the erroneous deposited amounts are repaid.

Any changes to my account must be submitted to Palco, Inc. immediately. I agree I will not hold Palco, Inc. responsible for any delay or loss of funds due to incorrect or incomplete information supplied by me or by my financial institution or due to an error on the part of my financial institution in depositing funds to my account. **I understand that it is my responsibility to verify the crediting of funds by my financial institution prior to writing checks or initiating debits against my account**, and I understand that Palco, Inc. is not responsible for any charges I incur from my financial institution as a result of writing checks against my account before funds have been credited to my account.

I understand that deposit slips and temporary checks are unacceptable forms of enrollment for direct deposit and that I must attach the requisite paperwork for my enrollment to be valid. I understand the risks of sharing an account with others, including my employer or worker. **I understand that it may take up to two (2) business days for funds to be credited to my account.** This authorization will remain in full force and effect until Palco, Inc. has received **written** cancellation in such time and in such manner as to afford Palco, Inc. and all appropriate financial institutions a reasonable opportunity to act on it.

_____ _____

Requestor Signature **Date**

Exemptions Worksheet

Worker Name: _____ Worker Date of Birth: _____/_____/_____
Month Day Year

Employer Name: _____ Case ID: _____

OVERTIME EXEMPTION

The Department of Labor requires all workers be paid overtime wages for any hours worked over 40 in a single work week UNLESS specific exemption criteria are met. **You and your employer must check one of the statements below**:

- ☐ **Yes, my employer has determined they will claim the companionship exemption, and I will not be paid overtime wages.**
- ☐ **No, my employer is not claiming the companionship exemption, and my employer understands it is his/her responsibility to pay all overtime wages owed to me.**

For information about the Companionship Exemption, see Fact Sheet #79A from the U.S. Department of Labor Wage and Hour Division by visiting the Wage and Hour Division Website and/or calling 1-866-4-USWAGE (1-866-487-9243).

FAMILY MEMBER TAX EXEMPTION

Workers who provide domestic or household services in the home of a self-directing participant or their representative may be exempt from paying certain taxes that are normally paid through employment. To determine any tax exemption status, please **check any of the statements below that apply to you and your relationship to your employer**:

- ☐ **I am the child of my employer, and I am under the age of 21 during the entire tax year.**
  --*You and your employer are both exempt from paying FICA, and your employer is exempt from paying FUTA on wages paid to you until you turn 21.*
- ☐ **I am the child of my employer, and I am over the age of 21.**
  --*You and our employer are subject to both FICA and FUTA taxes*
- ☐ **I am the parent of my employer.**
  --*You and your employer are both exempt from paying FICA, and the employer is exempt from paying FUTA on wages paid to this employee.*
- ☐ **None of the options above apply to me—I am not the spouse, child, or parent of my employer.**

The family member rules only pertain to situations in which domestic work is performed in the employer's private home. (See IRS Publication 15 and IRS Revenue Procedure 2013-39 for more details.)

_____ _____
Employer Signature **Date** **Worker Signature** **Date**

Form W-4 (2017)

Purpose. Complete Form W-4 so that your employer can withhold the correct federal income tax from your pay. Consider completing a new Form W-4 each year and when your personal or financial situation changes.

Exemption from withholding. If you are exempt, complete **only** lines 1, 2, 3, 4, and 7 and sign the form to validate it. Your exemption for 2017 expires February 15, 2018. See Pub. 505, Tax Withholding and Estimated Tax.

Note: If another person can claim you as a dependent on his or her tax return, you can't claim exemption from withholding if your total income exceeds $1,050 and includes more than $350 of unearned income (for example, interest and dividends).

Exceptions. An employee may be able to claim exemption from withholding even if the employee is a dependent, if the employee:

- Is age 65 or older,
- Is blind, or
- Will claim adjustments to income; tax credits; or itemized deductions, on his or her tax return.

The exceptions don't apply to supplemental wages greater than $1,000,000.

Basic instructions. If you aren't exempt, complete the **Personal Allowances Worksheet** below. The worksheets on page 2 further adjust your withholding allowances based on itemized deductions, certain credits, adjustments to income, or two-earners/multiple jobs situations.

Complete all worksheets that apply. However, you may claim fewer (or zero) allowances. For regular wages, withholding must be based on allowances you claimed and may not be a flat amount or percentage of wages.

Head of household. Generally, you can claim head of household filing status on your tax return only if you are unmarried and pay more than 50% of the costs of keeping up a home for yourself and your dependent(s) or other qualifying individuals. See Pub. 501, Exemptions, Standard Deduction, and Filing Information, for information.

Tax credits. You can take projected tax credits into account in figuring your allowable number of withholding allowances. Credits for child or dependent care expenses and the child tax credit may be claimed using the **Personal Allowances Worksheet** below. See Pub. 505 for information on converting your other credits into withholding allowances.

Nonwage income. If you have a large amount of nonwage income, such as interest or dividends, consider making estimated tax payments using Form 1040-ES, Estimated Tax for Individuals. Otherwise, you may owe additional tax. If you have pension or annuity income, see Pub. 505 to find out if you should adjust your withholding on Form W-4 or W-4P.

Two earners or multiple jobs. If you have a working spouse or more than one job, figure the total number of allowances you are entitled to claim on all jobs using worksheets from only one Form W-4. Your withholding usually will be most accurate when all allowances are claimed on the Form W-4 for the highest paying job and zero allowances are claimed on the others. See Pub. 505 for details.

Nonresident alien. If you are a nonresident alien, see Notice 1392, Supplemental Form W-4 Instructions for Nonresident Aliens, before completing this form.

Check your withholding. After your Form W-4 takes effect, use Pub. 505 to see how the amount you are having withheld compares to your projected total tax for 2017. See Pub. 505, especially if your earnings exceed $130,000 (Single) or $180,000 (Married).

Future developments. Information about any future developments affecting Form W-4 (such as legislation enacted after we release it) will be posted at *www.irs.gov/w4*.

Personal Allowances Worksheet (Keep for your records.)

A Enter "1" for **yourself** if no one else can claim you as a dependent . . . . . **A** _____

B Enter "1" if:
- You're single and have only one job; or
- You're married, have only one job, and your spouse doesn't work; or
- Your wages from a second job or your spouse's wages (or the total of both) are $1,500 or less.

. . . **B** _____

C Enter "1" for your **spouse.** But, you may choose to enter "-0-" if you are married and have either a working spouse or more than one job. (Entering "-0-" may help you avoid having too little tax withheld.) . . . . . **C** _____

D Enter number of **dependents** (other than your spouse or yourself) you will claim on your tax return . . . . . **D** _____

E Enter "1" if you will file as **head of household** on your tax return (see conditions under **Head of household** above) . . **E** _____

F Enter "1" if you have at least $2,000 of **child or dependent care expenses** for which you plan to claim a credit . . . **F** _____
(**Note:** Do **not** include child support payments. See Pub. 503, Child and Dependent Care Expenses, for details.)

G **Child Tax Credit** (including additional child tax credit). See Pub. 972, Child Tax Credit, for more information.
- If your total income will be less than $70,000 ($100,000 if married), enter "2" for each eligible child; then **less** "1" if you have two to four eligible children or **less** "2" if you have five or more eligible children.
- If your total income will be between $70,000 and $84,000 ($100,000 and $119,000 if married), enter "1" for each eligible child. **G** _____

H Add lines A through G and enter total here. (**Note:** This may be different from the number of exemptions you claim on your tax return.) ▶ **H** _____

For accuracy, **complete all worksheets that apply.**
- If you plan to **itemize** or **claim adjustments to income** and want to reduce your withholding, see the **Deductions and Adjustments Worksheet** on page 2.
- If you are **single and have more than one job** or are **married and you and your spouse both work** and the combined earnings from all jobs exceed $50,000 ($20,000 if married), see the **Two-Earners/Multiple Jobs Worksheet** on page 2 to avoid having too little tax withheld.
- If **neither** of the above situations applies, **stop here** and enter the number from line H on line 5 of Form W-4 below.

Separate here and give Form W-4 to your employer. Keep the top part for your records.

Form **W-4**
Department of the Treasury
Internal Revenue Service

Employee's Withholding Allowance Certificate

▶ **Whether you are entitled to claim a certain number of allowances or exemption from withholding is subject to review by the IRS. Your employer may be required to send a copy of this form to the IRS.**

OMB No. 1545-0074
2017

1 Your first name and middle initial	Last name	**2 Your social security number**
Home address (number and street or rural route)	**3** ☐ Single ☐ Married ☐ Married, but withhold at higher Single rate. **Note:** If married, but legally separated, or spouse is a nonresident alien, check the "Single" box.	
City or town, state, and ZIP code	**4 If your last name differs from that shown on your social security card, check here. You must call 1-800-772-1213 for a replacement card.** ▶ ☐	

5 Total number of allowances you are claiming (from line **H** above **or** from the applicable worksheet on page 2) **5**

6 Additional amount, if any, you want withheld from each paycheck . . . . . **6** $

7 I claim exemption from withholding for 2017, and I certify that I meet **both** of the following conditions for exemption.
- Last year I had a right to a refund of **all** federal income tax withheld because I had **no** tax liability, **and**
- This year I expect a refund of **all** federal income tax withheld because I expect to have **no** tax liability.

If you meet both conditions, write "Exempt" here . . . . . ▶ **7**

Under penalties of perjury, I declare that I have examined this certificate and, to the best of my knowledge and belief, it is true, correct, and complete.

Employee's signature
(This form is not valid unless you sign it.) ▶ **Date** ▶

8 Employer's name and address (Employer: Complete lines 8 and 10 only if sending to the IRS.)	**9** Office code (optional)	**10** Employer identification number (EIN)

Employment Agreement

This agreement confirms the conditions of employment between the employer and worker. Both parties must read and sign on the following page.

Both the worker and employer agree:

- That neither Palco nor program/state administrators are responsible or liable for any negligent acts, work-related injuries, or omissions by the employer, participant, worker, other workers, service providers, and/or the authorized representative.
- That the worker is not employed or retained by Palco, program/state administrators, or any other state or federal governmental agency.
- That the worker and employer acknowledge that the worker meets the program's eligibility requirements for providing services and is not prohibited in any manner from providing services.
- That the employer employs the worker. The worker is not an independent contractor; the worker is an employee. The employer controls the training and management, evaluation, and termination of the worker.
- That medical and personal information and data about the participant and the worker is confidential.
- That this document does not serve as a contract of employment.
- That Palco is responsible for the administration of program funds on behalf of the participant, including disbursement of payroll.
- That funds to pay for services provided by the worker are from public sources, and financial accountability and liability applies to the use of the funds. Both the employer and worker have individual and joint responsibilities to be accountable for the funds spent through the program and understand that submitting false or fraudulent timesheets or submitting timesheets for tasks other than those approved on the authorized service budget will be reported to the appropriate authorities for investigation and possible prosecution as fraud.
- To provide an accurate accounting of services delivered by the worker, and to submit accurate timesheets to Palco that reflect actual time worked and services authorized in the service budget.
- To report all critical incidents, including suspicion of fraud, abuse, or neglect.
- To follow all program policies and procedures.

The worker agrees:

- To not make any civil nor criminal claims against Palco for matters related to the self-directed program, including workers' compensation claims.
- To provide services that are authorized in the participant's budget and in accordance with program rules and policy.
- To provide information and documents to the employer and Palco, as required, to maintain current, up-to-date personnel records.
- To respect the rights and dignity of the participant, and to follow safety procedures for the benefit of the participant and the worker.
- To notify the employer as soon as possible when the worker will be late for work or is not able to work, as well as report illnesses and/or conditions that may jeopardize the health and safety of the participant.
- To notify the employer if the worker's eligibility to serve as a worker on the program changes according to program policies.
- To accept payment from Palco as full and complete payment for authorized services for the participant.
- To neither impose on or accept from the employer any additional charges for services provided.

The employer agrees:

- To adhere to all federal, state, local, and program employment-related laws and regulations.
- To assume responsibility for liability for any negligent acts or omissions by the employer, his or her employees and service providers, the authorized representative, the participant or others in the work place.
- To assume responsibility for managing the risk and liability of any incidence(s) of worker work-related injury/injuries or illnesses.
- To provide orientation and training to the worker of tasks and activities to be performed, training related to the participant's condition, and training on acts that constitute abuse, neglect, or exploitation of the participant, and provide supervision of delivery of the worker's services.
- To give notice to the worker as soon as possible of any change(s) in the work schedule, the tasks to be performed, or the number of hours the worker will work.
- To keep records of services provided and provide these records and other information upon request to authorized parties.

Please document any additional agreements entered into between the employer and worker in the box below:

By signing below, I acknowledge that I have read this agreement in its entirety and understand my responsibilities as an employer or worker and agreed to abide by the terms and conditions of this agreement.

Employer Printed Name

Worker (Provider) Printed Name

Employer Signature **Date**

Worker (Provider) Signature **Date**

Participant Printed Name ***(if different than Employer)***

Appendix 6

Expenditure Report

PALCO

www.palcofirst.com
Post Office Box 242930 • Little Rock, AR 72223
Phone: 501.604.9936 or 866.710.0456 • *Fax*: 501.821.0045
TDD/TTY: Relay Service 711

Send To:
PARTICIPANT ADDRESS CITY, ST ZIP

Account Statement			
Case ID:	**Palco ID**	**Participant Name:**	**Participant**
Period Covered by Statement:		**7/1/16-7/31/16**	

Funds for Personal Assistant Services	
Budgeted Funds	1,000.00
Funds Returned	0.00
Total Funds Available	1,000.00
Expenses	
Personal Assistant	800.00
Payroll Tax Expense	87.60
Other	0.00
Total Expenses	887.60
Balance Remaining	112.40

SAMPLE

Find us on Facebook

Disaster Recovery and Business Continuity Plan

1. Purpose and Objective

Palco developed this disaster recovery plan (DRP) to be used in the event of a significant disruption to business workflow. The goal of this plan is to outline the key recovery steps to be performed during and after a disruption to return to normal operations as soon as possible.

Scope

The scope of this DRP document addresses technical recovery only in the event of a significant disruption.

This disaster recovery plan provides:

- Guidelines for **determining plan activation**;
- Technical **response flow** and recovery strategy;
- Guidelines for **recovery procedures**;
- References to key **Business Continuity Plans** and technical dependencies (see Appendix A for more information);
- **Rollback procedures** that will be implemented to return to standard operating state;
- **Checklists** outlining considerations for escalation, incident management, and plan activation.

The specific objectives of this disaster recovery plan are to:

- Immediately mobilize a core group of leaders to assess the technical ramifications of a situation;
- Set technical priorities for the recovery team during the recovery period;
- Minimize the impact of the disruption to the impacted features and business groups;
- Stage the restoration of operations to full processing capabilities;
- Enable rollback operations once the disruption has been resolved if determined appropriate by the recovery team.

SAMPLE

2. Disaster Recovery Strategies

The overall DR strategy of Palco is summarized in the tables below and documented in more detail in the supporting sections.

Data Center Disruption Options

- Failover to alternate Data Center
- Reroute core processes to another Data Center (without full failover)
- Operate at a deprecated service level
- Take no action

Significant Dependency (Internal or External) Disruption Options

- Reroute core functions to backup / alternate provider
- Participate in recovery strategies as available
- Wait for the restoration of service, provide communication as needed to stakeholders

Significant network or other issues

- Reroute operations to backup processing unit / service (load balancing, caching)
- Wait for service to be restored, communicate with core stakeholders as needed

3. Current Disaster Recovery Procedures

A disaster recovery event can be broken out into three phases, the response, the resumption, and the restoration. These phases are also managed in parallel with any corresponding business continuity recovery procedures summarized in the business continuity plan.

Response Phase: The immediate actions following a significant event.

- On call personnel paged
- Decision made around recovery strategies to be taken
- Full recovery team activated

Resumption Phase: Activities necessary to resume services after team has been notified.

- Recovery procedures implemented
- Coordination with other departments executed as needed

Restoration Phase: Tasks taken to restore service to previous levels.

- Rollback procedures implemented
- Operations restored

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Response Phase

The following are the activities, parties and items necessary for a DR response in this phase. Please note these procedures are the same regardless of the triggering event (e.g. whether caused by a Data Center disruption or other scenario).

Response Phase Recovery Procedures – All DR Event Scenarios

Step	Owner	Duration	Components
Identify issue, page on call / Designated Responsible Individual	DR TEAM	15 minutes	• Issue communicated / escalated • Priority set
Identify the team members needed for recovery	DR TEAM	15 minutes	Selection of core team members required for restoration phase from among the following groups: • Operations • Human Resources
Establish a communication path to coordinate next steps	DR TEAM or Ops	60 minutes	Alternate / backup communication tools: email, communicator
Communicate the specific recovery roles and determine which recovery strategy will be pursued.	DR TEAM	30 minutes	• Documentation / tracking of timelines and next decisions • Creation of disaster recovery event command center as needed

Resumption Phase

During the resumption phase, the steps taken to enable recovery will vary based on the type of issue. The procedures for each recovery scenario are summarized below.

Data Center Recovery

Step	Owner	Duration	Components
Initiate Failover	DR TEAM	10 minutes	• Restoration procedures identified • Risks assessed for each procedure • Coordination points between groups defined • Issue communication process and triage efforts established
Complete Failover	DR TEAM	1 hour max.	• Recovery steps executed, including handoffs between key dependencies
Test Recovery	DR TEAM	30 minutes	• Tests assigned and performed • Results summarized and communicated to group
Failover deemed successful	DR TEAM	5 minutes	• Final evaluation

Coordination of recovery actions is crucial. A timeline is necessary in order to manage recovery between different groups and layers to reroute critical processes to an alternate site and operate at the level required to sustain operations.

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Restoration Phase

During the restoration phase, the steps taken to enable recovery will vary based on the type of issue. In preparation for such an event, the following tasks are completed on a daily basis:

- All server data and software programming files are backed up weekly to a tape drive. Backup tapes are stored off-site for a period of 13 days before they are overwritten with new data.
- Any computer files which have been modified at newer date than our weekly backup are backed up daily to tape which are then rotated off-site for a period of 13 days.
- All software program disks are stored off-site.

When current software is upgraded, or new software is installed, a backup of any pertinent data are stored at a secure external site. Thus, current and archived files are stored externally in a secure location. All software program disks are stored off-site. Off-site computers are loaded with utilized software. In the event of disaster, off-site computers are activated, data is restored, and business continues with little interruption. In this sense, Palco, Inc. maintains a cold site for immediate use should a disaster occur to ensure the following:

- Ability to return to operation without interruption of data (RPO is less than 24 hours).
- Ability to return to operation using appropriate software that is completely updated as of the previous day's work.
- Timely return to operation and production (RTO within 24 hours).
- Capability of the "cold site" to meet all the standards required by Palco, Inc. to ensure efficient production of key tasks.

All computers stored off-site are protected by password and other operational integrity mechanisms to ensure proper authorization has been granted for access to computer files. Each employee has a unique identification and password to enter computer workstations and software. Each employee's security level determines their access to computer files.

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The procedures for each recovery scenario are summarized below.

Data Center Recovery

Full Data Center Restoration

Step	Owner	Duration	Components
Determine whether failover to original Data Center will be pursued	DR TEAM	15 min – 2 hours	• Restoration procedures determined
Original data center restored	DR TEAM	2 hours	• Recovery by operationalizing the cold site. Equipment is powered on. Any backups restored. Critical personnel is given credentials to begin operations.
Complete Failback	DR Team	2 hours	• Failback steps executed, including handoffs between key dependencies
Test Failback	DR Team	30 minutes	• Tests assigned and performed • Results summarized and communicated to group • Issues (if any) communicated to group
Determine whether failback was successful	DR TEAM	15 minutes	• Declaration of successful failback and communication to stakeholder group. • Disaster recovery procedures closed. • Results summarized, post mortem performed, and DRP updated (as needed).

The following section contains steps for the restoration procedures.

Full Server Farm Recovery

This section describes the process for recovering from a farm-level failure, for a: three-tiered structure consisting of a *database server*, a network storage device, and a *Web server* that hosts the portal application and provides Web content.

1. Power on servers and load updated data

Servers at the cold site are powered on. Network hardware is connected. Data is loaded and network connections are confirmed. In particular, SQL Server connectivity is confirmed. IIS settings are confirmed.

A central administration site is operationalized and the database connectivity is confirmed to allow for workstation connectivity to the server. Workstations are connected and confirmed operable.

2. Restoration

Backup procedures are engaged for the cold site in order of highest priority starting with the SQL server. We conduct periodic testing and updating of the Disaster Recovery Plan for electronic and hard copy files to ensure plan effectiveness. Servers are connected to an uninterruptable power supply system (UPS), which conditions incoming power to the server and provide sufficient processing time for the server to be correctly shutdown in the event of a power failure. Finally, in the event of damage to the primary

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operational site of sufficient magnitude, a second company location is able to be modified to accommodate the system.

The database we use for PalPro (SQL) and software for PalFax are backed up as part of our backup plan detailed above. Our database and all associated log files are backed up as a full backup weekly and kept offsite. In addition to the weekly backup, we perform an incremental backup daily (along with transaction logs) and keep this backup secured offsite. With this setup, we can effectively restore a database to any given day using the combination of offsite backups and daily incremental backups.

3. **Redeploy operations and customizations**

Call center and operations begin. (Our phone system is completely digital and relies on having sustainable power and internet functionality to work at its full operational status. However, in case of power outage or internet failure, we do have the ability to operate at a limited capacity using analog phone lines and equipment, or with use of offsite softphones.)

4. Cloud Services Disaster Recovery Procedures

Disaster recovery process for Palco's cloud and cloud hybrid services.

- Case Management
- Timesheet Entry Admin
- Financial Management (Cloud Hybrid)
- Timesheet Entry Mobile Client

For on-premises accounting service outage, follow steps under section 3.

Step	Owner	Duration	Components
Track communication and status with the core recovery team.	DR TEAM	As needed	• Operations
Send out frequent updates to core stakeholders with the status.	DR TEAM	As needed	
Inform other teams about technical dependencies	DR TEAM	As needed	• Customer Service Response • Internal Operations

The steps required for Palco to implement GCP cloud failover are as follows:

Full Zone Outage:
Contact GCP representative for zone status.
Update Terraform with nearest available zone.
Terraform UP
Ensure automatic restoration of service connectivity.
After zone becomes available perform zone regression outside normal work hours.

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Platform Managed Services Outage:
Check console for system status.
Contact GCP representative to report service outage.
Work with GCP on resolution. (if zonal issue follow Full Zonal Outage steps to mitigate)
Check Pub/Sub has reactivated and replayed queued messages.

Compute Instance Outage:
Identify CE instance(s) effected.
Determine type of failure.
Restart or Re-deploy

Cloud SQL Outage:
Check console for system status.
Check for successful automatic failover.
Contact GCP representative to report service outage.
Work with GCP team on resolution.
Perform manual failover if necessary.
Point-in-time restore from backup – if all other options exhausted.

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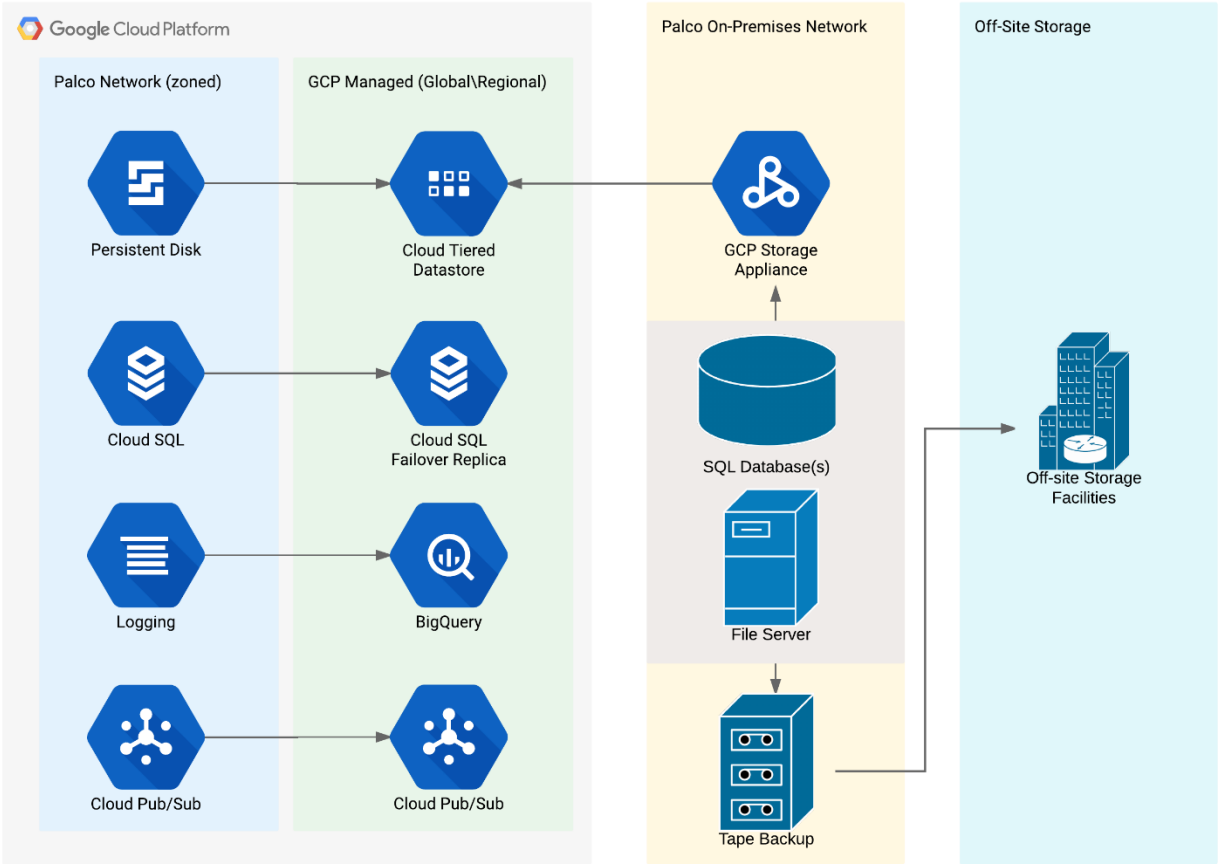
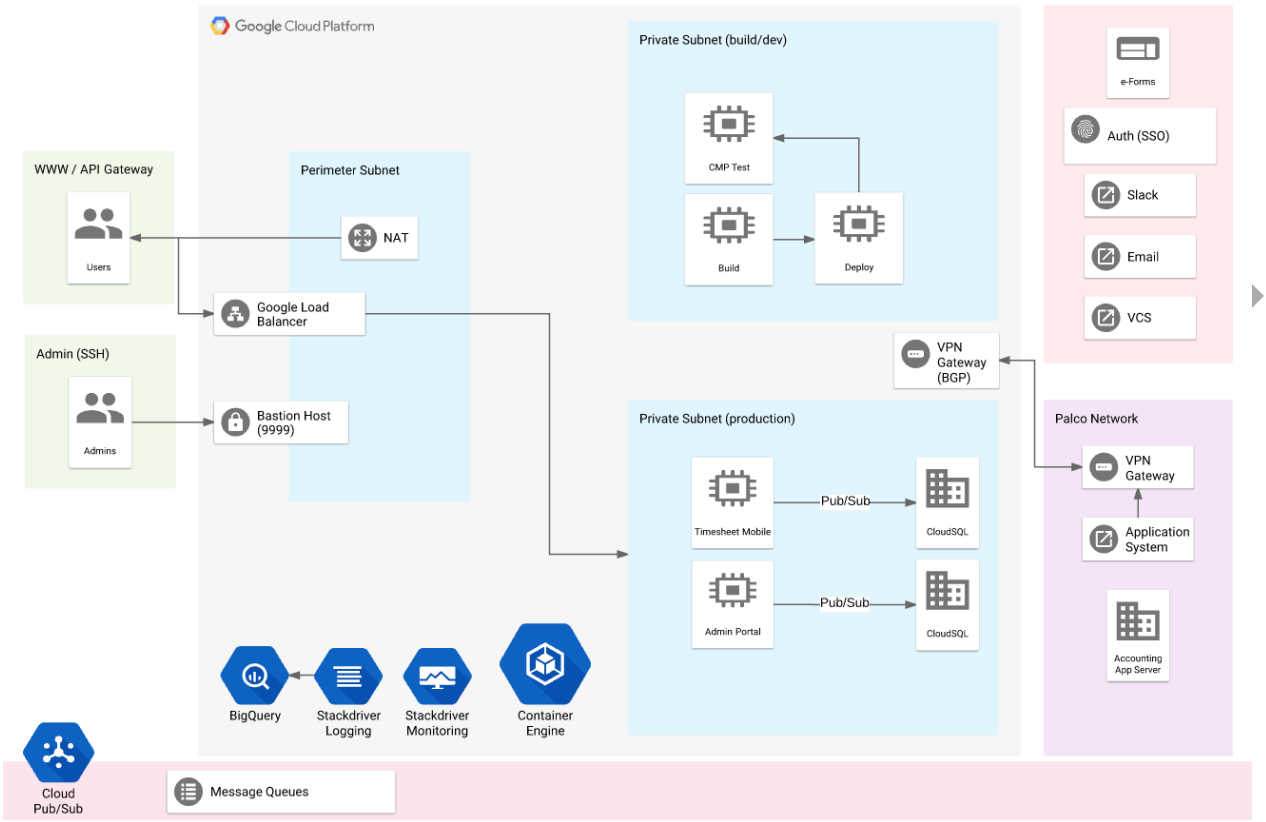
PALCO BACKUP DATA FLOW DIAGRAM



PALCO CMP



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Appendix A: Business Continuity Plan

This plan describes Palco, Inc.'s ability to respond to, work through, and recover from any type of disaster. It includes definitions, as well as processes and procedures that must be followed to ensure successful, efficient, and timely disaster recovery. Each member of senior management and the DRP team will be issued a copy of this plan to be filed at home. The plan will also be posted on Palco servers for staff access.

Disasters take many forms and vary in severity. They can be the result of a natural or manmade occurrence. A disaster refers to anything that affects Palco's ability to carry out its normal functions and responsibilities; however, it is the severity of the occurrence that determines when and if Palco activates its business continuity plan (BCP). If a disaster occurs, members of Palco's team will assess the situation and determine if the plan should be activated. Some of the situations that would require DRP activation, include, but are not limited to:

- One or more vital systems are nonfunctional.
- The building is not available for an extended period of time, but all systems are functional within it.
- The building is damaged or destroyed.
- The building is available, but all systems are nonfunctional.
- The building and all systems are nonfunctional.
- The building has experienced a total loss of power.
- A catastrophic event that prevents the leadership team or staff from reaching the building.

In the event of a disaster, Palco's No.1 priority is preventing the loss of life. Before any secondary measures are taken, Palco will ensure that all employees and other affected individuals are safe and secure. After safety is ensured, Palco will activate the BCP to bring all functions back to normal functioning as quickly as possible. This includes, but may not be limited to:

- Preventing the loss of the organization's resources, such as hardware, data, and physical IT assets.
- Minimizing downtime related to IT.
- Minimizing downtime of the call center.
- Keeping the business running in the event of a disaster.

Palco's plan takes the following areas into consideration:

- Network infrastructure
- Servers infrastructure
- Telephone systems
- Data storage and backup systems
- Data output devices
- Organizational software systems
- Database systems
- IT documentation

This policy and procedure has been established to ensure that, in the event of a disaster or crisis, personnel will have a clear understanding of who should be contacted.

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Each BCP team member is assigned a specific task. The roles and responsibilities of each DRP team member are describe below and are subject to change, based on the type and severity of the disaster. Team members may be asked to perform additional tasks not described in this section.

The Primary Team Leader is responsible for making all decisions related to the disaster recovery efforts. The primary role is to guide the disaster recovery process and other members of the team in their specific roles. All team members will report to the team leader. The team leader's responsibilities include, but are not limited to:

- Determining that a disaster has occurred, as well as assessing its magnitude.
- Setting the plan and related processes into motion.
- Contacting the disaster recovery team per the call tree.
- Determining what systems and processes have been affected by the disaster.
- Assessing any physical damage to the primary facility.
- Determining what first steps need to be taken by the disaster recovery teams.
- Being the single point of contact for and overseeing the disaster recovery team.
- Organizing and chairing regular meetings of the team throughout the disaster.
- Evaluating the state of the disaster continuously and the decisions that need to be made.
- Organizing, supervising, and managing all tests and author all updates.
- Organizing quarterly meetings of the disaster recovery team to review the plan.
- Keeping the disaster recovery team on track with pre-determined expectations and goals.
- Ensuring that all decisions made abide by the plan and policies set by Palco.
- Making decisions that will impact the company. This can include decisions concerning rebuilding of primary facilities and data centers, investing and upgrading in significant hardware and software infrastructure, and making other financial and business decisions.
- Assessing legal issues related to the disaster.
- Communicating with business partners throughout the disaster recovery process.
- Ensuring that the secondary site is fully functional and secure.
- Ensuring that measures are taken to prevent further damage to the primary facility.

The Backup Team Leader is charged with the following tasks:

- Assisting the Primary Team Leader with assessing the magnitude of the disaster and any physical damage to the primary facility.
- Being a secondary point of contact for the disaster recovery team should the Primary Team Leader be unavailable.
- Keeping a record of money spent during the disaster recovery process.
- Ensuring there is sufficient cash on hand or accessible to deal with small-scale expenses caused by the disaster.
- Ensuring sufficient resources are available or accessible to deal with large-scale expenses caused by the disaster.
- Reviewing and approving disaster team members' spending.
- Communicating with banking partners to obtain any materials, such as checks, bank books, etc. that may need to be replaced as a result of the disaster.
- Working with an insurance company in the event of damage, destruction, or losses to any assets owned by Palco and initiating claims and working with carriers to resolve matters concerning the disaster.
- Ensuring that appropriate resources are provisioned to rebuild or repair the main facilities in the event that they are destroyed or damaged.

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The Backup Team Leader will assume the role of the Primary Team Leader and all responsibilities thereunder in case the Primary Team Leader is unable to lead.

Because Palco's No. 1 priority is preventing loss of life and ensuring the safety of its employees, the Human Resources member of the disaster recovery team is crucial. The Human Resources member's responsibilities include, but are not limited to:

- Maintaining a list of all employees, their contact information and emergency contact information electronically and off-site.
- Contacting all Palco staff, including the management team, to notify them that the BCP has been activated.
- Communicating with the team leader throughout the activation stage.
- Maintaining communication with employees to constantly relay messages from the team leader.
- Notifying an employee's emergency contact in any case of an employee injury or other incapacitation of the employee.
- Conducting an employee headcount, ensuring that all staff is accounted for and uninjured, immediately after the disaster occurs and at various checkpoints throughout the disaster recovery plan activation and operational restoration processes.
- Ensuring that payroll occurs and that employees are paid as normal, where possible.
- Ensuring that transportation and/or lodging is secured for employees working out of the secondary facility, if applicable.
- Ensuring that sufficient supplies are provided for all employees working out of the standby facility.

The Communications team member will be responsible for all communication during a disaster. This includes communication with state agencies, other organizations, and even the media, if required. These responsibilities include, but are not limited to:

- Communicating the occurrence of a disaster and its impact to authorities, state agencies, company partners, internal parties, clients, and other interested parties.
- Communicating the occurrence of a disaster and the impact of that disaster to media contacts, if required.
- Coordinating with the Team Leader and other team members on appropriate messaging, as needed.
- Notifying the relevant parties once the disaster is over and normal business functionality has been restored.

The Director of Communications will coordinate with the media, working according to guidelines that have been previously approved and issued for dealing with post-disaster communications. Only the Director of Communications and her appointed media team is permitted direct contact with the media.

The operations role of the disaster recovery team will determine what steps need to be taken to get the organization back to business as usual. This includes ensuring all aspects of a standby facility meet Palco policy and are maintained appropriately; assessing the damage and overseeing the repairs to the primary location in the event of the primary location's destruction or damage; and, providing employees with the tools they need to perform their roles as quickly and efficiently as possible.

The operations team will be tasked with the following:

- Keeping the operational roles of disaster recovery team on track with pre-determined expectations and goals.
- Getting the secondary site ready to restore business operations.
- Ensuring that all departments are running seamlessly as soon as possible.

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- Determining what resources are needed, including personnel resources, to achieve operational objectives.
- Creating a detailed report of all the steps undertaken in the disaster recovery process.
- Maintaining lists of all essential supplies that will be required in the event of a disaster and ensuring that these supplies are provisioned appropriately in the event of a disaster.
- Maintaining a log of where all of the supplies and equipment are used.
- Communicating with partners throughout the operational restoration process.
- Ensuring that all decisions made abide by the BCP and policies set by Palco.
- Working with the team leader and information technology and communications team members on understanding the magnitude of the disaster.
- Implementing Palco's policies for setting up a temporary call center and other operational departments at a secondary location.
- Training employees on how to carry out essential functions in a secondary facility, as well as on what information to provide parties who are inquiring about the disaster recovery and Palco's response.
- Executing Palco's communication plan as developed by the communications team and the Primary Team Leader.

Each operational department director is required to maintain regular contact with the operations team leader during the recovering process. Each director will have expanded roles for ensuring that the operations are continued as required by our contracts and ongoing business operations. Directors must ensure that staff is able to carry out essential functions as efficiently as possible during recovery. They may delegate non-critical roles to key staff members on their team with the operational team leader's approval.

Operational Departments Roles and Responsibilities

Financial Services	Care Coordination	Customer Support
• Communicate with financial institutions • Communicate with relevant taxing and other authorities • Securing requisite department-specific supplies, such as forms, checks, and deposit slips	• Securing requisite department-specific supplies, such as program manuals, forms, and other training materials, from the primary facility	• Publishing emergency phone numbers for the call center • Working with the communications staff to develop a script or outline of information to be released to callers

Technology is the backbone of Palco's operations. During a disaster, the information technology disaster recovery team member is responsible for evaluating all IT-related systems, assessing damage and creating a plan for recovery. The role will be primarily responsible for providing baseline network and server functionality and may assist other team members as required. The information technology member's responsibilities include, but are not limited to:

- Assessing damage specific to any network infrastructure.

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- Communicating the findings with the team leader and working with the team leader to develop the most efficient course of action.
- Provisioning data and voice network connectivity, including any telephone connections internally and externally.
- Prioritizing the recovery of all IT services in the manner and order that has the least impact on the business, if multiple IT services are impacted.
- Communicating and coordinating with any third parties to ensure recovery of connectivity.
- Migrating IT operations to an alternate site, if required, and ensuring that services are operational in the secondary facility.
- Installing and implementing any tools, hardware, software, and systems required, and ensuring that secondary servers are kept up-to-date in the standby facility.
- Installing and implementing any tools, hardware, software, and systems required in the primary facility.
- Determining which servers or other IT tools are not working properly at the primary facility, if the disaster does not require migration to a secondary facility.
- Ensuring that secondary servers located in standby facilities are kept up-to-date with data copies.
- Ensuring that the secondary servers located in the standby facility are backed up appropriately.
- Ensuring that all servers, hardware, software, and other IT tools meet Palco's IT policies.
- Ensuring sufficient spare computers and laptops are on hand so that work is not significantly disrupted in a disaster.
- Ensuring that spare computers and laptops have the required software and patches.
- Ensuring sufficient computer and laptop related supplies such as cables, wireless cards, laptop locks, printers, and other hardware are on hand so that work is not significantly disrupted in a disaster.
- Ensuring that all employees that require access to a computer and other related supplies are provisioned in an appropriate timeframe. If insufficient computers or related supplies are not available, the team will prioritize distribution in the manner and order that has the least business impact.

Regardless of the category that the disaster falls into, dealing with a disaster can be broken down into the following steps:

1. Disaster identification/declaration and plan activation
2. Staff headcount
3. Communicating the disaster and BCP
4. Assessment of current damage and prevention of further damage
5. Standby facility activation
6. Establish IT operations
7. Establish primary operations
8. Repair and rebuilding of primary facility

When a disaster strikes, the BCP team leader evaluates the type, scope, and magnitude of the disaster, and communicates this information to other members of the disaster recovery team. The team leader has the explicit authority to activate the BCP and to what extent the plan is activated.

Once the Team Leader has determined that a disaster had occurred, he or she must officially declare that the company is in an official state of disaster. It is during this phase that the Disaster Recovery Lead must ensure that anyone that was in the primary facility at the time of the disaster has been accounted for and evacuated to safety according to the company's Evacuation Policy. While employees are being

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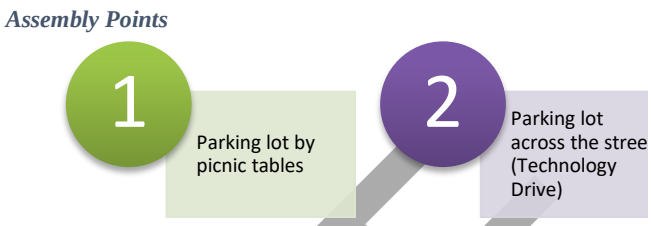
brought to safety, the Team Leader will instruct the Communications Team and the Human Resource Team to begin contacting the authorities and all employees not at the impacted facility that a disaster has occurred.

If a disaster occurs, the first priority is to ensure that all employees are safe and accounted for.



In the event that the premises need to be evacuated, staff must assemble at one of two meeting points. The alternate meeting point is used in cases where the primary meeting point is not accessible. While evacuating the building, ensure not to use elevators and to use the stairwells located at both sides of the building.

The Human Resources member of the disaster recovery team is responsible for notifying all staff when a disaster has occurred. This team member is required to maintain a list of all personnel, along with their contact information and an emergency contact off-site. Palco staff are required to provide an emergency contact to the Human Resources team member upon request.

If a staff member learns of a disaster impacting Palco or its facilities and has not been contacted by the Human Resources disaster recovery team member, he or she must contact their supervisor. Staff should avoid contacting the Human Resources team member, because he or she may be in the process of gathering information and communicating with the team leader.

Human Resources will keep staff abreast of general disaster recovery and business continuity plans and protocols. Specific operational protocols will come from supervisors.

It is very important during the disaster recovery and business recovery activities that all affected persons and organizations are kept properly informed. Information given to all parties must be accurate and timely. In particular, any estimate of the timing to return to normal working operations should be announced with care. All communication regarding the disaster and Palco's BCP will be provided by the communications team. All such communications should be recorded.

Initial communication during the activation process will follow the call tree illustrated below. At this phase, communications will flow in the first branch (green). Instructions will be given as to when communications should flow to subsequent branches (purple and teal).

Procedures have been addressed to ensure that communication can be quickly established while activating disaster recovery. However, during the recovery process, certain team members must work together to carry out their designated tasks. The plan relies on key members of management and staff to achieve a smooth technology and business recovery.

All teams will be required to create an initial report on the damage and provide this to the Disaster Recovery Lead within a timeframe set by the team lead of the initial disaster. During each team's review of their relevant areas, they must assess any areas where further damage can be prevented and take the necessary means to protect company assets. Any necessary repairs or preventative measures must be taken to protect the facilities; these costs must first be approved by the Disaster Recovery Team Lead. The team will assemble to discuss the disaster and next steps to prevent further damage to systems. The assessment and prevention plan will take on the following course:

1. Assessment of impacted systems.
2. Determination of the extent of the damage to the system.
3. Ranking of importance by criticality to business practices.
4. Determine recovery measures to get the impacted systems back to operational status.
5. Assignment of team members to recovery of impacted systems.
6. Determine other resources needed for recovery of impacted systems.

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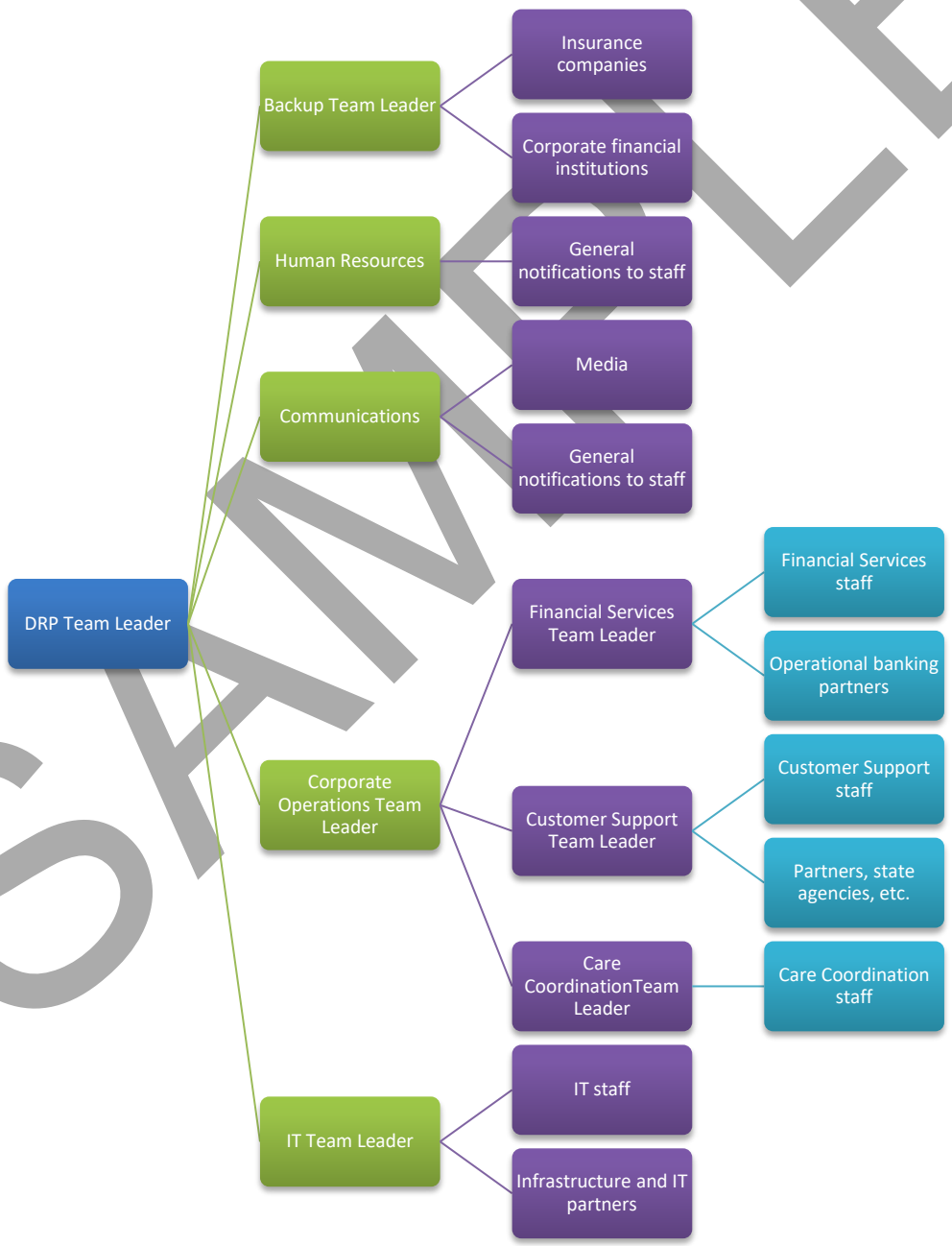
7. Determine the scheduled time to ensure that the impacted system becomes operational at maximum capacity.
8. Assessment of impacted systems.
9. Determination of the extent of the damage to the system.
10. Ranking of importance by criticality to business practices.
11. Determine recovery measures to get the impacted systems back to operational status.
12. Assignment of team members to recovery of impacted systems.
13. Determine other resources needed for recovery of impacted systems.
14. Determine the scheduled time to ensure that the impacted system becomes operational at maximum capacity.



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Resources will first be allocated to items identified as high priority, then to medium priority, and then to low priority. At the conclusion of the meeting, outstanding items for each team member will be addressed before allowing the staff to begin their BCP tasks. During the meeting, actions will be documented using the format in the grid below.

BCP Assessment Plan

Description of Disaster:				
Date of Disaster:			**BCP Activation Date:**	
Action Taken	**DRP Member**	**Date & Time**	**Outcome**	**Follow-up Activities Requested (include parties responsible)**
Completion of DRP:			**Team Leader Signoff:**	

To ensure that Palco, Inc. can withstand a significant disaster, the company has set up a separate, dedicated standby facility. The standby facility will be formally activated when the Team Leader determines that the nature of the disaster is such that the primary facility is no longer sufficiently functional or operational to sustain normal business operations.

Once this determination has been made, the IT and Operations Teams will be commissioned to bring the standby facility to functional status after which the Team Lead will convene a meeting of the various BCP members at the Standby Facility to assess next steps and ensure that everyone understands appropriate tasks.

Once the BCP is activated, the disaster recovery team leader will establish the scope and severity of the disaster, as well as timeframes for how long the recovery site will be used. The recovery facility will have the following resources available:

- Copies of this document.
- Fully redundant server room.
- Sufficient servers and storage infrastructure to support enterprise business operations.
- Sufficient computers, laptops, and other hardware.
- Sufficient telephone systems to set up a temporary call center.
- Office space for DRP teams, IT, and the call center to use in the event of a disaster.
- External data and voice connectivity.
- Sleeping quarters for employees that may need to work multiple shifts, if applicable.
- Kitchen facilities (including food, kitchen supplies, and appliances), if applicable.
- Bathroom facilities (including toilets, showers, sinks, and appropriate supplies).
- Parking spaces for employee vehicles.

During Standby Facility activation, the IT team will need to ensure that their responsibilities are carried out quickly and efficiently so as not to negatively impact the other teams. The disaster recovery team, along with the information technology department and all operational departments, will utilize the standby facility until Palco's permanent facility can be re-established. It will function as a central location where all decisions during the disaster will be made. It will also function as a communications hub.

Because this site is already operational with equipment and key software already loaded onto computers, the location is only known to executives and will be published in the event of a disaster.

Palco, Inc. maintains a cold site for immediate use should a disaster occur to ensure the following:

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- Ability to return to operation without interruption of data.
- Ability to return to operation using appropriate software that is completely updated as of the previous day's work.
- Timely return to operation and production.
- Capability of the cold site to meet all the standards required by Palco, Inc. to ensure efficient production of key tasks.

All computers stored off-site are protected by password and other operational-integrity mechanisms to ensure proper authorization has been granted for access to computer files. Each employee has a unique identification and password to enter computer workstations and software. Each employee's security level determines their access to computer files.

The database used for PalPro (SQL) and software for PalFax are backed up as part of our backup plan detailed above. Our database and all associated log files are backed up as a full backup weekly and kept off-site. In addition to the weekly backup, we perform an incremental backup daily (along with transaction logs) and keep this backup onsite locked and secured in a fireproof safe. With this setup, we can effectively restore a database to any given day using the combination of offsite backups and daily incremental backups.

Our phone system is completely digital and relies on having sustainable power and internet functionality to work at its full operational status. However, in case of power outage or internet failure, we have the ability to operate at a limited capacity using analog phone lines and equipment. With this setup, we can effectively restore a database to any given day using the combination of offsite backups and daily incremental backups.

Servers are connected to an uninterruptable power supply system (UPS), which conditions incoming power to the server and provides sufficient processing time for the server to be correctly shutdown in the event of a power failure. In the event of damage to the primary operational site of sufficient magnitude, a second company location is able to be modified to accommodate the system. The IT department restores equipment and software in terms of importance and criticality using a chart similar to that below.

Hardware & Software Criticality

Rank	IT System	System Components (In order of importance)
1		
2		
3		
4		
5		

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In the event of a disaster, offsite tape backups are used to restore data to laptops located at the offsite location, which contains backup servers duplicated to the ones used for business operations. Data is restored in order of importance using a chart similar to the one below.

Data in order of importance

Rank	Data	Data Type	Back-up Frequency	Backup Location(s)
1				
2				
3				
4				
5				

Once IT operations have resumed, normal business operations may be restored effectively. However, the commencement of restoring business operations should not wait for restoration of IT operations. Instead, activities should occur simultaneously.

Before the company can return operations to Primary Facilities, those facilities must be returned to an operable condition. The tasks required to achieve that will be variable depending on the magnitude and severity of the damage. Specific tasks will be determined and assigned only after the damage to Primary Facilities has been assessed. Before any employees can enter the primary facility after a disaster, appropriate authorities must first ensure that the premises are safe to enter.

The team leaders shall prepare an initial assessment of the impact of the incident on the financial affairs of the company. The assessment should include loss of financial documents, revenue, check books, credit cards, cash, equipment, furniture, and fixtures. Banking partners are notified immediately should any critical items be missing. The immediate financial needs of the company must be also addressed. In particular, the following are reviewed:

- Cash flow position.
- Temporary borrowing capability.
- Upcoming payments for taxes, payroll, etc.
- Availability of company credit cards to pay for supplies and services required post-disaster.

This team will be responsible for ensuring that all finances are dealt with in an appropriate and timely manner. The team will ensure that there is money available for necessary expenses that may result from a disaster as well as expenses from normal day-to-day business functions. Finances shall be managed closely during the disaster. Any spending needed to continue business operations are documented.

As part of the company's disaster recovery and business continuity strategies a number of insurance policies have been put in place. These include general liability and business interruption insurance. When necessary, insurance carriers will be notified and the claims process will commence.

The company internal counsel and outside counsel will jointly will review the aftermath of the incident and decide whether there may be legal actions resulting from the event; in particular, the possibility of claims by or against the company.

During the course of the disaster, a regular cadence of meetings will be established. During these meetings, all parties will discuss actions taken thus far and the status of progress on the BCP, including time to full recovery. In addition, the communications team will provide the staff with relevant messaging.

All key events that occur during the disaster recovery phase must be recorded. An event log shall be maintained by the disaster recovery Team Leader. This event log should be started at the commencement of the emergency and a copy of the log passed on to other team members once the initial dangers have

SAMPLE

been controlled. Relevant team members must log all key events until such time as responsibility is handed over to other parties. A log template is shown below.

Business Continuity and Recovery Plan Documentation

Recovery Tasks (*Order of Priority*)	Person(s) Responsible	Completion Date		Milestones Identified	Other Relevant Information
		Estimated	Actual		
1.					
2.					
3.					
4.					
5.					
6.					
7.					

**Note: A priority sequence must be identified although, where possible, activities will be carried out simultaneously.*

On completion of the disaster recovery response the Team Leader will prepare a report on the activities undertaken. The report should contain information on the emergency, who was notified and when, action taken by members of the BCP team together with outcomes arising from those actions. The report will also contain an assessment of the impact to normal business operations. A disaster recovery report will be prepared by the Team Leader on completion of the initial disaster recovery response. In addition to the business recovery team leader, the report will be distributed to senior management. It shall include the following items:

- A description of the emergency or incident
- Those people notified of the emergency (including dates)
- Action taken by members of the disaster recovery team
- Outcomes arising from actions taken
- An assessment of the impact to normal business operations
- Assessment of the effectiveness of the DRP and lessons learned
- Lessons learned

This section explains where all of the organization's data resides as well as where it is backed up to. Use this information to locate and restore data in the event of a disaster. Palco's BCP includes procedures for restoring software, master files, and hardware, in the event that management information systems are disabled. In preparation for such an event, the following tasks are completed daily:

- All server data and software programming files are backed up weekly to tape backup media which are rotated offsite for a period of 13 days.
- Any computer files which have been modified at newer date than our weekly backup are backed up daily to tape backup media which are rotated offsite for a period of 13 days.
- All software program disks are stored off-site.

When current software is upgraded, or new software is installed, a backup of any pertinent data is stored at a secure external site. Thus, current and archived files are stored externally in a secure location. All software program disks are stored off-site. Off-site computers are loaded with utilized software. In the

SAMPLE

event of disaster, off-site computers are activated, data is restored, and business continues with little interruption.

Palco, Inc.'s management team reviews the Business Continuity Plan quarterly, at a minimum, and makes any necessary revisions. Similarly, members of the disaster recovery team meet quarterly to review and discuss the processes outlined in the BCP; the team also makes suggestions to Palco management for any needed modifications at this time.

Palco conducts periodic testing and updating of the Plan for electronic and hard copy files to ensure plan effectiveness. The plan is tested through the following activities:

1. **Walkthroughs.** Team members verbally go through the specific steps as documented in the plan to confirm effectiveness, identify gaps, bottlenecks or other weaknesses. This test provides the opportunity to review a plan with a larger subset of people, allowing the project manager to draw upon a correspondingly increased pool of knowledge and experiences. Staff should be familiar with procedures, equipment, and offsite facilities (if required).
2. **Simulations.** A disaster is simulated so normal operations will not be interrupted. Hardware, software, personnel, communications, procedures, supplies and forms, documentation, transportation, utilities, and alternate site processing should be thoroughly tested in a simulation test. However, validated checklists can provide a reasonable level of assurance for many of these scenarios. Analyze the output of the previous tests carefully before the proposed simulation to ensure the lessons learned during the previous phases of the cycle have been applied. At least quarterly, Palco staff participates in disaster recovery plan exercises, including an evacuation drill of the main facility.
3. **Parallel Testing.** A parallel test can be performed in conjunction with the checklist test or simulation test. Under this scenario, historical transactions, such as the prior business day's transactions are processed against preceding day's backup files at the contingency processing site or hot site. All reports produced at the alternate site for the current business date should agree with those reports produced at the alternate processing site.
4. **Full-Interruption Testing.** A full-interruption test activates the total BCP/DRP. The test is likely to be costly and could disrupt normal operations, and therefore should be approached with caution. The importance of due diligence with respect to previous BCP/DRP phases cannot be overstated.

In the exercises, no one passes or fails; everyone who participates learns from exercises — what needs to be improved and how the improvements can be implemented. The exercises ensure that emergency teams are familiar with their assignments and, more importantly, are confident in their capabilities.

SAMPLE

Appendix 8

PALCO, INC.

Business Entity Information

Status:	Active	File Date:	11/20/2013
Type:	Foreign Corporation	Entity Number:	E0563502013-9
Qualifying State:	AR	List of Officers Due:	11/30/2017
Managed By:		Expiration Date:	
NV Business ID:	NV20131682265	Business License Exp:	11/30/2017

Additional Information

Central Index Key:	

Registered Agent Information

Name:	THE UPS STORE 0715	Address 1:	4616 W SHARA AVE STE 1
Address 2:		City:	LAS VEGAS
State:	NV	Zip Code:	89102
Phone:		Fax:	
Mailing Address 1:		Mailing Address 2:	
Mailing City:		Mailing State:	NV
Mailing Zip Code:			
Agent Type:	Commercial Registered Agent - Corporation		
Jurisdiction:	NEVADA	Status:	Active

Financial Information

No Par Share Count:	0	Capital Amount:	$ 300.00
Par Share Count:	300.00	Par Share Value:	$ 1.00

Officers

Include Inactive Officers

President - ALICIA PALADINO

Address 1:	4616 W SAHARA AVE; STE 612	Address 2:	
City:	LAS VEGAS	State:	NV
Zip Code:	89102	Country:	USA
Status:	Active	Email:	

Secretary - LARRY PALADINO

Address 1:	4616 W SAHARA AVE; STE 612	Address 2:	
City:	LAS VEGAS	State:	NV
Zip Code:	89102	Country:	USA
Status:	Active	Email:	

Treasurer - LARRY PALADINO

Address 1:	4616 W SAHARA AVE; STE 612	Address 2:	
City:	LAS VEGAS	State:	NV

Zip Code:	89102	Country:	USA
Status:	Active	Email:	

Director - LARRY PALADINO			
Address 1:	4616 W SAHARA AVE; STE 612	Address 2:	
City:	LAS VEGAS	State:	NV
Zip Code:	89102	Country:	USA
Status:	Active	Email:	

Actions\Amendments

Action Type:	Foreign Qualification		
Document Number:	20130762598-43	# of Pages:	1
File Date:	11/20/2013	Effective Date:	
Initial Stock Value: Par Value Shares: 300 Value: $ 1.00 No Par Value Shares: 0 ---------- Total Authorized Capital: $ 300.00			

Action Type:	Initial List		
Document Number:	20130780178-47	# of Pages:	1
File Date:	11/27/2013	Effective Date:	
(No notes for this action)			

Action Type:	Annual List		
Document Number:	20140789223-08	# of Pages:	1
File Date:	12/2/2014	Effective Date:	
(No notes for this action)			

Action Type:	Annual List		
Document Number:	20150568122-22	# of Pages:	1
File Date:	12/30/2015	Effective Date:	
(No notes for this action)			

Action Type:	Annual List		
Document Number:	20160510242-83	# of Pages:	1
File Date:	11/23/2016	Effective Date:	
(No notes for this action)			

Program Listing and Contacts	
Arkansas	
IndependentChoices Alternatives for Adults with Physical Disabilities (AAPD) ElderChoices ARChoices	Craig Cloud, Director, Department of Human Services, Division of Aging & Adult Services Little Rock, AR, 501.320.6564 craig.cloud@dhs.arkansas.gov
Southeast Arkansas VD-HCBS Program	Carolyn Ferguson Area Agency on Aging of Southeast Arkansas Pine Bluff, AR, 870.543.6309 cferguson@aaasea.org
Select Care	N/A
Developmental Disabilities Home/Vehicle Modification Pro Tempore Project	N/A
Texas	
Central Texas VD-HCBS Program	Thomas Wilson, Veterans Options Counselor Area Agency on Aging of Central Texas Belton, TX, 254.770.2330, ext. 2359 Thomas.wilson@ctcog.org
Bexar/Alamo VD-HCBS Program	Susan Blevins, Care Coordination Specialist Alamo Area Council of Governments San Antonio, TX, 210.832.5047 sblevins@aacog.com
Harris County VD-HCBS Program	Janice Sparks, Senior Staff Analyst Harris County Area Agency on Aging Houston, TX, 832.393.4415 Janicem.sparks@houstontx.gov
Child Protective Services Claims Processing	Ardell Ray, Program Director Texas Department of Family and Protective Services Austin, TX, 512.834.3353 ardell.ray@dfps.state.tx.us
Arkansas / Texas/ Louisiana	
Caddo Council VD-HCBS Program	Monica Wright, Fiscal Officer Caddo Council on Aging 1700 Buckner St., Suite 240 Shreveport, LA 71101, 318.676.7900 ccoa@caddocoa.org
Nevada	
Self-Directed Program – Desert, Rural, Sierra Regions	Robin Williams, Director Community Services for Nevada Department of Human Services Rural Region of Aging and Disabilities Services Division Carson City, NV, 775.687.5162 robinw@rrc.nv.gov
VD-HCBS Program	Cheyenne Pasquale, NWD Coordinator Nevada Care Connection Resource Centers Las Vegas, NV, 702.486.3831 cpasquale@adsd.nv.gov

Autism Treatment Assistance Program	Sam Jayme, Developmental Specialist Nevada Department of Health and Human Services Division Las Vegas, NV, 702.486.9280 sjayme@adsd.nv.gov
Autism Treatment Assistance Program – Board Certified Behavioral Analyst Program	Sam Jayme, Developmental Specialist Nevada Department of Health and Human Services Division Las Vegas, NV, 702.486.9280 sjayme@adsd.nv.gov
Alabama	
Personal Choices	Jean Stone, Division Chief, LTC Programs Alabama Department of Senior Services Montgomery, AL, 334.353.8288 Jean.stone@adss.alabama.gov
State of Alabama Independent Living	Kathryn Fountain, Alabama Department of Rehabilitation Services Montgomery, AL, 334.293.7011 Kathryne.Fountain@rehab.alabama.gov
530 Waiver	N/A
Elderly and Disabled Waiver	N/A
Alabama Community Transition	N/A
Technology Assisted Waiver Program	N/A
Minnesota	
Consumer Directed Community Supports Program Consumer Support Grant Program Community First Services and Supports Independent Living Training Program Managing Stress and Challenges of Paid Caregiving Training Program	N/A