



HHSC UNIFORM MANAGED CARE MANUAL	CHAPTER 6.4.5	PAGE 1 of 3
	EFFECTIVE DATE September 1, 2010	
MEDICAID/CHIP PERFORMANCE BOND		Version 1.1

DOCUMENT HISTORY LOG

STATUS ¹	DOCUMENT REVISION ²	EFFECTIVE DATE	DESCRIPTION ³
Baseline	1.0	September 15, 2009	Initial version of Uniform Managed Care Manual Chapter 6.4.5, Medicaid/CHIP Performance Bond.
Revision	1.1	September 1, 2010	Chapter 6.4.5 Medicaid/CHIP Performance Bond is modified to reflect the appropriate date range and total aggregate amount of the bond.
¹ Status should be represented as "Baseline" for initial issuances, "Revision" for changes to the Baseline version, and "Cancellation" for withdrawn versions ² Revisions should be numbered in accordance according to the version of the issuance and sequential numbering of the revision—e.g., "1.2" refers to the first version of the document and the second revision. ³ Brief description of the changes to the document made in the revision.			

Surety Solutions LLC

(Name of Surety)

STATE OF TEXAS

MEDICAID/CHIP PROGRAM PERFORMANCE BOND

State of Texas)
)
County of (.....)

Surety Bond No.:

This performance bond (bond) is executed by _____, as principal, (PRINCIPAL) and _____ as Surety, (SURETY), in favor of the Texas Health and Human Services Commission (HHSC). The purpose of this Bond is to secure SURETY in favor of HHSC (OBLIGEE), and to secure the PRINCIPAL's performance of all duties and obligations contained in the Contract(s) for Services (Contract(s)) dated _____, HMO Contract(s), by and between HHSC and the PRINCIPAL. A copy of the Contract(s) is/are attached and made a part of this Bond.

1. **TERM.** The effective date of this Bond is _____. The Bond will continue in effect through _____ unless amended or renewed as set forth below. The PRINCIPAL must deliver the initial performance bond to HHSC prior to September 1, 2010, and each renewal prior September 1 each following year. The performance bond must continue to be in effect for one (1) year following the expiration of the final renewal period.
2. **AMOUNT.** The total aggregate liability of the SURETY under this Bond is One Hundred Thousand dollars (\$100,000.00) for each HHSC Program within each Service Area that the PRINCIPAL covers under its HMO Contract(s) with HHSC. The aggregate total of this Bond is _____.
3. **DEMAND FOR PAYMENT.** If the PRINCIPAL fails to perform its obligations and duties under the Contract, HHSC may make demands upon the SURETY for payment of the Bond, or any portion of the Bond, by certified mail with return receipt, or verified facsimile, or hand delivery. SURETY shall make payment of the demanded amount within 30 days from the date the demand is received.
4. **TERMINATION BY HHSC.** This Bond may be terminated by HHSC by giving the SURETY sixty (60) days written notice of termination. The notice of termination shall be sent to the SURETY by certified mail with return receipt, or verified facsimile, or hand delivery at _____ (address of the SURETY). The termination date shall be calculated as sixty (60) days from the date notice was received by the SURETY. The liability of the SURETY will cease on the termination date, but the termination of the Bond will not affect any liability incurred or accrued prior to the date of termination.
5. **TERMINATION BY SURETY.** This Bond may be terminated by the SURETY by giving HHSC and the PRINCIPAL sixty (60) days written notice of termination including explanation of termination. The notice of the termination shall be sent to HHSC by certified mail with return receipt, or verified facsimile, or hand delivery to HHSC, State Medicaid Director, Health and Human Services Commission 11209 Metric Blvd. / Bldg. H, Austin, Texas 78758,. The notice of termination shall be sent to the PRINCIPAL by certified mail with return receipt, or verified facsimile, or hand delivery at _____ (address of PRINCIPAL). The termination date shall be calculated as sixty (60) days from the date notice was received by HHSC. The obligations of the SURETY shall cease on the termination date, but the termination of the Bond will not affect any liability incurred or accrued prior to the date of termination.

6. LAW GOVERNING. This Bond shall be governed by the laws of the State of Texas. The exclusive venue and jurisdiction for any proceeding on this Bond shall be in State District Courts of Travis County, Texas.
7. NON-ASSIGNABLE. None of the rights, duties or obligations owned under this Bond may be assigned without the prior written consent of the SURETY and HHSC.
8. All rights of action under this Bond belong to HHSC.

SIGNED AND AGREED on the _____ day of _____, _____.

PRINCIPAL

By: _____
Signature and Title of Authorized Officer or Principal

SIGNED AND AGREED on the _____ day of _____, _____.

Surety Company Name

Signature of Attorney-In-Fact

(Note: Attach to this Bond a properly certified copy of the Agent's Power of Attorney)

SURETY COMPANY MAILING ADDRESS AND TELEPHONE NUMBER:

Phone: _____