

## AMENDMENT

It is agreed by and between the State of Vermont, Department of Vermont Health Access (hereafter called the "State") and Gartner Consulting, Inc. (hereafter called the "Contractor") that the contract on the subject of personal services generally on the subject of Readiness Assessment, Planning, Requirements, Procurement Support, Quality Assurance Oversight, and Change Management, effective May 16, 2012, is hereby amended effective November 30, 2012, as follows:

**1. By deleting on page 1 of 41, 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 **\$3,510,000.**

**2. By deleting on page 5 of 41, Section 1.1 Procurement Process overview ending at objectives and substituting in lieu thereof the following, :**

**Phase I. Organizational Level of Readiness**

The Contractor will conduct an assessment of strengths and risks of the State's current organizational structure and capabilities. The Contractor will provide recommendations for ensuring a successful procurement process and the build out and ongoing maintenance of the envisioned Health Services Enterprise Infrastructure and its components (HSE Program and Key Projects).

The readiness assessment domains include:

- A. Governance and Project Management Structure
- B. Project Vision and Strategy
- C. Enterprise Architecture and Technology
- D. Organization Capacity and Skills
- E. IT Operations and Resource Management
- F. Culture and Change Management

The readiness assessment will highlight strengths and weaknesses in decision making, project implementation, technical infrastructure, resource capacity and organizational change management capabilities. It can be used as a basis for planning for design and implementation of the new systems and processes and will highlight gaps that need to be addressed to enhance likelihood of success. It will also provide recommendations for an overall governance and organization structure for the program.

**3. By deleting on page 6 of 41, Phase II. Functional Requirements Validation overview ending at objectives and substituting in lieu thereof the following:**

**Phase II. Functional Requirements Validation**

The Contractor will review the State's current process for defining functional requirements and provide assessment of current state of requirements definition. Functional Requirements will be limited to the development of a Person-Centered Eligibility Determination through the gateway to the HIX application. Functional requirements will not just be "validated", but will encompass the entire requirements gathering process for a person-centered integrated eligibility for Vermont Health and Human Services (VT HHS) programs based on a phased

approach to the retirement of legacy systems. Modifications to the requirements include providing client/provider look up and query, client consent management, referral management, case collaboration/service collaboration, shared analytics, alerts, and notifications. Shared analytics include static and dynamic reports, graphical reports, user-defined reports, user-defined views of data, exporting data to other applications, and analysis tools. Person-centered eligibility determination also includes linkage to legacy MMIS systems and envisioned new MMIS solutions.

The Contractor will assess current processes and progress toward the definition of functional requirements. The Contractor will also recommend processes for developing functional requirements which will:

- Be aligned with and traceable to business objectives and strategies
- Support procurement efforts
- Guide the design, development and implementation effort

**4. By deleting on page 7 of 41, Phase III. Non-Functional Requirements Validation overview ending at objectives and substituting in lieu thereof the following:**

**Phase III. Non-Functional Requirements Validation**

The Contractor will review the State's current process for defining non-functional requirements and provide assessment of current state of requirements definition. Non-functional Requirements will be limited to the development of requirements for the IE Rules Engine and Integration of the HIX into the HSE SOA Platform. The Contractor will gather requirements for technical, performance, and general system design elements for IE and for HSE SOA platform shared services and key components including:

- Gateway
- Enterprise Information Exchange
- Enterprise Service Bus
- Master data management
- EMPI
- Rules Engine
- Security and Privacy
- Consent management, Data Warehouse/ Business Intelligence
- Shared Analytics Infrastructure

In addition, the Contractor will identify requirements to integrate with the legacy MMIS and envisioned new MMIS along with other VT Agency of Human Services legacy or future systems that will need to be connected within the HSE SOA Platform.

The recommendations will focus on the following core domains:

- A. Enterprise architecture principles and standards
- B. General system design
- C. Core health services enterprise components and capabilities
- D. Application and integration of Oracle 53 Key service oriented architecture (SOA) Infrastructure Components
- E. Implementation approach, dependencies and sequencing
- F. Performance and service levels

- G. Hardware and software
- H. Hosting
- I. Maintenance and operations

**5. By deleting on page 10 of 41, Phase V. Procurement Strategy and Timeline overview ending at objectives and substituting in lieu thereof the following:**

**Phase V. Procurement Strategy and Timeline**

The Contractor will assess and make recommendations for Go Forward Procurement Strategy to use Oracle Professional Services (OPS). Further, they will develop an overall procurement strategy that integrates the Health Insurance Exchange (HIX), the Health Services Enterprise (HSE) Service Oriented Architecture (SOA) Platform, the Integrated Eligibility Solution (IE), and the ongoing procurements of services related to ACCESS and rules engine. The Contractor will develop a procurement strategy and timeline based on results of the alternatives analysis and taking into account factors of time, cost, staffing and capabilities. The strategy and timeline will consider both in- and out-sourcing alternatives, and will address the following subjects:

- Procurement Strategy
  - Technology
  - Services (DDI, training, deployment)
  - Hosting components
  - Maintenance and operations
- Sourcing strategy
  - Staffing needs
  - Contractual needs / systems integrator
- Procurement vehicles
  - Request for Information (RFI)
  - Request for Qualifications (RFQ)
  - Master service agreement/contract
  - Single or multiple RFP
- Procurement timeline and dependencies

**6. By deleting on page 12 of 41, Phase VI. Procurement Assistance Validation overview ending at objectives and substituting in lieu thereof the following:**

**Phase VI. Procurement Assistance Validation**

The Contractor will review and add to the State's SOW to OPS. Further, they will review and make recommendations to State on OPS Scope of Work and Fixed Price Estimates for SOW. They will also provide contract negotiation support and during the development of the final contract. They will also be available for presentations and meetings with CMS, CCIIO, etc. regarding plans for HIX and IE.

Included in the agreement is the Full Life Cycle Procurement Support for the IE Solution. This includes RFP Development, developing technical and cost proposal evaluation framework, tools, and training the Proposal Review Team (PRT). Contractor will be available for support during Vendors' Conference and Q&A Process. The contractor will provide support during the Proposal Review, Vendors' Orals, and Vendors' BAFO. Contractor will also support State during contract negotiation.

The contractor is not included in the RFP Development for MMIS except for the identification of the legacy MMIS and envisioned MMIS as part of the HSE SOA Platform infrastructure and the linkages that are necessary.

**7. By deleting on page 14 of 41, overview ending at objectives Phase VII. Quality Assurance/Independent Verification and Validation (QA / IV&V) Oversight Role and substituting in lieu thereof the following:**

**Phase VII. Quality Assurance/Independent Verification and Validation (QA / IV&V) Oversight Role**

Provide a methodology for quality assurance oversight assessments of vendors' work efforts. The methodology will be based on defining milestones for key deliverables and processes, and will be appropriate for use with vendors already engaged in projects related to the State's health care reform initiatives and with vendors the State may secure during Gartner's engagement. Included in the QA IV&V Oversight is the oversight of the OPS Design, Development and Implementation of the HIX as a component of the HSE SOA Platform. Also included are the IE Solution and the HSE SOA Platform. Not included in this amendment is the HSE Project Area: MMIS.

The Quality Assurance (QA) approach and methodology will focus on:

- **Setup and Launch QA Office**—Prior to the final selection of the vendor, establish the infrastructure to perform quality assurance oversight
- **Oversight and Monitoring of Vendor Project Setup and Launch** – Providing on-site oversight and monitoring of the establishment of the vendor project management office, processes and startup deliverables—system requirements and general system design—including:
  - Identifying and raising issues and risks with the proposed approach.
  - Refining and enhancing the process for deliverable reviews.
  - Validating vendor methodology and project processes.
  - Providing deliverable inspection reports
- **Requirements and Design Validation**—Based upon the functional and non-functional requirements established by the State as a starting point, ensure vendor's fidelity to the State's requirements and the final contract—including:
  - Validating requirements and change management processes for business and system requirements used to develop the next generation system.
  - System design and architecture requirements
  - Providing deliverable inspection reports
- **Project and Deliverable Reviews**—Conduct reviews of key deliverables—including:
  - Confirming standards and acceptance criteria for all deliverables to be delivered by the vendor
  - Assessing software development activities against industry standards such as Information Technology Infrastructure Library (ITIL) and Center for Medicare and Medicaid Innovation (CMMI) and providing reports of these assessments with actionable recommendations
  - Escalating risks and issues with recommended risk mitigation and avoidance plans;
  - Providing deliverable inspection reports

**8. By deleting on page 20 of 41, Attachment B, Payment Provisions, item 2 and substituting in lieu thereof the following:**

2. As follows, according to the invoicing schedule below, payment for final deliverables will not be issued until a deliverable has been reviewed and accepted by State, and upon submission of an invoice.

Project Component/Task	Deliverable	Milestone Payment Amount
Project Initiation	Project Status, Issues and Risks Reporting Template and Schedule	\$ 15,000.00
	Final Approved Master Project Work Plan	\$ 25,000.00
Readiness Assessment	Readiness Assessment As-Is Findings	\$ 15,000.00
	To-be Target State and Recommendations	\$ 30,000.00
	Final Organizational Readiness Report, Findings & Recommendations	\$ 105,000.00
Functional Requirements	Final Functional Requirements Assessment for Person-Centered Eligibility Determination through the Gateway to the HIX application.	\$ 295,000.00
	Provide functional requirements for phased approach for retirement of legacy system. (IE)	
	Gather functional requirements for Core capabilities for a person-centered approach to VT HHS capabilities. These include: client/provider lookup and query, client consent, referral management system, case and service collaboration shared analytics, alerts, and notifications. Shared analytics include: static and dynamic reporting, graphical reports, user defined reports, exporting of data to other applications for analysis, and analysis tools. (HSE SOA Platform).	
	Develop functional requirements for person-centered Eligibility determination for the full continuum of VT HHS as defined by the State. Requirements to include linkage to legacy MMIS and envisioned new MMIS solution.	
	Functional Requirements Enhancement Recommendations and Road Map	\$ 65,000.00
Non-Functional Requirements	Final Non-Functional Requirements Assessment for Person-Centered Eligibility Determination through the Gateway to the HIX application. IE and HSE SOA Platform including General System Design, and reviews of MDM/EMPI Options, ECM Options, Consent Registry Options, and Oracle Software Suite License requirements.	\$ 137,500.00
	Final Non-Functional Requirements Enhancement Road Map and Non-Functional Requirements Tracing Matrix.	\$ 137,500.00
Alternatives Analysis (AA)	AA Final Report to focus on selecting best value approach for meeting the long term hosting and maintenance and operations (M&O) needs and total cost of ownership (TCO) for the HSE SOA Platform, Health Insurance Exchange (HIX) and IE solution.	\$ 185,000.00
Procurement Strategy & Road Map	Final Procurement Strategy and Road Map for umbrella approach to HSE SOA Platform, HIX, and IE.	\$ 175,000.00

Project Component/Task	Deliverable	Milestone Payment Amount
Procurement Assistance	Provide procurement assistance on IE/HSE Platform RFP. Assistance will include:	
	Technical RFP Narrative	\$ 350,000.00
	Final Evaluation Framework and Evaluation Tools	\$ 45,000.00
	Completion of Training of Proposal Evaluation Team	\$ 30,000.00
	Agenda and Interview Questions for Shortlist Vendors' Orals	\$ 15,000.00
	Final Procurement Report	\$ 10,000.00
	Report on and recommendations on Oracle Professional Services (OPS). Review to include review of SOV's statement of work (SOW), OPS final scope proposal, and support during contract negotiations.	\$ 24,500.00
Quality Assurance Oversight	QA Charter and Rules of Engagement	\$ 41,250.00
	Final QA Criteria and Methodology	\$ 41,250.00
	Baseline Project Health Check	\$ 135,000.00
	DII Monthly Independent Assessment Reports (18 months x \$2,500=\$45,000)	\$ 45,000.00
	QA Deliverable Review Assessment Reports (Fixed Price for All Deliverables from RFP(s) Selected Vendors—Cost Per Deliverable will Be Defined within this Fixed Price at Initiation of the QA Work Stream up to a cap of \$750,000)	\$ 750,000.00
	Quarterly Project Health Check Reports (One Baseline and Three Quarterly Health Checks During QA 18 Month Work Stream)	\$ 480,000.00
Change Management	Change Management Plan including communication, leadership, and participation guidelines.	\$ 72,500.00
	Change Impact Workshops and Recommendations on policies, model of practice, integrating decision support technology, roles and responsibilities of staff, providers and consumers, and performance metrics.	\$ 120,500.00
Gartner Research	Executive Programs CIO Signature	\$ 82,700.00
	IT Leaders Advisory Workgroup	\$ 50,900.00
	Gartner for Technical Professionals	\$ 31,400.00
<b>Revised Total Cost</b>		<b>\$3,510,000</b>
<b>Original Total Cost</b>		<b>\$2,554,500</b>
<b>Requested Cost Change</b>		<b>\$955,500</b>

9. By replacing Attachment C Customary Provisions for Contracts and Grants (revised 11/7/12) beginning on page 22 of the base document with the following:

**ATTACHMENT C  
 CUSTOMARY PROVISIONS FOR CONTRACTS AND GRANTS**

- Entire Agreement.** This Agreement, whether in the form of a Contract, State Funded Grant, or Federally Funded Grant, represents the entire agreement between the parties on the subject matter. All prior agreements, representations, statements, negotiations, and understandings shall have no effect.
- Applicable Law.** This Agreement will be governed by the laws of the State of Vermont.

3. **Definitions:** For purposes of this Attachment, "Party" shall mean the Contractor, Grantee or Subrecipient, with whom the State of Vermont is executing this Agreement and consistent with the form of the Agreement.
4. **Appropriations:** If appropriations are insufficient to support this Agreement, the State may cancel on a date agreed to by the parties or upon the expiration or reduction of existing appropriation authority. In the case that this Agreement is funded in whole or in part by federal or other non-State funds, and in the event those funds become unavailable or reduced, the State may suspend or cancel this Agreement immediately, and the State shall have no obligation to fund this Agreement from State revenues.
5. **No Employee Benefits For Party:** The Party understands that the State will not provide any individual retirement benefits, group life insurance, group health and dental insurance, vacation or sick leave, workers compensation or other benefits or services available to State employees, nor will the state withhold any state or federal taxes except as required under applicable tax laws, which shall be determined in advance of execution of the Agreement. The Party understands that all tax returns required by the Internal Revenue Code and the State of Vermont, including but not limited to income, withholding, sales and use, and rooms and meals, must be filed by the Party, and information as to Agreement income will be provided by the State of Vermont to the Internal Revenue Service and the Vermont Department of Taxes.
6. **Independence, Liability:** The Party will act in an independent capacity and not as officers or employees of the State.

The Party shall defend the State and its officers and employees against all claims or suits arising in whole or in part from any act or omission of the Party or of any agent of the Party. The State shall notify the Party in the event of any such claim or suit, and the Party shall immediately retain counsel and otherwise provide a complete defense against the entire claim or suit. The Party shall notify its insurance company and the State within 10 days of receiving any claim for damages, notice of claims, pre-claims, or service of judgments or claims, for any act or omissions in the performance of this Agreement.

After a final judgment or settlement the Party may request recoupment of specific defense costs and may file suit in Washington Superior Court requesting recoupment. The Party shall be entitled to recoup costs only upon a showing that such costs were entirely unrelated to the defense of any claim arising from an act or omission of the Party.

The Party shall indemnify the State and its officers and employees in the event that the State, its officers or employees become legally obligated to pay any damages or losses arising from any act or omission of the Party.

7. **Insurance:** Before commencing work on this Agreement the Party must provide certificates of insurance to show that the following minimum coverage is in effect. It is the responsibility of the Party to maintain current certificates of insurance on file with the state through the term of the Agreement. No warranty is made that the coverage and limits listed herein are adequate to cover and protect the interests of the Party for the Party's operations. These are solely minimums that have been established to protect the interests of the State.

**Workers Compensation:** With respect to all operations performed, the Party shall carry workers' compensation insurance in accordance with the laws of the State of Vermont.

**General Liability and Property Damage:** With respect to all operations performed under the Agreement, the Party shall carry general liability insurance having all major divisions of coverage including, but not limited to:

Premises - Operations  
Products and Completed Operations  
Personal Injury Liability  
Contractual Liability

The policy shall be on an occurrence form and limits shall not be less than:

\$1,000,000 Per Occurrence  
\$1,000,000 General Aggregate  
\$1,000,000 Products/Completed Operations Aggregate  
\$ 50,000 Fire/ Legal/Liability

Party shall name the State of Vermont and its officers and employees as additional insureds for liability arising out of this Agreement.

**Automotive Liability:** The Party shall carry automotive liability insurance covering all motor vehicles, including hired and non-owned coverage, used in connection with the Agreement. Limits of coverage shall not be less than: \$1,000,000 combined single limit.

Party shall name the State of Vermont and its officers and employees as additional insureds for liability arising out of this Agreement.

**Professional Liability:** Before commencing work on this Agreement and throughout the term of this Agreement, the Party shall procure and maintain professional liability insurance for any and all services performed under this Agreement, with minimum coverage of *N/A* per occurrence, and *N/A* aggregate.

**8. Reliance by the State on Representations:** All payments by the State under this Agreement will be made in reliance upon the accuracy of all prior representations by the Party, including but not limited to bills, invoices, progress reports and other proofs of work.

**9. Requirement to Have a Single Audit:** In the case that this Agreement is a Grant that is funded in whole or in part by federal funds, the Subrecipient will complete the Subrecipient Annual Report annually within 45 days after its fiscal year end, informing the State of Vermont whether or not a single audit is required for the prior fiscal year. If a single audit is required, the Subrecipient will submit a copy of the audit report to the granting Party within 9 months. If a single audit is not required, only the Subrecipient Annual Report is required.

A single audit is required if the subrecipient expends \$500,000 or more in federal assistance during its fiscal year and must be conducted in accordance with OMB Circular A-133. The Subrecipient Annual Report is required to be submitted within 45 days, whether or not a single audit is required.

**10. Records Available for Audit:** The Party will maintain all books, documents, payroll papers, accounting records and other evidence pertaining to costs incurred under this agreement and make them available at reasonable times during the period of the Agreement and for three years thereafter for inspection by any authorized representatives of the State or Federal Government. If any litigation, claim, or audit is started before the expiration of the three year period, the records

shall be retained until all litigation, claims or audit findings involving the records have been resolved. The State, by any authorized representative, shall have the right at all reasonable times to inspect or otherwise evaluate the work performed or being performed under this Agreement.

- 11. Fair Employment Practices and Americans with Disabilities Act:** Party agrees to comply with the requirement of Title 21V.S.A. Chapter 5, Subchapter 6, relating to fair employment practices, to the full extent applicable. Party shall also ensure, to the full extent required by the Americans with Disabilities Act of 1990, as amended, that qualified individuals with disabilities receive equitable access to the services, programs, and activities provided by the Party under this Agreement. Party further agrees to include this provision in all subcontracts.
- 12. Set Off:** The State may set off any sums which the Party owes the State against any sums due the Party under this Agreement; provided, however, that any set off of amounts due the State of Vermont as taxes shall be in accordance with the procedures more specifically provided hereinafter.
- 13. Taxes Due to the State:**
- a. Party understands and acknowledges responsibility, if applicable, for compliance with State tax laws, including income tax withholding for employees performing services within the State, payment of use tax on property used within the State, corporate and/or personal income tax on income earned within the State.
  - b. Party certifies under the pains and penalties of perjury that, as of the date the Agreement is signed, the Party is in good standing with respect to, or in full compliance with, a plan to pay any and all taxes due the State of Vermont.
  - c. Party understands that final payment under this Agreement may be withheld if the Commissioner of Taxes determines that the Party is not in good standing with respect to or in full compliance with a plan to pay any and all taxes due to the State of Vermont.
  - d. Party also understands the State may set off taxes (and related penalties, interest and fees) due to the State of Vermont, but only if the Party has failed to make an appeal within the time allowed by law, or an appeal has been taken and finally determined and the Party has no further legal recourse to contest the amounts due.
- 14. Child Support:** (Applicable if the Party is a natural person, not a corporation or partnership.) Party states that, as of the date the Agreement is signed, he/she:
- a. is not under any obligation to pay child support; or
  - b. is under such an obligation and is in good standing with respect to that obligation; or
  - c. has agreed to a payment plan with the Vermont Office of Child Support Services and is in full compliance with that plan.

Party makes this statement with regard to support owed to any and all children residing in Vermont. In addition, if the Party is a resident of Vermont, Party makes this statement with regard to support owed to any and all children residing in any other state or territory of the United States.

- 15. Sub-Agreements:** Party shall not assign, subcontract or subgrant the performance of his Agreement or any portion thereof to any other Party without the prior written approval of the State. Party also agrees to include in subcontract or subgrant agreements a tax certification in accordance with paragraph 13 above.

Notwithstanding the foregoing, the State agrees that the Party may assign this agreement, including all of the Party's rights and obligations hereunder, to any successor in interest to the Party arising out of the sale of or reorganization of the Party.

- 16. No Gifts or Gratuities:** Party shall not give title or possession of any thing of substantial value (including property, currency, travel and/or education programs) to any officer or employee of the State during the term of this Agreement.
- 17. Copies:** All written reports prepared under this Agreement will be printed using both sides of the paper.
- 18. Certification Regarding Debarment:** Party certifies under pains and penalties of perjury that, as of the date that this Agreement is signed, neither Party nor Party's principals (officers, directors, owners, or partners) are presently debarred, suspended, proposed for debarment, declared ineligible or excluded from participation in federal programs, or programs supported in whole or in part by federal funds.

Party further certifies under pains and penalties of perjury that, as of the date that this Agreement is signed, Party is not presently debarred, suspended, nor named on the State's debarment list at: <http://bgs.vermont.gov/purchasing/debarment>

- 19. Certification Regarding Use of State Funds:** In the case that Party is an employer and this Agreement is a State Funded Grant in excess of \$1,001, Party certifies that none of these State funds will be used to interfere with or restrain the exercise of Party's employee's rights with respect to unionization.

State of Vermont – Attachment C  
Revised AHS – 11-7-2012

This amendment consists of 10 pages. Except as modified by this amendment and any previous amendments, all provisions of this contract, #22013 dated May 16, 2012 shall remain unchanged and in full force and effect.

STATE OF VERMONT  
DEPARTMENT OF VERMONT HEALTH ACCESS

CONTRACTOR  
GARTNER CONSULTING, INC.

\_\_\_\_\_  
MARK LARSON, COMMISSIONER

DATE

\_\_\_\_\_  
PHILLIP CUMMINGS, SENIOR DIRECTOR DATE