DVHA Routing Form

Revision Date 5/1/12

Type of Agreement: **Contract** Agreement #: **8430** Form of Agreement: **Amendment** Amendment #: **13**

Name of Recipient: **HP Enterprise Services, LLC** Vendor #: **14354**

Program Manager : **Lori Collins** Phone #: **802-879-5953**

Agreement Manager: **Kate Jones** Phone #: **802-879-8256**

Brief Explanation of Agreement: **Extend contract term for an additional four years and increase maximum amount**

Start Date: **1/1/2004** End Date: **12/31/2016** Maximum Amount: **153,538,596**

Amendments Only: Maximum Prior Amount: **101,486,636.41** Percentage of Change: **51.29%**

Bid Process (Contracts Only): ☒ Standard ☐ Simplified ☐ Sole Source ☐ Statutory ☐ Master Contract SOW

Funding Source

Global Commitment 93.778	**147,995,852.68**		
Special: Federal	**$5,542,743.32**		

Contents of Attached Packet

☒ AA-14 ☒ Attachments A, B, C & F ☐ Attachment G - Academic Research

☐ Sole Source Memo ☐ Attachment D - Modifications to C & F ☐ MOU

☒ Qualitative/Justification Memo ☒ Attachment E - Business Associate Agreement ☒ Other: **Base & Amendments 1-12**

Reviewer		Reviewer Initials	Date In	Date Out
DVHA Grant & Contract Administrator	**Kate Jones**	K.J.	Nov 06, 2012	
DVHA BO	**Jill Gould**	J.G.	Nov 06, 2012	
DVHA Commissioner or Designee	**Mark Larson, Commissioner**	M.L.	Nov 06, 2012	
AHS Attorney General	**Seth Steinzor, AAG**	S.S.	Nov 06, 2012	
Following Approvals for Contracts Only:				
AHS CIO	**Angela Rouelle**	A.R.	Nov 06, 2012	
AHS Central Office	**Martha Giglio**	M.G.	Nov 06, 2012	
AHS Secretary	**Doug Racine, Sec**	D.R.	Nov 06, 2012	

Vision Account Codes:

☐ FFATA Entry ☐ Grant Tracking Module Vision PO #: Initials & Date: Approval & B/C:

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)
FROM:	Mark Larson; Commissioner, Department of Vermont Health Access (DVHA) M.L.
THROUGH:	Doug Racine; Secretary, Agency of Human Services (AHS) D.R.
DATE:	October 24, 2012
SUBJECT:	Approval for Amendment #13 – HP Enterprise Services (HP) Contract #8430 Proposed Term: 01/01/2004 – 12/31/2016 Proposed Value: $ 151,538,596.41

DVHA is requesting approval to extend the above mentioned contract with HP Enterprises to allow the State time to prepare as evolving health care regulations are clarified, while enabling DVHA to focus on executing on the roadmap in support of both ACA and the Vermont Healthcare Reform Strategy. This contract amendment looks to extend base services found under the current HP contract and also outlines the performance of expansion of formally added additional services which will be billed on a monthly basis as utilized as listed below:

1. **Medical Assistance Provider Incentive Repository (MAPIR):** Section 4201 of the American Recovery and Reinvestment Act of 2009 has established a program to provide incentive payments to providers for the adoption of EHRs and the subsequent meaningful use of those EHRs. HP is scheduled to develop the MAPIR application that will enable administration of the Electronic Health Record incentive program. This application will subsequently be interfaced with Vermont's MMIS. Funding for this is provided Federal Financial Participation at the 90 percent matching rate.
2. **ICD-10 Project Management:** HP will provide ICD-10 Project management support to assist the state with the gap analysis, requirement definitions and implementation approach. This position will be billed monthly on an hourly basis as utilized and is supported by Federal Financial Participation at the 90 percent matching rate.
3. **ACA Section 1104 Compliance:** Section 1104 of the ACA (H.R.3590) establishes new requirements for the administrative transactions that will improve the utility of the existing HIPAA transactions and reduce administrative costs. All HIPAA covered entities must comply with the CACQ CORE operating rules by January 1, 2013. This project will be billed monthly on an hourly basis as utilized and is supported by Federal Financial Participation at the 90 percent matching rate.

Also under this contract amendment, HP must implement key enhancements in order to provide quality services and maintain the stability of the infrastructure supporting Vermont. These enhancements include transition of the current data center to a modernized hub in Orlando, FL; phone system upgrade which includes Automatic Call Distribution to better monitor incoming calls; a mailroom technology refresh to better align with HIPAA requirements; and a much needed technology refresh which will including hardware and software. The funding for projects included in this amendment will be covered with Federal Financial Participation and complies with all mandatory provisions of AOA Bulletin 3.5. DVHA looks forward to approval of this amendment.

Approval: E-SIGNed by Michael Clasen on 2012-Nov-07

Jeb Spaulding, Secretary, AOA

STATE OF VERMONT CONTRACT SUMMARY AND CERTIFICATION - - - - - - - - - - Form AA-14 (8/22/11)

Note: All sections are required. Incomplete forms will be returned to department.

I. CONTRACT INFORMATION:

Agency/Department: AHS/ DVHA **Contract #:** 8430 **Amendment #:** 13

Vendor Name: HP Enterprise Services, LLC VISION Vendor No: 14354

Vendor Address: 16 Association Drive, P.O. Box 360, Manchester, ME 04351

Starting Date: 1/1/2004 **Ending Date:** 12/31/2016 **Amendment Date:** 12/31/2012

Summary of agreement or amendment: Amendment increases maximum amount and extends contract term for an additional four years

II. FINANCIAL INFORMATION

Maximum Payable: $151,538,596.41 Prior Maximum: $ 101,486,636.41 Prior Contract # (If Renewal):

Current Amendment: $50,051,960 Cumulative amendments: $ 100,987,776.41 % Cumulative Change: 199.77 %

Business Unit(s): 3410; ; - [notes:] **VISION Account(s): 507600;**

II. PERFORMANCE INFORMATION

Does this Agreement include Performance Measures tied to Outcomes and/or financial reward/penalties? ☒ Yes ☐ No

Estimated Funding Split: G-Fund % S-Fund % F-Fund 3.61 % GC-Fund 96.39 % Other %

III. PUBLIC COMPETITION

The agency has taken reasonable steps to control the price of the contract or procurement grant and to allow qualified organizations to compete for the work authorized by this contract. The agency has done this through:

☒ Standard bid or RFP ☐ Simplified Bid ☐ Sole Sourced ☐ Qualification Based Selection ☐ Statutory

IV. TYPE OF AGREEMENT & PERFORMANCE INFORMATION

Check all that apply: ☐ Service ☒ Personal Service ☐ Architect/Engineer ☐ Construction ☐ Marketing ☒ Information Technology ☐ Other, describe:

V. SUITABILITY FOR CONTRACT FOR SERVICE

☒ Yes ☐ No ☐ n/a If this is a Personal Service contract, does this agreement meet all 3 parts of the "ABC" definition of independent contractor? (See Bulletin 3.5) If NO, then contractor must be paid through Payroll

VI. CONTRACTING PLAN APPLICABLE:

Are one or more contract or terms & conditions provisions waived under a pre-approved Contracting Plan? ☐ Yes ☒ No

VII. CONFLICT OF INTEREST

By signing below, I certify that no person able to control or influence award of this contract had a pecuniary interest in its award or performance, either personally or through a member of his or her household, family, or business.

☐ Yes ☒ No Is there an "appearance" of a conflict of interest so that a reasonable person may conclude that this party was selected for improper reasons: (If yes, explain)

VIII. PRIOR APPROVALS REQUIRED OR REQUESTED

☒ Yes	☐ No	Agreement must be approved by the Attorney General under 3 VSA §311(a)(10) (personal service)
☒ Yes	☐ No	I request the Attorney General review this agreement as to form No, already performed by in-house AAG or counsel: _____ (initial)
☒ Yes	☐ No	Agreement must be approved by the Comm. of DII; for IT hardware, software or services and Telecommunications over $100,000
☐ Yes	☐ No	Agreement must be approved by the CMO; for Marketing services over $15,000
☐ Yes	☐ No	Agreement must be approved by Comm. Human Resources (privatization and retiree contracts)
☒ Yes	☐ No	Agreement must be approved by the Secretary of Administration

IX. AGENCY/DEPARTMENT HEAD CERTIFICATION; APPROVAL M.G. E.B. A.R.

I have made reasonable inquiry as to the accuracy of the above information:

Nov 06, 2012	E-SIGNed by Mark Larson on 2012-Nov-06	Nov 06, 2012	E-SIGNed by Doug Racine on 2012-Nov-06
Date	Agency / Department Head	Date	Agency Secretary or Other Department Head (if required)
Nov 06, 2012	E-SIGNed by Seth Steinzor on 2012-Nov-06		
Date	Approval by Attorney General	Date	Approved by Commissioner of Human Resources
Nov 07, 2012	R.B.	Nov 07, 2012	E-SIGNed by Michael Clasen on 2012-Nov-07
Date	CIO Date CMO	Date	Secretary of Administration

AMENDMENT

It is hereby agreed by and between the State of Vermont, Agency of Human Services, Department of Vermont Health Access (hereafter referred to as the "State" or the "Department") and HP Enterprise Services, LLC, a Delaware limited liability company (hereafter referred to as the "Contractor") that the Title XIX Medicaid Contract for operation of the Vermont Medicaid Management Information System (MMIS), entered into January 01, 2004 (hereafter referred to as the "Contract"), is hereby amended effective upon execution by the Department's Director, as follows:

1. **Replace in Amendment # 12, Item #1, page 1 of 7, with the following:**

"5. Maximum amount: The State agrees to pay Contractor pursuant to the payment provisions specified in Attachment B, a sum not to exceed $151,538,596.41.

2. **Replace in Base Contract, Section 6 on page 1 in its entirety with the following:**

"6. Contract Term: The period of Contractor performance shall begin on January 1, 2004 and end on December 31, 2016. By mutual agreement, the parties may agree to extend this contract for a period or periods totaling up to 2 additional years."

3. **Replace in Amendment # 9, Item #2, page 1 of 6, with the following:**

The Contractor agrees to provide the following number of Customer Service (CSRs) hours to the State:

January 1, 2004 – December 31, 2004 – 5,000 CSR Hours
January 1, 2005 – December 31, 2005 – 6,000 CSR Hours
January 1, 2006 – December 31, 2006 – 6,000 CSR Hours
January 1, 2007 – December 31, 2007 – 8,000 CSR Hours
January 1, 2008 – December 31, 2008 – 12,875 CSR Hours
January 1, 2009 – December 31, 2009 – 8,000 CSR Hours
January 1, 2010 – December 31, 2010 – 6,000 CSR Hours
January 1, 2011 – December 31, 2011 – 6,000 CSR Hours
January 1, 2012 – December 31, 2012 – 5,000 CSR Hours
January 1, 2013 – December 31, 2013 – 6,000 CSR Hours
January 1, 2014 – December 31, 2014 – 5,500 CSR Hours
January 1, 2015 – December 31, 2015 – 5,000 CSR Hours
January 1, 2016 – December 31, 2016 – 4,000 CSR Hours

Any unused CSR hours may be carried over to the following year. The CSR hours outlined above are included in the Contractor's Operational Fixed Price. State will have the option to purchase additional CSR allocations annually in minimum block of 500 per year at a rate of $98/hour through December 31, 2016.

Effective January 1, 2013, the modification hourly rate for used for billable project CSR hours will be increased from the 2012 base rate of $112.74 per hour at the Consumer Price Index

(CPI) inflation rate and the per hour State reimbursement for any hours remaining at the termination of the contract will also be increased at the Consumer Price Index (CPI) inflation rate. The base rate for unused hours will be $48.32.

4. **Add to Amendment #12, on page 1 of 7, Operational Invoice/Payment Schedule for the period of January 1, 2013 – December 31, 2016 the following updated Operational Invoice/Payment Schedule:**

January 1, 2013 -December 21, 2013

VOLUME PARAMETERS	Claims Processing	Drug Transactions
High Estimate	**7,500,000**	**4,500,000**
Median Estimate	**6,000,000**	**3,500,000**
Low Estimate	**4,500,000**	**2,500,000**
FIXED PRICE		Annual Amount
Provider Enrollment		$ 227,672
Financial Management		$ 1,764,457
Operations Management		$ 1,366,031
Plan Management		$ 398,426
Provider Management		$ 1,138,359
MES IT Support		$ 3,813,504
MES System		$ 2,675,145
Subtotal		**$ 11,383,594**
Added Services (As Utilized)		
Clinical Specialist		$ 83,763
DAIL Project Coordinator		$ 63,906
Subtotal		**$ 147,669**
Sub-Total Fixed Price		**$ 11,531,263**
Billed as Utilized		
Postage (estimated billed as utilized)		**$ 136,944**
Radiology Management (estimated billed@34.25/pa processed)		**$ 266,715**
Total Annual Spend		**$ 11,934,922**

January 1, 2014 -December 21, 2014

VOLUME PARAMETERS	Claims Processing	Drug Transactions
High Estimate	**7,500,000**	**4,500,000**
Median Estimate	**6,000,000**	**3,500,000**
Low Estimate	**4,500,000**	**2,500,000**
FIXED PRICE		Annual Amount
Provider Enrollment		$ 229,735
Financial Management		$ 1,780,444
Operations Management		$ 1,378,408
Plan Management		$ 402,036
Provider Management		$ 1,148,673
MES IT Support		$ 3,848,056
MES System		$ 2,699,383
Subtotal		**$ 11,486,734**
Added Services (As Utilized)		
Clinical Specialist		$ 91,624
DAIL Project Coordinator		$ 69,904
Subtotal		**$ 161,528**
Subtotal Fixed Price		**$ 11,648,262**
Billed as Utilized		
Postage (estimated billed as utilized)		**$ 139,685**
Total Annual Spend		**$ 11,787,947**

January 1, 2015 -December 21, 2015

VOLUME PARAMETERS	Claims Processing	Drug Transactions
High Estimate	**7,500,000**	**4,500,000**
Median Estimate	**6,000,000**	**3,500,000**
Low Estimate	**4,500,000**	**2,500,000**
FIXED PRICE		Annual Amount
Provider Enrollment		$ 233,427
Financial Management		$ 1,809,059
Operations Management		$ 1,400,561
Plan Management		$ 408,497
Provider Management		$ 1,167,135
MES IT Support		$ 3,909,901
MES System		$ 2,742,766
Subtotal		**$ 11,671,346**
Added Services (As Utilized)		
Clinical Specialist		$ 95,788
DAIL Project Coordinator		$ 73,081
Subtotal		**$ 168,869**
Subtotal Fixed Price		**$ 11,840,215**
Billed as Utilized		
Postage (estimated billed as utilized)		**$ 142,478**
Total Annual Spend		**$ 11,982,693**

January 1, 2016 -December 21, 2016

VOLUME PARAMETERS	Claims Processing	Drug Transactions
High Estimate	**7,500,000**	**4,500,000**
Median Estimate	**6,000,000**	**3,500,000**
Low Estimate	**4,500,000**	**2,500,000**
FIXED PRICE		Annual Amount
Provider Enrollment		$ 237,937
Financial Management		$ 1,844,015
Operations Management		$ 1,427,625
Plan Management		$ 416,391
Provider Management		$ 1,189,687
MES IT Support		$ 3,985,452
MES System		$ 2,795,765
Subtotal		**$ 11,896,872**
Added Services (As Utilized)		
Clinical Specialist		$ 101,670
DAIL Project Coordinator		$ 77,568
Subtotal		**$ 179,238**
Subtotal Fixed Price		**$ 12,076,110**
Billed as Utilized		
Postage (estimated billed as utilized)		**$ 145,328**
Total Annual Spend		**$ 12,221,438**

5. **By adding Attachment F Part XII Narrative and Price Proposal Submitted for Additional Services dated June 13, 2012 of Amendment 12, which is an attachment of this amendment on page 5.**

This amendment consists of 12 pages. Except as modified by this amendment and any previous Amendments, all provisions of this contract (#8430), dated January 1, 2004, shall remain unchanged and in full force and effect.

STATE OF VERMONT

Department of Vermont Health Access

By: E-SIGNed by Mark Larson on 2012-Nov-07
Mark Larson, Commissioner
Department of Vermont Health Access

Date: Nov 07, 2012

CONTRACTOR:

HP Enterprise Services, LLC

By: E-SIGNed by Diane Evenson on 2012-Nov-07
Diane Evenson, Director
US Government, State and Local

Date: Nov 07, 2012

Attachment F, Part XII

HP Narrative and Price Proposal June 13, 2012

The Contractor will implement system enhancements and staffing model adjustments in support of the following modifications to the ***existing*** contractor requirements

1. Update contract term to include 4 year base extension beginning 01/01/2013 through 12/31/2016 and provide option for two additional 1-year extensions that may be exercised by mutual agreement of the parties.
2. Include in the fixed price amount the following level of CSR hours per year :

    - January 1, 2013 – December 31, 2013 – 6,000 CSR Hours
    - January 1, 2014 – December 31, 2014 – 5,500 CSR Hours
    - January 1, 2015 – December 31, 2015 – 5,000 CSR Hours
    - January 1, 2016 – December 31, 2016 – 4,000 CSR Hours

3. Eliminate the requirement to use Mckesson ClaimCheck software (RFP reference #2.8.2.3). This equivalent functionality is resident within the MMIS and/or NCCI edits.
4. Add the following language regarding postage as a cost reimbursement: The State and the Contractor agree with the following reimbursement of postage:
    - Postage fulfillment is provided by the third-party shipping agents or US Postal Service.
    - The Contractor is acting in an agent role for postage fulfillment.
    - The Contractor is not liable for non-delivery except as a result of mislabeling of material by The Contractor.
    - The Contractor will be paid for its services, including postage, for non-delivery by third parties or the US Postal Service.
    - The Contractor will be paid for any reshipments/second mailings required due to miss-delivery by third parties; and
    - The Contractor will invoice postage as a separate line item on monthly invoices for regular fixed and variable fees.
5. Eliminate RFP reference 5.3.5.d related to Telephone Toll Charges and Telecommunications as cost reimbursement item and include charges in fixed price.
6. Eliminate RFP reference 5.3.5.c related to Print as a cost reimbursement item and include charges in fixed price.
7. Modify RFP Reference 2.6.14 (g.)– Contractor Staff Requirements, definition of key staff will include the following positions:
    a. Account Executive
    b. Financial Services Manager
    c. Claims Manager
    d. Systems Manager
    e. Provider Services Manager
    f. Technology Infrastructure Manager

g. Publications Coordinator
h. Privacy & Security Coordinator
i. Project Manager
j. Provider Representatives

The Contractor will notify the State within 2 business days of receipt of resignation from any key staff listed above.

8. Modify RFP Reference 2.5.2 (j.) – Location of Services Requirements, at a minimum the Contractor will perform the following functions at the Vermont facility :
   a. All Key Staff positions must be filled in Vermont
   b. Claim Receipt and Prescreening
   c. Checkwrite-related activities
   d. Business Operations (e.g. manual checks, accounts receivable, cash activity)
   e. Provider Enrollment
   f. Provider Call Center
   g. Print and Distribution
   h. Suspense Resolution
   i. Reference File Maintenance
   j. Drug Rebate Management
   k. Quality Assurance
   l. Clinical Specialist (PT/OT)
   m. Minimum 5 Application Developers on site in VT
   n. Minimum 3 Reporting Specialists

   The following services may be performed outside of Vermont but within the continental United States:

   o. Data Center / Operations / Data Processing
   p. Claims Input (data entry / OCR)
   q. Network Administration
   r. Drug Rebate Dispute Resolution / Invoice Disposition
   s. Application development
   t. Data Analytics /Reporting Specialist

   Permanent changes to staffing location requirements will be presented to the State prior to candidate selection process and can be modified if mutually agreed upon in advance of filling the position.

The Contractor will implement system enhancements and staffing model adjustments in support of the following new contractor requirements:

2.6.6.1 State Responsibilities: g. Agree upon the turnover plan no later than sixty (60) days prior to contract term date.

2.6.6.2 Contractor Responsibilities: e. Agree upon the turnover plan no later than sixty (60) days prior to contract term date.

2.6.16.12.i Include the Department/Organization and/or Individual who initiated the CSR request as part of the CSR Estimates for Approval cover memo. Also include this requestor information as part of the CSR request data within the system for tracking and reporting.

2.7.2.6.q Implement claim submission trend and expenditure analysis reports to identify providers that may be experiencing abnormal submission trends. The content and format of the report will be reviewed and approved by the State. The results of the report will be used by the Contractor provider representative staff to perform outreach to identified providers. The Contractor will provide a monthly report on all providers identified and result of contact.

2.6.19.2.k Provide the State with a technology refresh plan on a periodic basis (minimum annually) to include approach to infrastructure updates including hardware/software purchases, upgrades, installation timelines as well as change results and technical documentation updates following implementation of changes.

2.7.2.6.n Related to the annual provider satisfaction survey, provide the State with a summary of the results within 60 days of completing the survey. Maintain the following minimum satisfaction scores:

- 90% of providers who on The Contractor annual provider survey rate their experiences in all categories with the provider services help desk/call center as satisfied or very satisfied.
- 90% of the providers who on The Contractor annual provider survey rate their experiences in all categories with the provider relations field representatives as satisfied or very satisfied.

Medical Assistance Provider Incentive Repository (MAPIR)

Core MAPIR Ongoing Development and Support:

The State of Vermont participated in the development of the core MAPIR application in coordination with State of Pennsylvania. The ongoing enhancements, support and maintenance of the Core MAPIR application will be reimbursed to the Contractor on a quarterly basis throughout the term of the contract and/or until the State discontinues the use of the application. The annual pricing will be presented to the state through the MAPIR Collaborative no later than October 1st of the preceding year. However, by mutual agreement and in accordance with the approved statement of work, pricing may be adjusted if the number of members in the MAPIR Collaborative increases or decreases.

For planning purposes, HP provides the following payment schedule and estimates for Calendar year 2013. Services Provided	Time Period	Payment Date	Quarterly Price Per State
MAPIR: Enhancements, Ongoing Support and Maintenance	Jan. – March	March	$61,638.50
MAPIR: Enhancements, Ongoing Support and Maintenance	April – June	June	$61,638.50
MAPIR: Enhancements, Ongoing Support and Maintenance	July – September	September	$61,638.50
MAPIR: Enhancements, Ongoing Support and Maintenance	October – December	December	$61,638.50
TOTAL FOR 12 MONTHS			$246,554.00

VT Specific MAPIR Integration/Customization:

The scope of this effort is specific to the integration of the Core MAPIR enhancements into the VT MMIS environment; any associated custom effort required for Vermont specific needs and ongoing production maintenance activities.

Installation and Customization of Core MAPIR release(s) estimates for calendar year 2013:

MAPIR Installation and Customization	Hours*	Estimated Cost
Environmental Changes (DB2/WebSphere/Stored procedures)	200	$22,548
MAPIR Installation	120	$13,529
State Configuration	80	$9,019
Interface Development		
Additional Customization	220	$24,803
Project Management		
Project Management	80	$9,019
Testing		
Testing of Installation and Customization	120	$13,529
VT Application Production Support		
Ongoing Technical Support of VT production environment	20	$2,254
Grand Total Annual Estimates	**840**	**$94,701**

**The hours and associated estimated costs provided above are estimates only. The Contractor will produce a monthly bill for the actual hours used each month. The bill will include the hours used for each activity listed below. The Contractor will be reimbursed at the modification hourly rate for additional CSR Hours as described in Section 11 as modified by Amendment 5. The estimates provided above are based on the 2012 modification hourly rate of $112.74.*

VT MAPIR Operational Support

The Contractor will implement staffing model adjustments to the base fixed price in support of the new responsibilities associated with the operational support of the VT MAPIR application.

The Contractor responsibilities will include:

1) Resolve issues of VT Medicaid access and MAPIR Access to provider applications.
    a. Provide providers with instructions on access and facilitate changes to provider information in order to allow appropriate provider access to the VT Medicaid portal and MAPIR
    b. Maintain procedures for doing this work
2) Respond to VITL Help Desk tickets for pre-payment review to resolve discrepancies between providers' submitted Medicaid encounter data and MAPIR results.
    a. The Contractor will contact provider to obtain additional information as needed.
    b. The Contractor will perform data analysis within the MMIS and EVAH and compare the results to the provider submitted encounter data.
    c. If the comparison is unsuccessful, the Contractor will request additional detail from the provider to include all Medicaid encounters during a specific timeframe.
    d. The Contractor will provide the VITL help desk back with information as to whether or not the validation was successful and also refer back providers that did not comply with requests for additional information.
3) Provide a weekly status report to The State contact containing the number of cases open;
    a. By provider, and
    b. Provides status of the request and the days since last action,
        1. New (days)
        2. Provider Documentation Requested (days)
        3. Provider Documentation Received (days)
        4. Data Analysis (days)
        5. Additional Documentation Requested (days)
        6. Additional Documentation Received (days)
        7. Complete

Effort will be made to finalize all requests within 7 business days. This is based on a presumed volume of 20 new referrals per week. As the timeline is dependent on response from the provider, this may not be attainable in all situations. The requests for initial provider documentation will be made within 24 hours from a new request.

Support for Co-Pay Restructuring:

In order to ensure that the federal requirement to limit cost sharing for Medicaid beneficiaries to under 5% of household income, monitoring and management of payments to head of households will be necessary. The Contractor will implement staff model adjustments to support the following new responsibilities:

- Perform reporting of beneficiaries' out-of -pocket expenses to discover instances where total cost sharing exceeded 5% of household income. The State to determine frequency; quarterly or monthly.
- Issue approved payments to head of households for any identified overpayments.

ICD-10 Phase 3 Remediation

The scope of this effort is specific to the Phase 3 of the ICD-10 project related to the remediation of all the impacted systems, policies and processes to support both ICD-9 and ICD-10 code sets beginning October 1, 2013. These estimates are based on the approved ICD-10 Phase 2 Deliverable – Work Effort Estimate document V.1 exhibit C for the work to be performed during the period of 01/01/2013 through 12/31/2013.

Staffing Plan

Project Role	Responsibility	FTE	Man - Months
Project Manager	overall project management	1	12
ICD-10 Coder/Analyst	cross-walk updated lists, edits, testing	2	24
Reference Maintenance Analyst	edits and audit updates	1	5
Customer Service Representative	Post-deployment call center support	2	2
EDI Specialist (Help Desk)	EDI Support	1	2
Documentation Specialist	create/update internal and external documentation, assist with training curriculum and material development	.75	12
Provider Training Specialist	internal training curriculum development; external communication and education	2	10
SE (Information Analyst)	systems remediation	2	5
SE (Information Specialist)	systems remediation	2	9
ICD-10 Test Lead	direct testing efforts	1	8
Tester	testing	2	6
Total Staffing Effort		**16.75**	**95**

Estimated Costs

Activity	Hours*	Cost
Project Management	1,680	$189,420.00
Crosswalk Design/Development	4,060	$457,765.00
System Remediation	2,380	$268,345.00
Testing	2,800	$315,700.00
Training	2,800	$315,700.00
Documentation	1,260	$142,065.00

EDI Support	280	$31,570.00
Post Deployment Call Center	560	$63,140.00
Total Project Cost	**15,820**	**$1,783,705**

*The hours and associated costs provided are estimates only for planning purposes. The Contractor will produce a monthly bill for the actual hours used each month. The bill will include the hours used for each activity listed above. HPES will be reimbursed at the modification hourly rate of $112.75 per hour as described in Amendment 12, Attachment F, Part XI - ICD-10 remediation project work.

Technology / Infrastructure Plans

The Contractor will also implement the following technology and infrastructure changes in order to continue to maintain the stability of the infrastructure supporting Vermont over the life of this extension:

1. Orlando Data Center Hosting

The Contractor's current hosting environment has served the State very well but with the growing demands placed on it by ever strengthening security and privacy regulations as well as the increased expectations of a modern data center it would require a significant re-investment in the facility to be considered acceptable for Vermont's future needs. In order to provide the continued level of service that Vermont needs and rightfully demand, the Contractor will move the Vermont MMIS server workload to one of the Contractor's strategic modern datacenters in Orlando, Florida.

This move will give the State true value by removing the costs of building out the existing facility while it provides flexibility and scalability in infrastructure services. Orlando's increased security controls and enhanced business continuity will fully meet the needs of Vermont healthcare and provide Vermont with facility that helps ensure that the services to the people of Vermont will continue to be provided uninterrupted.

2. Telephone System

The telephone system is a key component of the call center, providing dial tone at the desktop and the ability to receive a call. The Contractor will implement the use of Avaya's Communication Manager with Automatic Call Distribution (ACD) for better call monitoring to accomplish three objectives for the State: improved customer service by reducing hold times and dropped calls; more efficient skill-based routing of calls; and increased capabilities for business continuity. This means that even if the Vermont facility is unavailable the agents can continue to access the system and provide services to the people of Vermont. In the rare instance that even the agents are not available, this solution allows calls to be routed to another one of the Contractor's location so that the citizens of Vermont will still have an individual to support them.

This solution is a robust, state-of-the-art system with full redundancy. The primary communication servers are located in diverse locations allowing protection from outages because of regional conditions. Traffic routing through one primary system can be routed quickly and easily to the backup facility to allow continuation of the call center with minimal disruption. Dual network and power connectivity along with local survivable processors help to provide maximum uptime and compliance with the Department's requirements.

3. Mailroom Technology Refresh

The most prevalent incident reported under HIPAA Privacy unintentional disclosures is directly related to misdirected mail. The Contractor's current mailroom equipment has already surpassed its scheduled "end-of-life. It's age and continued increased demands placed on it by ever strengthening HIPAA security and privacy regulations no longer make it practical for providing the service Vermont needs. In order to strengthen the State's control over the mailing of sensitive information, the Contractor will implement the Pitney Bowes Sure Trac^{tm} Process Verification and Integrated Document printing solution. With this enhancement, the Contractor can provide a more secure solution that helps keep private data, secure while at the same time helping to ensure that all mailings are paying the optimal postage possible.

4. Technology Refresh

The servers supporting the VT MMIS will need to be updated over the term of the contract. To help ensure the State continues to retain full support of the servers that run the MMIS, the servers will be updated during the move to the Orlando ODC. This refresh will bring the operating systems and hardware for the servers supporting Vermont to the necessary levels to support the State's current needs. This upgrade will allow Vermont to continue to receive the strong, dependable availability that they have come to expect from the Contractor.