

The image features a large, light gray watermark of the USAID seal in the background. The seal is circular and contains the text "UNITED STATES AGENCY FOR INTERNATIONAL DEVELOPMENT" around the perimeter. In the center of the seal is a shield with a map of the United States, and the word "USAID" is prominently displayed in a dark gray box across the middle of the seal. Three stars are positioned at the bottom of the seal.

USAID

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Acquisition & Assistance Policy Directive (AAPD)

From the Director, Office of Acquisition & Assistance Issued: March 23, 2006

AAPD 06-01

MEDICAL EVACUATION INSURANCE

Subject Category: ACQUISITION MANAGEMENT, Personal Services Contracts
Type: Policy

AAPDs provide information of significance to all agency personnel and partners involved in the Acquisition and Assistance process. Information includes (but is not limited to): advance notification of changes in acquisition or assistance regulations; reminders; procedures; and general information. Also, AAPDs may be used to implement new requirements on short-notice, pending formal amendment of acquisition or assistance regulations.

AAPDs are EFFECTIVE AS OF THE ISSUED DATE unless otherwise noted in the guidance below; the directives remain in effect until this office issues a notice of cancellation.

This AAPD: Is New Replaces/ Amends CIB/AAPD No: 99-07

<p>Applicable to:</p> <p><input checked="" type="checkbox"/> Existing awards; <input checked="" type="checkbox"/> Modification required</p> <p><input type="checkbox"/> No later than</p> <p><input type="checkbox"/> As noted in guidance below</p> <p><input type="checkbox"/> RFPs/RFAs issued on or after the effective date of this AAPD; all other Pending Awards, i.e., 8(a), sole source, IQC</p> <p><input type="checkbox"/> Other or N/A</p>	<p>Precedes change to:</p> <p><input checked="" type="checkbox"/> AIDAR Part(s) 752.228-70 Appendices D and J</p> <p><input type="checkbox"/> USAID Automated Directives System (ADS) Chapter</p> <p><input type="checkbox"/> Code of Federal Regulations</p> <p><input type="checkbox"/> Other</p> <p><input type="checkbox"/> No change to regulations</p>
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(signed copy on file)

Michael F. Walsh

PURPOSE: The purpose of this AAPD is to replace the outdated AIDAR clauses requiring contractors, subcontractors, and Personal Services Contractors (PSCs) to obtain medical evacuation insurance.

ACTION REQUIRED: Effective immediately, Contracting Officers must use the appropriate revised Medical Evaluation (MEDEVAC) Services clauses in the Attachments, as prescribed in the Guidance section below.

BACKGROUND: From 1993 to 2003, USAID contracted for medical evacuation services through a competitive solicitation process; with a few exceptions, all contractors obtained medical evacuation insurance through the USAID contractor. Emergency medical evacuation services are for individuals involved in accidents or suffering a sudden illness at a time when adequate medical facilities are not available at post.

M/OAA implemented AIDAR 752.228-70 "Medical Evacuation (MEDEVAC) Services (Mar 1993)" and corresponding General Provisions in the PSC formats in Appendices D and J to use a central contract for these services, after determining that this would save insurance costs to the Agency because of a volume discount (similar to USAID's long-standing arrangement for providing Defense Base Act (DBA) insurance through a requirements contract; please note that this AAPD makes no changes to the DBA contract policy and regulations.). However, after ten years' experience with the centrally-awarded medevac contract, M/OAA concluded that the difference in rates the Agency obtained through the competitive contracting process and the rates the insurance providers were offering to the general public was negligible and that continuing the central medevac contract was no longer in the Agency's best interest. M/OAA did not re-compete a new contract when the last medevac contract expired in 2003, which rendered invalid the existing AIDAR clause cited above as well as the provisions in Appendix D, Provision 25 "Medical Evacuation (MEDEVAC) Services (Jul 1993)" and Appendix J Provision 25 "Medical Evacuation (MEDEVAC) Services (Jul 1993) (for TCN contracts only)".

M/OAA has processed a class deviation to the AIDAR to implement updated clauses/provisions, pending formal revision to the AIDAR, as more fully described below. The approved deviation expires when the AIDAR is amended to include these changes or two years after the class deviation is approved, whichever comes first.

GUIDANCE:

1. Contracting officers must include the full text of the appropriate clause or provision as prescribed below:

(a) **For non-personal services contracts, COs must use the clause in Attachment 1.** The class deviation also revises the prescription in AIDAR 728.307-70 "Medical Evacuation (MEDEVAC) Services" to remove the date from the section heading.

(b) **For AIDAR Appendix D Personal Services Contracts, COs must replace General Provision 25 in the USPSC format with the provision in Attachment 2.**

(c) For AIDAR Appendix J Personal Services Contracts, COs must replace General Provision 21 in the Third Country National (TCN) PSC format with the provision in Attachment 3.

2. The procurement of medical evacuation insurance by a contractor pursuant to these provisions in no way limits the contractor's existing contractual obligations with respect to any medical services provided to the contractor him/herself (in the case of a PSC), or to a contractor's employees (for either prime contractors or subcontractors at any level), or to any authorized dependents of PSCs or contractor employees. The contractor remains liable to the US Government for any medical services or emergency medical travel expenses provided by or on behalf of the US Government to such contractor or its personnel; however, for USPSCs, see contract provision "Medical Expense Payment Responsibility" (to be issued via AAPD shortly).

3. Contracting Officers awarding contracts for which the prescriptions above apply must include the appropriate clause or provision from this AAPD in the award. M/OAA will update ProDoc as soon as possible to include the revised clause/provisions. However, until that time, COs are responsible for amending solicitations and modifying contracts to comply with this AAPD.

4. COs must modify existing contracts as soon as practicable to replace the outdated clause or provision with the new versions in this AAPD. While COs are not expected to modify contracts solely for this reason, they must ensure that whenever they do modify existing contracts, including for incremental funding, they include the appropriate clause or provision. Since the only change to the clause or provision is the removal of the reference to the medevac contract that no longer exists, and the contractor should already have obtained medevac insurance, then this modification does not require the contractor's acceptance and can be done unilaterally.

5. USAID does not require that contractors, including PSCs, obtain coverage from any one specific company. The contractor is responsible for and has the discretion to choose a provider. The Department of State maintains a list of U.S. based providers on the following website: http://travel.state.gov/travel/tips/health/health_1185.html for information purposes only. This list is provided to COs for their own information and to share with contractors and as a resource. **USAID provides no endorsement, expressly or implied, of any emergency medical service provider.** Contractors have full discretion to consider providers not provided in this list, but are expected to verify that the coverage they do obtain will adequately cover an evacuation due to a medical situation that arises in the country to which the individual is assigned, either on a long-term or short-term basis. If the contractor is not exempt from the requirement for specific medevac services, then the CO is expected to approve a fair and reasonable amount for obtaining the required coverage as a direct cost to the contract.

POINTS OF CONTACT: For non-personal services contracts, USAID Contracting Officers and contract specialists may direct their questions about this AAPD to Diane M. Howard, M/OAA/P; phone: (202) 712-0206; e-mail:

dhoward@usaid.gov. For personal services contracts, contact Thomas Henson, M/OAA/P; phone (202) 712-5448, e-mail thenson@usaid.gov.

Contractors and prospective offerors for contracts must direct their questions to the cognizant Contracting Officer for the award.

Attachments:

1. AIDAR 752.228-70 "Medical Evacuation (MEDEVAC) Services" clause for contracts for other than personal services
2. AIDAR Appendix D General Provision 25 "Medical Evacuation (MEDEVAC) Services" (for Personal Services Contracts with U.S. Citizens)
3. AIDAR Appendix J General Provision 21 "Medical Evacuation (MEDEVAC) Services" (for Personal Services Contracts with Third Country Nationals)

ATTACHMENT 1 - Contracts for other than Personal Services

For non-personal services contracts, as prescribed in AIDAR 728.307-70, insert the following clause in full text in all contracts requiring performance overseas:

752.228-70 Medical Evacuation (MEDEVAC) Services (April 2006)

(Pursuant to class deviation OAA-DEV-2006-1c)

(a) Contractor must provide MEDEVAC service coverage to all U.S. citizen, U.S. resident alien, and Third Country National employees and their authorized dependents (hereinafter "individual") while overseas under a USAID-financed direct contract. USAID will reimburse reasonable, allowable, and allocable costs for MEDEVAC service coverage incurred under the contract. The Contracting Officer will determine the reasonableness, allowability, and allocability of the costs based on the applicable cost principles and in accordance with cost accounting standards.

(b) Exceptions.

(i) The Contractor is not required to provide MEDEVAC insurance to eligible employees and their dependents with a health program that includes sufficient MEDEVAC coverage as approved by the Contracting Officer.

(ii) The Mission Director may make a written determination to waive the requirement for such coverage. The determination must be based on findings that the quality of local medical services or other circumstances obviate the need for such coverage for eligible employees and their dependents located at post.

(c) Contractor must insert a clause similar to this clause in all subcontracts that require performance by contractor employees overseas.

**ATTACHMENT 2 - AIDAR Appendix D Personal Services Contracts with
U.S. Citizens**

**Contracting Officers must replace General Provision 25 in the
USPSC format with the following:**

25. MEDICAL EVACUATION (MEDEVAC) SERVICES (APRIL 2006)
(Pursuant to class deviation OAA-DEV-2006-1c)

(a) The contractor must obtain medevac service coverage for himself/herself and his/her authorized dependents while performing personal services abroad.

(b) Exceptions.

(1) A contractor and his/her authorized dependents with a health insurance program that includes sufficient medevac coverage as approved by the Contracting Officer are not required to obtain medevac service coverage.

(2) The Mission Director at the post of assignment may make a written determination to waive the requirement for such coverage. The determination must be based on findings that the quality of local medical services or other circumstances obviate the need for such coverage for contractors and their dependents located at post.

**ATTACHMENT 3 AIDAR Appendix J Personal Services Contracts with
Third Country Nationals**

**Contracting Officers must replace General Provision 21 in the
Third Country National (TCN) PSC format with the following:**

21. MEDICAL EVACUATION (MEDEVAC) SERVICES (APRIL 2006)
(Pursuant to class deviation OAA-DEV-2006-1c)

(a) The contractor must obtain medevac service coverage for himself/herself and his/her authorized dependents while performing personal services abroad.

(b) Exceptions.

(1) A contractor and his/her authorized dependents with a health insurance program that includes sufficient medevac coverage as approved by the Contracting Officer are not required to obtain medevac service coverage.

(2) The Mission Director at the post of assignment may make a written determination to waive the requirement for such coverage. The determination must be based on findings that the quality of local medical services or other circumstances obviate the need for such coverage for contractors and their dependents located at post.