

APPENDIX D
GENETIC PARENTAGE TESTING SERVICES
SERVICE LEVEL AGREEMENTS (SLA'S)

The Commonwealth has developed a set of minimum Service Level Agreements (SLAs), defined in the table below, which the awarded Offeror is expected to meet, or exceed, in order to be in good standing on the contract. The Commonwealth expects that the final SLA's agreed upon by the awarded Offeror will be higher than these proposed minimum requirements. The SLA's will be reviewed monthly by the Pennsylvania Department of Human Services (DHS Contract Administrator) to identify any issues requiring immediate attention and will be reviewed upon request between the Pennsylvania Department of General Services (DGS Contracting Officer) and the awarded Offeror(s).

Performance Metric	Performance Target	Description	Calculation	Liquidated Damages	Unit of Measure
Maintain Adequate Testing Supplies	100%	Report of Non-Compliance by Agency	Number of Incidents	<ul style="list-style-type: none"> • 1st Offense - \$100 • 2nd/subsequent Offenses - \$500 each 	Per day without required supplies
Respond to a complaint within twenty-four (24) hours	95%	Report of Non-Compliance by Agency	Number of Incidents	<ul style="list-style-type: none"> • 1st Offense – Written Warning • 2nd Offense -\$50 • 3rd/subsequent offenses - \$200 each 	Per day that response is not received
Maintain specimen collectors as prescribed in Appendix B	100%	Report of Non-Compliance by Agency	Number of Incidents	<ul style="list-style-type: none"> • 1st Offense - \$100 • 2nd/subsequent Offenses - \$500 each 	Per day without required specimen collectors

The awarded Offeror(s) will be allowed a 60-day grace period during the implementation phase of the contract to “ramp up” services, without scoring on the performance metrics contained in the table set forth above. After the 60-day grace period, tracking of each of the above performance metrics shall begin, and the first report shall be due to the DHS Contract Administrator one (1) month after the grace period ends.

Service Level Requirements:

The selected Offeror shall adhere to a set of minimum service levels and shall agree to incur service-level damages, including liquidated damages, if Service Level Requirements are not fulfilled. The selected Offeror and the Commonwealth agree that if a service level is not met, the failure will interfere with the operation of the Commonwealth's program, to the loss and damage to the Commonwealth. Where that damage is not otherwise clearly calculable (as in the overpayment of a claim) and able to be reimbursed as a direct or consequential damage, it is otherwise impractical and extremely difficult to fix the actual

damage sustained. The Commonwealth and the selected Offeror therefore presume, in the event of any failure to meet a service level, the amount of damage which will be sustained from the failure will be the amount listed as liquidated damages under this document, **Appendix D**, and that the selected Offeror shall pay such amount as liquidated damages and not as a penalty.

The Commonwealth, at its option, for amounts due the Commonwealth as service-level damages, may deduct the amounts from any money payable to the selected Offeror, or may bill the selected Offeror as a separate item. The Commonwealth shall notify the selected Offeror in writing before deducting such sums from money payable to the selected Offeror. Delivery to the Commonwealth of a product or service that is rejected by the Commonwealth shall not toll the running of the days for purposes of determining the amount of liquidated damages.

In addition to any liquidated damages due, failure to adhere to the set minimum service levels will constitute cause for termination at the Commonwealth's discretion. Further, should the Commonwealth elect to terminate for cause under this paragraph, the selected Offeror agrees not to challenge the award or conduct of any further Emergency Procurement, Request for Proposal, Invitation of Bid, or other procurement for the type of services listed in this RFP that may be conducted for the next two years.

The SLA's will be reviewed quarterly by the DHS Contract Administrator to identify any issues requiring immediate attention and will be reviewed, during requested meetings between the Commonwealth and the supplier. The monthly and quarterly reports shall show performance results reflecting the parameters above.

In the event SLA's are not being met, the following may occur:

1. A discussion will take place between the awarded supplier and the DHS Contract Administrator. The Supplier will be given a written warning and required to develop a corrective action plan submitted to DGS within one week showing how they will improve on the problem area(s).
2. If a second quarterly review occurs with minimal or no improvement in the problem areas, the awarded Supplier will be placed on Probation and the awarded supplier will be given an additional one (1) week to provide an optional plan of improvement on the problem area(s). The supplier must sign off on this improvement plan.
3. If a third quarterly review finds below-threshold scores with the same SLA's, the awarded supplier will be entered into the Commonwealth's Contractor Responsibility Program file for poor contract performance and the contract or any part of the contract may be terminated by the Commonwealth at its discretion.