EXHIBIT B
(Standard Agreement)

BUDGET DETAIL AND PAYMENT PROVISIONS

A. Invoicing and Payment

1. The maximum amount payable under this Agreement shall not exceed $2,375,000.00.
2. Costs will be charged in accordance with Exhibit B, Attachment 1 - Cost Worksheet.
3. Invoices for implementation costs may be submitted in accordance with the schedule presented in Table 1, Implementation Cost Payments. Unless otherwise specified, acceptance of any deliverables shall be conducted pursuant to Exhibit A, Standard Agreement, Section J, Deliverable Acceptance Criteria.

Table1, Implementation Cost Payments

Implementation Invoicing Schedule		
Milestone Payment	**Invoice Submission Date**	**Payment Amount**
Acceptance of Workplan	Upon acceptance by Covered California	5 percent of the total Design, Development and Implementation of Solution charge
Licenses and Subscriptions	20 days after contract execution	100 percent of the Licenses and Subscription charge
Acceptance of Requirements Validation	Upon acceptance by Covered California	10 percent of the total Design, Development and Implementation of Solution charge
Acceptance of Detailed System Design	Upon acceptance by Covered California	20 percent of the total Design, Development and Implementation of Solution charge
Acceptance of User Acceptance Test	Upon acceptance by Covered California	20 percent of the total Design, Development and Implementation of Solution charge
Go-Live	Upon Covered California cutover to solution	25 percent of the total Design, Development and Implementation of Solution charge

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Implementation Invoicing Schedule		
Milestone Payment	**Invoice Submission Date**	**Payment Amount**
Solution Acceptance	Upon acceptance of solution by Covered California	20 percent of the total Design, Development and Implementation of Solution charge

Upon Solution Acceptance, invoices for maintenance and operations shall be submitted the month following the month in which charges are incurred. The Contractor shall not submit invoices more frequently than monthly. Solution acceptance shall be formalized in writing from Covered California to Contractor.

For services rendered in accordance with the requirements of this contract, and upon receipt and approval of the invoice(s), Covered California agrees to pay the Contractor in arrears for said services.

No overtime or travel expenses shall be reimbursed under this Agreement.

The Contractor shall submit an invoice supported by a brief progress report which summarizes both completed tasks and work in progress.

4. Invoices shall include the Agreement Number and CFDA Code 93.525 and shall be submitted in triplicate not more frequently than monthly in arrears to:

Covered California
Attn: Accounting
1601 Exposition Blvd.
Sacramento, CA 95815

Invoices shall:

a. Be prepared on agency/company letterhead. If invoices are not on agency/company letterhead, invoices must be signed by an authorized official, employee, or agent certifying that the expenditures claimed represent actual expenses for the service performed under this Agreement.

b. Bear the Contractor's name as shown on the Agreement.

c. Identify the billing and/or performance period covered by the invoice.

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d. Itemize the costs for the billing period in the same or greater level of detail as indicated in this Agreement. Only those costs and/or cost categories expressly identified as allowable in this Agreement may be reimbursed.

Any invoices submitted without the above-referenced information may be returned to the Contractor for further re-processing.

B. Qualified Health Plan (QHP) Assessment Contingency Clause

If the collection of fees assessed from QHPs are collectively not sufficient to provide the funds for this program, Covered California shall have the option to either cancel this Agreement upon written notice to the Contractor with no liability occurring to Covered California or offer an agreement amendment to the Contractor to reflect the reduced amount.

C. Prompt Payment Clause

Payment will be made in accordance with, and within the time specified in, Government Code Chapter 4.5, commencing with section 927.

D. Review

Covered California reserves the right to review reasonable supporting documentation for the service levels and billings as they impact charges against this Agreement.

E. Final Billing

Invoices for services must be received by Covered California within 30 days following the end of each state fiscal year in which they were rendered or 30 days following the end of the contract term, whichever comes first. The final invoice must include the statement “Final Billing.” If required by law, the final invoice must include a completed Form 700 Leaving Office Statement of Economic Interest properly completed for every Designated Filer in the Contractor’s group. The final invoice will not be considered complete or accurate unless it is submitted with a Form 700 Leaving Office Statement of Economic Interest for Designated Filers, if such form is required by law. Further, a final invoice submitted without all of the required Form 700 filings will automatically be considered a “disputed” invoice. Disputed invoices are not subject to Government Code Section 927 prompt payment requirements until the dispute is resolved.

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F. Nonresident Tax Withholding

Payments to all individual nonresidents may be subject to withholding. Nonresident payees performing services in California or receiving rent, lease, or royalty payments from property (real or personal) located in California will have seven percent of their total payments from services provided in California withheld for state income taxes. However, no withholding is required if total payments to the payee are $1,500 or less for the calendar year.