



VERMONT

Department of Vermont Health Access
312 Hurricane Lane, Suite 201
Williston, VT 05495
www.dvha.vermont.gov

Agency of Human Services
[phone] 802-879-5900

MEMORANDUM

TO: Jeb Spaulding, Secretary, Agency of Administration (AOA)

THROUGH: Douglas Racine, Secretary, Agency of Human Services (AHS) *RF for DR 5/18/11*

FROM: Mary Andes, ^{MTA} Director of Data Analysis Management & Reimbursement, Department of Vermont Health Access (DVHA)

DATE: April 18, 2011

SUBJECT: Request for 1 year extension amendment with: Verisk Health, Inc. for HEDIS Quality Measures Software (Contract # 16955)

Proposed Duration: 5/28/2011 – 5/27/2012
Proposed Value: \$141,750.00 (\$281,750 Maximum amount on contract)

The Department of Vermont Health Access requests approval for a one year extension amendment to our existing contract with Verisk Health for \$141,750 to license proprietary software that will calculate quality measures of health care. The use of the software will not be downloaded or maintained on state equipment and will be maintained by the software company. Our use involves a secure connection to access information via the internet.

As part of the Global Commitment to Health waiver the state is required to provide accurate *Healthcare Effectiveness Data and Information Set*, known as HEDIS. These are quality measures of health care provided to the federal Centers for Medicaid and Medicare Services (CMS). The State of Vermont receives increased flexibility to manage its Medicaid program under the Global Commitment waiver. As part of that waiver, the federal government wants to ensure the State is meeting minimum health care quality standards. Determining these measures require a level of expertise not found among our staff. Other large health care providers and insurers also contract for the analysis of these measures.

- This software is 100% certified by the National Committee for Quality Assurance HEDIS Software Certification program and provides a systematic sampling module that is also certified. A medical record chase module identifies which health care providers are likely to possess the medical records needed for the chart review process that is analyzed. A patient level detail file is generated and used for submission of data to the National Committee.
- It provides detailed data for analysis, audit, comparative studies, and intervention support. And data collection allows clinicians and other users to gather data from medical records from remote clinical locations. It can subsequently be synchronized into a central database.

- The 25-user license allows a user to organize data through the use of a Graphical User Interface. The sequence of steps defines the order of execution, enhances productivity and makes complex processes easier to understand.

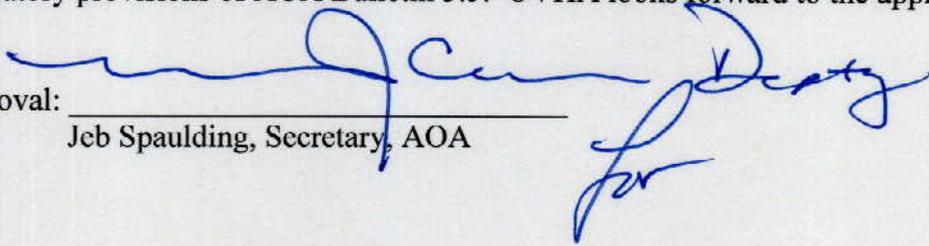
According to our Global Commitment waiver, the State of Vermont is required to provide these measures to CMS in June of 2011. Vermont's Blue Cross/Blue Shield put out a bid for the same purpose, and chose this vendor. Their bid showed to Blue Cross/Blue Shield the best product as the lowest price. Our request is to mirror their efforts.

Due to the fact that Verisk's primary service to the state is a simple software license, it has been difficult to assign performance tasks to this contract. The main performance metric that we are concerned about is that Verisk Health be compliant with the HEDIS measures of the Global Commitment to Health waiver. We have added language to the amendment that solidifies this requirement. The price of Verisk's software license is part of a three year renewal schedule and is essentially non-negotiable, making it difficult for the performance goals to be directly tied to a portion of these funds. We look at these performance goals as an added incentive for Verisk to earn our repeat business.

The term of this amendment will be for one year, and funding for this contract will be covered by the Global Commitment to Health appropriations for the term of the contract. This contract complies with all mandatory provisions of AOA Bulletin 3.5. OVHA looks forward to the approval of this contract.

Approval: _____

Jeb Spaulding, Secretary, AOA

A large, stylized handwritten signature in blue ink, likely belonging to the Secretary of the Agency of Health Care Regulation and Board of Health, is written over the signature line and extends to the right.

Joecks, Sawyer

From: Collins, Lori

Sent: Wednesday, April 27, 2011 2:57 PM

To: Joecks, Sawyer

Subject: Phone Call

Hi Sawyer,

Based on our conversation earlier I will agree to pay the additional dollars for the current HEDIS contract, thank you. Lori

4/27/2011

AMENDMENT

It is agreed by and between the State of Vermont, **Department of Vermont Health Access** (hereafter called the "State") and **Verisk Health, Inc.** (formerly D2Hawkeye, Inc.), with a principal place of business at 130 Turner Street, 7th Floor, Waltham, MA 02453 (hereafter called the "Contractor") that the contract on the subject of services and license for Healthcare Effectiveness Data and Information Set (HEDIS) measures, effective May 28th, 2010, is hereby amended effective May 28th, 2011 as follows:

By deleting on page 1 of 32, Section 3 (Maximum Amount) and substituting in lieu thereof the following Section 3:

3. Maximum Amount. In consideration of the services to be performed by Contract, the State agrees to pay Contractor, in accordance with the payment provisions specified in Attachment B, a sum not to exceed **\$281,750**.

By deleting on page 1 of 32, Section 4 (Contract Term) and substituting in lieu thereof the following Section 4:

4. Contract Term. The period of the Contractor's performance shall begin on May 28th, 2010 and end on May 27th, 2012.

By adding on page 16 of 32, Part D (Performance Measures) under Section 4 of Exhibit B, the following:

The Contractor shall provide timely reporting to generate annual Healthcare Effectiveness Data and Information Set (HEDIS) measures, after receiving standard input data from the State. The Contractor shall maintain their status as an NCQA certified HEDIS vendor. The Contractor shall assist the State with the annual HEDIS audit from the External Quality Review Organization and with any subsequent communication and documentation needed following the audit.

By deleting on pages 17 of 32, Attachment B (Payment Provisions) in its entirety and substituting in lieu thereof, the following Attachment B:

The maximum dollar amount payable under this Contract is not intended as any form of a guaranteed amount.

The total maximum payable under this contract will not exceed \$281,750.00. The cost associated with the software license is \$276,750.00 (\$135,000 for Year One, and \$141,750 for Year Two.) The costs associated with out-of-pocket expenses (travel, shipping fees, or other related charges) shall not exceed \$5,000.00. The payment schedule for delivered products, or rates for services performed, and any additional reimbursements, are included in this Attachment.

The State shall not be responsible for separate expenses of the Contractor.

Contractor will submit invoices to:

**STATE OF VERMONT
AMENDMENT TO CONTRACT FOR PERSONAL SERVICES
Verisk Health, Inc.**

**Page 2 of 2
Contract # 16955
Amendment #1**

Kate Jones
Department of Vermont Health Access
312 Hurricane Lane, Suite 201
Williston, VT 05495

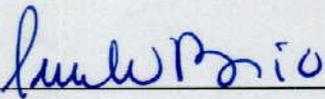
This amendment consists of 2 pages. Except as modified by this amendment and any previous amendments, all provisions of this contract, (#16955) dated May 28th, 2010 shall remain unchanged and in full force and effect.

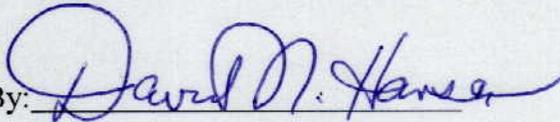
By deleting all instances of the phrase "Office of Vermont Health Access" throughout the document, and replacing it with the following phrase:

Department of Vermont Health Access

**STATE OF VERMONT
Department of Vermont Health Access**

**CONTRACTOR
Verisk Health, Inc.**

By: 
Susan Besio, Commissioner

By: 

Date: 5/25/11

Date: 5/27/11