

2. AMENDMENT/MODIFICATION NO. 001	3. EFFECTIVE DATE See Block 16C	4. REQUISITION/PURCHASE REQ. NO. N/A	5. PROJECT NO. (If applicable)
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6. ISSUED BY EMCBC U.S. Department of Energy EM Consolidated Business Center 250 E. 5th Street, Suite 500 Cincinnati OH 45202	CODE 03001	7. ADMINISTERED BY (If other than Item 6) Richland Operations Office U.S. Department of Energy Richland Operations Office P.O. Box 550, MSIN A7-80 Richland WA 99352	CODE 00601
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8. NAME AND ADDRESS OF CONTRACTOR (No., street, county, State and ZIP Code) HPM CORPORATION Attn: LAURA MILLS 4304 W. 24TH AVE. SUITE 100 KENNEWICK WA 99382320	(x)	9A. AMENDMENT OF SOLICITATION NO.
		9B. DATED (SEE ITEM 11)
	x	10A. MODIFICATION OF CONTRACT/ORDER NO. DE-EM0002043
		10B. DATED (SEE ITEM 13) 06/08/2012

11. THIS ITEM ONLY APPLIES TO AMENDMENTS OF SOLICITATIONS

The above numbered solicitation is amended as set forth in Item 14. The hour and date specified for receipt of Offers is extended, is not extended. Offers must acknowledge receipt of this amendment prior to the hour and date specified in the solicitation or as amended, by one of the following methods: (a) By completing Items 8 and 15, and returning _____ copies of the amendment; (b) By acknowledging receipt of this amendment on each copy of the offer submitted; or (c) By separate letter or telegram which includes a reference to the solicitation and amendment numbers. FAILURE OF YOUR ACKNOWLEDGEMENT TO BE RECEIVED AT THE PLACE DESIGNATED FOR THE RECEIPT OF OFFERS PRIOR TO THE HOUR AND DATE SPECIFIED MAY RESULT IN REJECTION OF YOUR OFFER. If by virtue of this amendment you desire to change an offer already submitted, such change may be made by telegram or letter, provided each telegram or letter makes reference to the solicitation and this amendment, and is received prior to the opening hour and date specified.

12. ACCOUNTING AND APPROPRIATION DATA (If required)
N/A

13. THIS ITEM ONLY APPLIES TO MODIFICATION OF CONTRACTS/ORDERS. IT MODIFIES THE CONTRACT/ORDER NO. AS DESCRIBED IN ITEM 14.

CHECK ONE	A. THIS CHANGE ORDER IS ISSUED PURSUANT TO: (Specify authority) THE CHANGES SET FORTH IN ITEM 14 ARE MADE IN THE CONTRACT ORDER NO. IN ITEM 10A.
	B. THE ABOVE NUMBERED CONTRACT/ORDER IS MODIFIED TO REFLECT THE ADMINISTRATIVE CHANGES (such as changes in paying office, appropriation date, etc.) SET FORTH IN ITEM 14, PURSUANT TO THE AUTHORITY OF FAR 43.103(b).
	C. THIS SUPPLEMENTAL AGREEMENT IS ENTERED INTO PURSUANT TO AUTHORITY OF:
	D. OTHER (Specify type of modification and authority)
X	B.17 - Award Fee for CLINS 001, 004, 007, 010 - See Block 14 for continuation of Modification Authority

E. IMPORTANT: Contractor is not, is required to sign this document and return _____ 0 _____ copies to the issuing office.

14. DESCRIPTION OF AMENDMENT/MODIFICATION (Organized by UCF section headings, including solicitation/contract subject matter where feasible.)
Tax ID Number: 91-2131802
DUNS Number: 012911892
Continuation of Block 13D: H.18 - Performance Evaluation and Measurement Plan.

a. The purpose of this modification is to incorporate the Fiscal Year (FY) 2013 Performance Evaluation and Measurement Plan (PEMP) in accordance with contract clauses B.17 and H.18.

b. All other terms and conditions remain unchanged.
Period of Performance: 10/01/2012 to 09/30/2018

Except as provided herein, all terms and conditions of the document referenced in Item 9A or 10A, as heretofore changed, remains unchanged and in full force and effect.

15A. NAME AND TITLE OF SIGNER (Type or print)	16A. NAME AND TITLE OF CONTRACTING OFFICER (Type or print) Russell D. Walter
15B. CONTRACTOR/OFFEROR Signature on File (Signature of person authorized to sign)	15C. DATE SIGNED
16B. UNITED STATES OF AMERICA Signature on File (Signature of Contracting Officer)	16C. DATE SIGNED 08/30/2012

SECTION J, Attachment J-10

Occupational Medical Services Contract Fiscal Year (FY) 2013 – October 1, 2012 through September 30, 2013 Performance Evaluation and Measurement Plan (PEMP)

1. INTRODUCTION

The PEMP details the administration of performance incentives and allocation of total available fee as defined in Clause B.17, Award Fee for CLINS 001, 004, 007, 010 and 013, and Clause H.18, PEMP.

2. ORGANIZATION

The award fee organization consists of: the Fee Determining Official (FDO); an Award Fee Board (AFB) which consists of the COR as chairperson, the contracting officer, other functional area participants, and advisor members.

3. PERFORMANCE INCENTIVES

This PEMP contains objective incentives to maximize the efficacy of the Occupational Medical Services at Hanford. The Performance Incentive Criteria are focused on the successful completion of specified activities. The evaluation of Performance Incentive Criteria and overall contract performance will include a subjective determination regarding quality and effectiveness, in which the contractor shall:

- Operate in a manner conducive to excellence and deliver high quality, cost effective occupational medical services to Hanford Site workers; maintain positive and effective relationships with DOE, customers, and stakeholders based on transparent and effective communication via appropriate means (e.g., site visits and outreach awareness);
- Work with DOE in a spirit of cooperation during the negotiation process, including timely submission of requests for additional data, timely counteroffers, and conveying a positive and professional attitude to achieve fair and timely settlement of change order proposals or requests for equitable adjustment;
- Integrate and coordinate all activities required to execute the contract with DOE and Hanford contractors, specifically the timeliness, completeness, and quality of problem identification, and corrective action plans; and
- Comply with federal and departmental acquisition regulations, procedures, and guidance (including contract change proposal timeliness and quality pursuant to DOE Policy Flash 2008-39, dated April 25, 2008).

4. ALLOCATION OF AVAILABLE FEE

Because the services to be provided under this contract directly support the mission contractors, and because such services are integral to the environmental cleanup mission at Hanford, DOE has assigned fee toward the following strategic areas of the contract as shown in Table 4.1: Worker Health and Well-Being, Customer Satisfaction, and Operational Effectiveness. In addition to the Performance Incentives listed in Table 5.1, the contractor's ability to control costs (i.e. cost reductions realized through program efficiencies, labor costs) will be evaluated in determining the amount of fee earned.

5. RESPONSIBILITIES

- a. Fee Determining Official: The FDO approves the award fee plan and any significant changes. The FDO reviews the recommendations of the AFB, considers all pertinent data, and determines the earned award fee amount for each evaluation period.
- b. COR: The COR maintains written records of the contractor's performance in their assigned evaluation areas so that a fair and accurate evaluation is obtained. The COR also prepares end-of-period evaluation reports as directed by the AFB.
- c. Award Fee Board: AFB members review the COR's evaluation of the contractor's performance, consider all information from pertinent sources, prepare interim performance reports, and arrive at an earned fee recommendation to be presented to the FDO. The AFB may also recommend changes to this plan.
- d. CO: The CO is the liaison between contractor and Government personnel and shall ensure the incentive process is properly administered in accordance with agency regulations. The CO shall also modify the contract in regards to any contractual issues that may arise during the term of the contract.

6. FEE PROCESS

The Award-Fee Board will evaluate the contractor's performance and recommend the amount of fee earned, in the following manner:

- a. Evaluate contractor performance and assign an adjectival rating (as defined in Table 3.1) to each of the six Performance Incentive Criteria by using the measurement criteria described in Table 5.1, and by applying the over-arching subjective criteria described in Paragraph 1 above;
- b. Exclude from the fee base (as forfeited) all fee allocated to any Table 5.1 criterion that is evaluated at the "Satisfactory" or "Unsatisfactory" performance level;
- c. Calculate the "average" of the adjectival ratings of all six criteria (exclude however, any criterion rated "Satisfactory" or "Unsatisfactory") for an "overall" adjectival rating of contractor performance;
- d. Correlate the overall adjectival rating to determine the recommended fee percentage earned using the fee ranges described in Table 3.1;
- e. Support through narrative description, a recommended fee-earned amount;
- f. Provide the adjectival rating and fee earned recommendation to the FDO for approval/adjustment of the final fee amount earned by the contractor.

Payment of fee is subject to the fee reduction terms of this contract and Fee Determining Official (FDO) approval that the contractor has achieved the stated outcomes for the performance incentives. The FDO may accept the fee recommendation as is, or at his/her discretion, make an adjustment to the recommended fee determination. A CO letter summarizing the FDO's evaluation decision and the amount of performance fee earned shall be furnished to the contractor within 60 calendar days of DOE-RL's receipt of the contractor's self-assessment report. This letter constitutes official issuance of the performance fee determination.

7. FEE PLAN CHANGE PROCEDURE

All significant changes are approved by the FDO; the AFB Chairperson approves other changes. Examples of significant changes include changing evaluation criteria, adjusting weights to redirect contractor's emphasis to areas needing improvement, and revising the distribution of the fee dollars. The contractor may recommend changes to the

CO no later than 60 days prior to the beginning of the new evaluation period. After approval, the CO shall notify the contractor in writing of any change(s). Unilateral changes may be made to the fee plan if the contractor is provided written notification by the CO before the start of the upcoming evaluation period. Changes affecting the current evaluation period must be by mutual agreement of both parties.

8. CONTRACT TERMINATION

If the contract is terminated for the convenience of the Government after the start of a fee evaluation period, the fee deemed earned for that period shall be determined by the FDO using the normal fee evaluation process. After termination for convenience, the remaining fee amounts allocated to all subsequent fee evaluation periods cannot be earned by the contractor and, therefore, shall not be paid.

Table 3.1, Overall Performance Incentive Ratings and Definitions

Award-Fee Adjectival Rating	Award-Fee Pool Available to Be Earned	Description
Excellent	91%--100%	Contractor has exceeded almost all of the significant award-fee criteria and has met overall cost, schedule and technical performance requirements of the contract in the aggregate as defined and measured against the criteria in the award-fee plan for the award-fee evaluation period. Contractor's work is highly professional. Contractor solves problems with very little, if any, Government involvement. Contractor is proactive and takes an aggressive approach in identifying problems and their resolution, including those identified in the risk management process, with a substantial emphasis on performing quality and effective work in a safe manner within schedule requirements. No re-work.
Very Good	76%--90%	Contractor has exceeded many of the significant award-fee criteria and has met overall cost, schedule and technical performance requirements of the contract in the aggregate as defined and measured against the criteria in the award-fee plan for the award-fee evaluation period. Contractor solves problems with minimal Government involvement. Contractor is usually proactive and demonstrates an aggressive approach in identifying problems and their resolution, including those identified in the risk management process, with an emphasis on performing quality and effective work in a safe manner within schedule requirements. Problems are usually self-identified and resolution is self-initiated. Some limited, low-impact rework within normal expectations.
Good	51%--75%	Contractor has exceeded some of the significant award-fee criteria and has met overall cost, schedule and technical performance requirements of the contract in the aggregate as defined and measured against the criteria in the award-fee plan for the award-fee evaluation period. Contractor is able to solve basic problems with adequate emphasis on performing quality and effective work in a safe manner within schedule objectives. The rating within this range will be determined by level of necessary Government involvement in problem resolution, including those problems identified in the risk management process, and extent to which the performance problem is self-identified vs. Government-identified. Some limited, low-impact rework within normal expectations.
Satisfactory	No Greater Than 50% No Award Fee Available	Contractor has met overall cost, schedule and technical performance requirements of the contract in the aggregate as defined and measured against the criteria in the award-fee plan for the award-fee evaluation period. Contractor has some difficulty solving basic problems, and schedule, safety, and technical performance needs improvement to avoid further performance risk. Government involvement in problem resolution, including those problems identified in the risk management process, is necessary. Some re-work required that unfavorably impacted performance and/or schedule.
Unsatisfactory	0% No Award Fee Available	Contractor has failed to meet overall cost, schedule and technical performance requirements of the contract in the aggregate as defined and measured against the criteria in the award-fee plan for the award-fee evaluation period. Contractor does not demonstrate an emphasis on performing quality and effective work in a safe manner within schedule objectives. Contractor is unable to solve problems and Government involvement in problem resolution, including those problems identified in the risk management process, is necessary. Excessive rework required that had significant unfavorable impact on performance and/or schedule.

9. PERFORMANCE INCENTIVE FEE ALLOCATION

Table 4.1, Fee Allocation

Objective	Performance Incentive	Allocated Percent	Award-Fee Available to be Earned
1.0: Worker Health and Well-Being	1.1: Provide quality clinical services		
	1.1.a: Federal Occupational Health Assessment(s)	20%	\$60,000
	1.1.b: Contractor response to worker concerns	20%	\$60,000
2.0: Customer Satisfaction	2.1: Obtain high customer satisfaction ratings		
	2.1.a: Patient Satisfaction Survey	15%	\$45,000
	2.1.b: RL/ORP-Site Contractor Survey	15%	\$45,000
3.0: Operational Effectiveness	3.1: Implement process improvements		
	3.1.a: Beryllium Program support	15%	\$45,000
	3.1.b: Stakeholder Communications	15%	\$45,000
Total		100%	\$300,000

Important Note

DOE-RL encourages the contractor to perform at the highest levels of excellence. Award fee shall not be earned if the contractor’s overall schedule and technical performance in the aggregate is at or below satisfactory. The basis for all award-fee determinations shall be documented in the contract file to include, at a minimum, a determination that overall schedule and technical performance in the aggregate is or is not at a satisfactory level. This determination and the methodology for determining the award fee are unilateral decisions made solely at the discretion of the Government.

No Award Fee is available for performance at the Satisfactory level because the contractor is already earning profit in its fixed price amount for such performance.

Performance ratings above the overall rating of satisfactory will reflect the extent to which the contractor, on its own initiative, is actively involved in performance improvement activities and the extent to which these actions contribute to more efficient, effective, and economical operation, thus forming the basis for earning performance fee.

An adjectival rating below Good for total performance is a matter of concern to DOE-RL. Although this rating represents satisfactory performance, it indicates significant room exists for improvement in quality of services delivered. This concern is particularly true in the delivery of occupational medical services area where inadequate levels of performance could cause immediate and detrimental impact upon health and safety.

If the contractor’s performance is considered unacceptable in any area of contract performance, the FDO may, at his or her discretion, determine the contractor’s overall performance to be unacceptable and withhold the entire performance fee for the evaluation period.

10. PERFORMANCE INCENTIVES

Table 5.1, Performance Incentives

Fee determination and payment will be made in accordance with Section B clause entitled Award Fee for CLINS 001, 004, 007, 010 and 013. The significant award fee criteria for objective incentives consist of the successful completion of specified activities. The subjective evaluation is focused on the achievement of high-level strategies, outcomes, and envisioned end states. The evaluation of all incentives will include a subjective determination regarding quality and effectiveness.

PEMP Item	Title	Contract Reference	Good	Very Good	Excellent	Surveillance Method
OBJECTIVE 1.0: Worker Health and Well-Being						
1.1	Provide quality clinical services.	C.2.1				
	1.1.a. (20%) Federal Occupational Health (FOH) Assessment(s)	C.2.1	The contractor performed to contract requirements, received an overall rating of "Good" in the occupational medicine program assessment, and adequately addressed 70-79% of the highest priority themes ¹ .	The contractor performed to contract requirements, received an overall rating of "Very Good" in the occupational medicine program assessment and adequately addressed 80-89% of the highest priority themes ¹ .	The contractor performed to contract requirements, received an overall rating of "Excellent" in the occupational medicine program assessment and adequately addressed 90-100% of highest priority themes ¹ .	FOH conducts a pre-planned and DOE-approved occupational medicine program assessment ² . The assessment plan will identify assessment objectives, focus areas, lines of inquiry, and applicable industry performance standards. The FOH assessment will result in a report submitted to DOE for review in determining contractor rating of this objective.
	1.1.b (20%) Contractor response to worker concerns	C.2.1	DOE determines that the contractor has responded to 70-79% of Worker initiated issues within one week and resolved within 30 days to DOE's satisfaction.	DOE determines that the contractor has responded to 80-94% of Worker initiated issues within one week and resolved within 30 days to DOE's satisfaction.	DOE determines that the contractor has responded to 95-100% of Worker initiated issues within one week and resolved within 30 days to DOE's satisfaction.	Worker Questionnaires and Issue Tracking Reporting. Definition: The start time for counting days to resolve "Worker Initiated Issues" is when RL contacts the contractor's Senior Management via email or letter. RL identifies issues in weekly report and tracks progress and closure.

¹Examples of themes include accreditation readiness, beryllium service, building safety, chart reviews, patient record keeping, communication, epidemiology data and studies, medications, peer review, quality improvement program/risk management, self-assessment QA/QC program, staffing, vapor emissions (e.g. Tank Farms), and work site visits. Additional themes, if established, will be communicated to the contractor 30 calendar days in advance (or another time period in advance by mutual agreement).

²FOH assessments are based upon comparisons of the contractor's medical programs to general industry standards as well as local, state, and federal regulations and guidelines including:

<ul style="list-style-type: none"> 10 CFR 850 and 851; 	<ul style="list-style-type: none"> Federal Occupational Health's (FOH's) guidelines used for reviewing FOH's approximately 300 health centers across the United States as well as other Federal agency Occupational Health programs;
<ul style="list-style-type: none"> Accreditation Association for Ambulatory Health Care, Inc. (AAAHC); 	<ul style="list-style-type: none"> Joint Commission on Accreditation of Healthcare Organization (JCAHO);
<ul style="list-style-type: none"> American College of Occupational and Environmental Medicine (ACOEM); 	<ul style="list-style-type: none"> National Institute for Occupational Safety and Health (NIOSH);
<ul style="list-style-type: none"> American Thoracic Society. Standardization of Spirometry. American Review of Respiratory Diseases; 1979 119: 831-838; 	<ul style="list-style-type: none"> Miller, Hankinson, et. al., "Standardization of Spirometry" and associated articles within this series; European Respiratory Journal, 2005 26: 153-161, 319-338, 511-522, 948-968;
<ul style="list-style-type: none"> Centers for Disease Control and Prevention (CDC); 	<ul style="list-style-type: none"> Occupational Safety and Health Administration (OSHA), including federal and state regulations;
<ul style="list-style-type: none"> Council for Accreditation in Occupational Hearing Conservation (CAOHC); 	<ul style="list-style-type: none"> Others, as appropriate.

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Occupational Medical Services at Hanford

PEMP Item	Title	Contract Reference	Good	Very Good	Excellent	Surveillance Method
OBJECTIVE 2.0: Customer Satisfaction						
2.1	Obtain high customer satisfaction ratings.	C.2.1				
	2.1.a. (15%) Patient Satisfaction Survey	C.2.1	Contractor receives a rating of "Good" or "Very Good" from 90-92% of the respondents on the RL approved patient satisfaction surveys.	Contractor receives a rating of "Good" or "Very Good" from 93-94% of the respondents on the RL approved patient satisfaction surveys.	Contractor receives a rating of "Good" or "Very Good" from 95-100% of the respondents on the RL approved patient satisfaction surveys.	DOE will review the contractor's customer satisfaction reports. The contractor will submit a Quarterly and Annual Self-Assessment Report that includes the results of patient satisfaction surveys to DOE. DOE will review the reports to determine contractor rating of this objective. The RL approved survey will be based on a scale of Very Good/Good/Fair/Poor/Very Poor.
	2.1.b. (15%) RL/ORP-Site Contractor Survey	C.1.2.3	Contractor receives a rating of "Good" or "Very Good" from 80-85% of the respondents on the RL approved site contractor satisfaction surveys.	Contractor receives a rating of "Good" or "Very Good" from 86-90% of the respondents on the RL approved site contractor satisfaction surveys.	Contractor receives a rating of "Good" or "Very Good" from 91-100% of the respondents on the RL approved site contractor satisfaction surveys.	DOE will review the contractor's customer satisfaction reports. The contractor will submit a Quarterly and Annual Self-Assessment Report that includes the results of site contractor surveys to DOE. DOE will review the reports to determine contractor rating of this objective. The RL approved survey will be based on a scale of Very Good/Good/Fair/Poor/Very Poor.

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Occupational Medical Services at Hanford

PEMP item	Title	Contract Reference	Good	Very Good	Excellent	Surveillance Method
OBJECTIVE 3.0: Operational Effectiveness						
3.1	Implement process improvements.	C.2.1				
	3.1.a. (15%) Beryllium Program support	C.2.1.5	<p>The contractor has a beryllium operations peer review and self-assessment program to improve the Beryllium Program delivery to the Hanford Site is in place.</p> <p>The contractor actively participates in the Site-Wide CBDPP Implementation & Maintenance Committee, Be CAP Team and meets 80-89% of CBDDP supplemental Corrective Action Plan (CAP) ready for implementation milestones where the contractor is the Lead.</p> <p>The contractor receives no findings and only opportunities for improvement (OFI) as related to outside review (FOH) of the contractor's Beryllium medical surveillance program.</p>	<p>The contractor has a beryllium operations peer review and self-assessment program to improve the Beryllium Program delivery to the Hanford Site is in place.</p> <p>The contractor actively participates in the Site-Wide CBDPP Implementation & Maintenance Committee, Be CAP Team and meets 90-95% of CBDDP supplemental Corrective Action Plan (CAP) ready for implementation milestones where the contractor is the Lead.</p> <p>The contractor receives no findings and the opportunities for improvement (OFI) have already been internally identified and being implemented as related to outside review (FOH) of the contractor.</p>	<p>The contractor has a beryllium operations peer review and self-assessment program to improve the Beryllium Program delivery to the Hanford Site is in place.</p> <p>The contractor actively participates in the Site-Wide CBDPP Implementation & Maintenance Committee, Be CAP Team and meets 96-100% of CBDDP supplemental Corrective Action Plan (CAP) ready for implementation milestone dates where the contractor is the Lead.</p> <p>The contractor receives no findings or OFI related to outside review (FOH) of the Beryllium medical surveillance program.</p>	DOE will conduct periodic assessments. The contractor-submit the Annual Self-Assessment Report that includes their work related to the Beryllium Program to DOE. DOE will review the report to determine contractor rating of this objective.
	3.1.b. (15%) Stakeholder Communications	C.1.2.3	<p>The contractor develops Annual Communication Plan for continuous improvement in communications with stakeholders, including but not limited to, addressing the identified opportunities for improvement.</p>	<p>The contractor develops Annual Communication Plan for continuous improvement in communications with stakeholders, including but not limited to, addressing the identified opportunities for improvement.</p> <p>Annual Communication Plan activities are implemented.</p>	<p>The contractor develops Annual Communication Plan for continuous improvement in communications with stakeholders, including but not limited to, addressing the identified opportunities for improvement.</p> <p>Annual Communication Plan activities are implemented.</p> <p>Stakeholder feedback of implementation of Annual Communication Plan reported and next steps communicated to DOE.</p>	DOE will conduct periodic assessments, seek stakeholder feedback, review the Annual Communication Plan and verify implementation of Annual Communication Plan activities. The contractor will submit the Annual Self-Assessment Report that includes their work related to the Stakeholder Communications to DOE. DOE will review the report to determine contractor rating of this objective.