

**SECTION J**  
**ATTACHMENT J-10**

**PERFORMANCE EVALUATION  
AND MEASUREMENT PLAN**

Fiscal Year 2019

Occupational Medical Services Contract

**Occupational Medical Services Contract**

**Fiscal Year (FY) 2019**

**Performance Evaluation and Measurement Plan (PEMP)**

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1.0 INTRODUCTION

This is the basis for the evaluation of HPM Corporation's (HPMC) performance of the Occupational Medical Services contract at the Hanford Site to be provided to the Fee Determining Official (FDO). It describes specific criteria and procedures used to assess the contractor's performance under the Firm-Fixed-Price portion of the contract (in accordance with Section B.1) and to determine the amount of fee earned for the evaluation period. The evaluation period is FY 2019 (October 1, 2018 to contract end date). Fee determination and payment will be made in accordance with Section B clause entitled "Award Fee for CLINS 002, 005, 008, 011 and 014."

Award Fee will not be used to incentivize the contractor to meet contract expectations and requirements but will be used to incentivize superior performance. For the purpose of this document, the term "Performance Evaluation and Measurement Plan" is synonymous with the term "Award Fee Plan." Actual award fee determinations and the methodology for determining fee are unilateral decisions made solely at the discretion of the Government.

The fee is in addition to the Firm-Fixed-Price, Cost Reimbursement, and Indefinite Delivery/Indefinite Quantity (IDIQ) provisions of the contract. The fee earned and payable will be determined by the FDO based upon review of the contractor's performance against the criteria set forth in this plan.

2.0 ORGANIZATION

The award fee organization consists of: the FDO; an Award Fee Board (AFB) which consists of the Contracting Officer's Representative (COR) as chairperson, the Contracting Officer (CO), other functional area participants, and advisor members. The FDO, AFB members, and COR are listed in Section 7.0.

3.0 RESPONSIBILITIES

- a. FDO. The FDO approves the award fee plan and any significant changes. The FDO reviews the recommendation(s) of the AFB, considers all pertinent data, and determines the earned award fee amount for each evaluation period.
- b. AFB. AFB members review COR's evaluation(s) of the contractor's performance, consider all information from pertinent sources including 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.
- c. 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. The CO will also coordinate the administrative actions required to complete the award fee process including distribution of evaluation reports, timely milestone completion, and accomplishing other actions related to ensure smooth operation of the process.
- d. Award Fee Review Board Chairperson (COR). The COR maintains written records of the contractor's performance in their assigned evaluation area(s) so that a fair and accurate evaluation is obtained. The COR also prepares end-of-period evaluation reports as directed by the AFB.

4.0 FEE PROCESSES

- a. Available Fee Amount. The available fee for the evaluation period is shown in Section 8.0. The amount of fee awarded will be pro-rated dependent on the length of the evaluation period. The fee earned will be paid based on the contractor's performance during this evaluation period.
- b. Evaluation Criteria. If the CO does not give specific notice in writing to the contractor of any change to the evaluation criteria prior to the start of a new evaluation period, then the same criteria listed for the preceding period will be used in the subsequent award fee evaluation period. Any changes to evaluation criteria will be made by revising Section 10.0 and notifying the contractor.
- c. Evaluation Period. The PEMP sets forth the evaluation period and the criteria upon which the contractor will be evaluated for performance. Award Fee will not be used to incentivize the contractor to meet contract expectations and requirements but will be used to incentivize superior performance. The United States Department of Energy (DOE) encourages the contractor to perform at the highest levels of excellence. 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 and effective operation, thus forming the basis for earning award fee.

Award fee shall not be earned if the contractor's overall schedule and technical performance in the aggregate is at or below satisfactory. 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 award fee for the evaluation period.

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 above a satisfactory level. This determination and the methodology for determining the award fee are unilateral decisions made solely at the discretion of the Government.

Immediately upon final determination of the award fee for the evaluation period by the FDO, the contractor will invoice for the fee amount earned. Any unearned award fee from each evaluation period shall be forfeited and will not be eligible to be earned in any future period(s).

- d. Contractor's Self-Assessment. The contractor is required to submit a self-assessment report relative to the PEMP for the preceding evaluation period within 60 calendar days after the end of the current evaluation period being reviewed. This assessment includes self-evaluation and supporting data on contractor's performance relative to PEMP elements. Data must be adequate to support DOE verification. DOE reserves the right to perform independent assessment(s). This written assessment of the contractor's performance throughout the evaluation period may also contain any information that may be reasonably expected to assist the AFB in evaluating the contractor's performance.
- e. Rating. The AFB will evaluate the contractor's performance and recommend the amount of fee earned, in the following manner:
  - 1. Assign an adjectival rating (as defined in Section 9.0) to each of the Performance Incentives by using the measurement criteria described in Section 10.0.

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2. Exclude from the fee base (as forfeited) all fee allocated to any criterion that is evaluated at the "Satisfactory" or "Unsatisfactory" performance level (as defined in Section 9.0).
3. Correlate the individual adjectival ratings of each of the performance incentives obtained in Section 10.0 with Section 9.0 to determine the recommended fee percentage earned for each of the individual performance incentives.
4. Support through narrative description, a recommended fee-earned amount.
5. Provide recommended earned fee 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 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 award fee earned shall be furnished to the contractor within 120 calendar days of DOE's receipt of the contractor's self-assessment report. This letter constitutes official issuance of the award fee determination.

5.0 FEE PLAN CHANGE PROCEDURE

The FDO may unilaterally change this plan prior to the beginning of an evaluation period. The contractor will be notified of changes to the plan by the CO, in writing, before the start of the affected evaluation period. Notification of unilateral changes shall be provided to the contractor 30 calendar days prior to the start of the evaluation period to which the changes will apply.

If there is not sufficient time for the PEMP to be provided to the contractor in the required number of days in advance of the beginning of the evaluation period, the contractor shall not be evaluated on its performance until 10 calendar days after the PEMP is received by the contractor. The PEMP may, consistent with the contract statement of work, be revised during the period of performance. The contracting officer will notify the contractor of such unilateral changes at least 10 calendar days prior to the effective date of the change.

The contractor may recommend changes to the CO prior to the beginning of the new evaluation period. After approval, the CO shall notify the contractor in writing of any change(s).

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.

6.0 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.

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7.0 PEMP ORGANIZATION

Fee Determining Official ..... Doug Shoop, RL Manager  
 Award Fee Review Board Chairperson (COR) ..... Ashley Morris  
 Award Fee Review Board Members:  
     Contracting Officer ..... Marcy Aplet-Zelen  
     Program Manager.....Jill Conrad  
     Attorney Staff Member ..... Anissa Siefken  
     Financial Management Staff Member..... Jim Urban  
     Procurement Director ..... Sally Sieracki

8.0 FEE ALLOCATION

SUBJECTIVE STRATEGIC AREA	PERFORMANCE OUTCOMES		ALLOCATED PERCENT	AWARDED-FEE AVAILABLE TO BE EARNED*
<b>1.0: Effective Site Cleanup Support</b>	1.1	Enable DOE and Hanford Site contractors to achieve their cleanup mission by delivering effective service that supports customer key milestones and regulatory commitments.	30%	\$105,000.00
<b>2.0: Efficient Site Cleanup Support</b>	2.1	Demonstrate responsiveness and alignment of resources and equipment to meet DOE and the Hanford Site contractors' project requirements in support of key milestones.	30%	\$105,000.00
<b>3.0: Comprehensive Performance</b>	3.1	Demonstrate occupational medical services contract operational excellence.	40%	\$140,000.00
<b>Total</b>			<b>100%</b>	<b>\$350,000.00</b>

\* The amount of fee awarded will be pro-rated dependent on the length of the evaluation period.

9.0 FEE EVALUATION

**Overall Performance Incentive Ratings and Definitions**

ADJECTIVAL RATING	DEFINITION*	PERCENTAGE OF FEE EARNED
Excellent	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 work in a safe manner within contract requirements. No significant rework.	91% to 100%
Very Good	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 work in a safe manner within contract requirements. Problems are usually self-identified and resolution is self-initiated. Some limited, low-impact rework within normal expectations.	76% to 90%
Good	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 award-fee plan for the award-fee evaluation period. Contractor is able to solve basic problems with adequate emphasis on performing quality work in a safe manner within contract requirements. 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 problems are self-identified versus Government-identified. Some rework required that unfavorably impacted performance.	51% to 75%
Satisfactory	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 with adequate emphasis on performing quality work in a safe manner within contract requirements. Performance needs improvement to avoid further performance risk. Government involvement in problem resolution, including those problems identified in the risk management process, is necessary. Rework required that unfavorably impacted performance.	≤ 50%
Unsatisfactory	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 work in a safe manner within contract requirements. 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.	0%

\*Note: In accordance with FAR 16.202-1, a firm-fixed-price contract in conjunction with an award-fee incentive and performance or delivery incentives may be used when the award fee or incentive is based solely on factors other than cost.

10.0 PERFORMANCE INCENTIVES

The following subjective criteria focus on the achievement of high-level strategies, outcomes, and envisioned end states. The evaluation of all incentives include a subjective determination regarding quality and effectiveness.

PERFORMANCE OUTCOME 1.1		
Enable DOE and Hanford Site contractors to achieve their cleanup mission by delivering effective service that supports customer key milestones and regulatory commitments.	<b>Fee</b>	30%
<b>Strategic Area 1.0:</b> Effective Site Cleanup Support		

COMPLETION CRITERION 1.1.1						
Enable DOE and Hanford Site contractors to achieve their cleanup mission by delivering effective service that supports customer key milestones and regulatory commitments.					<b>Fee</b>	20%
<b>Measure</b>	Patient Satisfaction Survey	<b>Performance Level (See below)</b>	Excellent Very Good Good	<b>Fee Range</b>	91-100% 76-90% 51-75%	
PERFORMANCE LEVEL*						
GOOD		VERY GOOD		EXCELLENT		
90% - 93.4% of respondents rate the Contractor "Good" or "Very Good" on the patient satisfaction survey.		93.5% - 95.4% of respondents rate the Contractor "Good" or "Very Good" on the patient satisfaction survey.		95.5% - 100% of respondents rate the Contractor "Good" or "Very Good" on the patient satisfaction survey.		

\* Performance Level ratings consistent with Section 9.0 Fee Evaluation

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COMPLETION CRITERION 1.1.2						
Enable DOE and Hanford Site contractors to achieve their cleanup mission by delivering effective service that supports customer key milestones and regulatory commitments.					<b>Fee</b>	10%
<b>Measure</b>	Customer/Stakeholder Satisfaction Survey (Richland Operations Office (RL)/Office of River Protection(ORP)/Hanford Site contractors)	<b>Performance Level (See below)</b>	Excellent Very Good Good	<b>Fee Range</b>	91-100% 76-90% 51-75%	
PERFORMANCE LEVEL*						
GOOD		VERY GOOD		EXCELLENT		
80% - 85.4% of respondents rate the Contractor "Good" or "Very Good" on the customer satisfaction survey.		85.5% - 94.4% of respondents rate the Contractor "Good" or "Very Good" on the customer satisfaction survey.		94.5% - 100% of respondents rate the Contractor "Good" or "Very Good" on the customer satisfaction survey.		

\* Performance Level ratings consistent with Section 9.0 Fee Evaluation

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PERFORMANCE OUTCOME 2.1		
Demonstrate responsiveness and alignment of resources and equipment to meet DOE and the Hanford Site contractors' project requirements in support of key milestones.	Fee	30%
<b>Strategic Area 2.0:</b> Efficient Site Cleanup Support		

COMPLETION CRITERION 2.1.1					
Demonstrate responsiveness and alignment of resources and equipment to meet DOE and the Hanford Site contractors' project requirements in support of key milestones.				Fee	30%
<b>Measure</b>	Provide interface support to DOE and Hanford Site contractors. Demonstrate effective Hanford Site integration to include, but not limited to: <ul style="list-style-type: none"> <li>Identifying longstanding or emerging issues that affect efficient site operations, and</li> <li>Providing recommendations for improvement (e.g., Hanford Site worker transition, contract re-alignments and contract transition, site-wide procedures, etc.).</li> </ul>	<b>Performance Level</b>	Excellent Very Good Good	<b>Fee Range</b>	91-100% 76-90% 51-75%
PERFORMANCE LEVEL*					
GOOD		VERY GOOD		EXCELLENT	
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 work. The rating within this range will be determined by level of necessary Government involvement and to the extent to which the performance problems are self-identified versus Government-identified. Some rework required that unfavorably impacted performance.		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 with an emphasis on performing quality work. Problems are usually self-identified and resolution is self-initiated. Some limited, low-impact rework within normal expectations.		Contractor has exceeded almost all 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 work in a safe manner within contract requirements. No significant rework.	

\* Performance Level ratings consistent with Section 9.0 Fee Evaluation

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PERFORMANCE OUTCOME 3.1		
Demonstrate occupational medical services contract operational excellence.	Fee	40%
<b>Strategic Area 3.0:</b> Comprehensive Performance		

COMPLETION CRITERION 3.1.1						
Demonstrate occupational medical services contract operational excellence.					Fee	40%
<b>Measure</b>	Execute the contract work scope within the contract requirements while demonstrating excellence in quality, schedule, management, cost control, and regulatory compliance. Provide leadership to improve management effectiveness, proactive participation and collaboration with DOE. Work with DOE in a spirit of cooperation to demonstrate operational excellence to include, but not be limited to: <ul style="list-style-type: none"> <li>• Business and financial management (e.g., audits with no significant findings).</li> <li>• Provide superior quality documents (e.g., contract change proposals, deliverables, response to audits/surveillances/ assessments).</li> <li>• Demonstrate a robust corrective action management program.</li> <li>• Effective contractor human resources management.</li> </ul>	<b>Performance Level</b>	Excellent Very Good Good	<b>Fee Range</b>	91-100%	
					76-90%	
					51-75%	

PERFORMANCE LEVEL*		
GOOD	VERY GOOD	EXCELLENT
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 award-fee plan for the award-fee evaluation period. Contractor is able to solve basic problems with adequate emphasis on performing quality work. The rating within this range will be determined by level of necessary Government involvement and to the extent to which the performance problems are self-identified versus Government-identified. Some rework required that unfavorably impacted performance.	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 with an emphasis on performing quality work. Problems are usually self-identified and resolution is self-initiated. Some limited, low-impact rework within normal expectations.	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 work in a safe manner within contract requirements. No significant rework.

\* Performance Level ratings consistent with Section 9.0 Fee Evaluation