

DVHA Routing Form

MAR 02 2012

Type of Agreement: Contract Agreement #: 8430 Form of Agreement: Amendment Amendment #: 12

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

Agreement Manager: Lori Collins Phone #: 802-879-5953

Brief

Explanation of Agreement: **Include added tasks to existing contract in order to comply with Federal regulations & approved APD**

Start Date: January 1, 2004 End Date: December 31, 2012 Maximum Amount: 101,554,286.41

Amendments Only: Maximum Prior Amount: 98,369,140.41 Percentage of Change: 94.73%

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

Funding Source

Global Commitment 93.778	97,882,394.49		
Special: Federal	\$3,671,890.70		

Contents of Attached Packet

- | | | |
|--|---|---|
| <input checked="" type="checkbox"/> AA-14 | <input checked="" type="checkbox"/> Attachments A, B, C & F | <input type="checkbox"/> Attachment G - Academic Research |
| <input type="checkbox"/> Sole Source Memo | <input type="checkbox"/> Attachment D - Modifications to C & F | <input type="checkbox"/> MOU |
| <input checked="" type="checkbox"/> Qualitative/Justification Memo | <input checked="" type="checkbox"/> Attachment E - Business Associate Agreement | <input type="checkbox"/> Other: Amendments 1-11 |

Reviewer	Reviewer Initials	Date In	Date Out
DVHA Grant & Contract Administrator	Kate Jones	1/27	1/27
DVHA BO	Jill Gould	1/27/12	1/27/12
DVHA Commissioner	Mark Larson	1/31/12	1/31/12
AHS Attorney General	Seth Steinzor	SS	2/15/12
Following Approvals for Contracts Only:			
AHS CIO	Angela Rouelle		
AHS Central Office	Martha Faber		
AHS Secretary	Patrick Flood, Dept Sec		

Vision Account Codes: **507600, 3410010000, 20405, 41120/41624/41608/41609**

<input type="checkbox"/> Subrecipient Module Entry <input type="checkbox"/> FFATA Entry	Initials & Date _____ _____
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Vision PO #: 3468

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

CHECK ONLY ONE BOX IF APPLICABLE:

ARRA Contract

ACA Contract

I. CONTRACT INFORMATION:

Agency/Department: AHS/ DVIIA Contract #: 8430 Amendment #: 12
 Vendor Name: HP Enterprise Services, LLC VISION Vendor No: 14354
 Vendor Address: 16 Association Drive, P.O. Box 360, Manchester, Maine 04351
 Starting Date: 1/1/2004 Ending Date: 12/31/2012 Amendment Date: ~~7/1/2011~~ Upon execution
 Summary of agreement or amendment: Include added tasks to existing contract in order to comply with Federal regulations & approved APD

II. FINANCIAL INFORMATION

Maximum Payable: \$101,554,286 Prior Maximum: \$ 98,369,140 Prior Contract # (If Renewal):
 Current Amendment: \$3,119,146 Cumulative amendments: \$ 47,884,320 % Cumulative Change: 94.73 %
 Business Unit(s): 03410 VISION Account: 507600

III. 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. 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)

VII. 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

VIII. AGENCY/DEPARTMENT HEAD CERTIFICATION; APPROVAL *my 2/27/12*

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

2/1/12 Date *Don Collins* Agency/Department Head *2/27/12* Date *Christine M O* Agency Secretary or Other Department Head (if required)
2/15/12 Date Approval by Attorney General _____ Date Approved by Commissioner of Human Resources _____
3/9/12 Date *RJB* CIO (initial) _____ Date *03/13/12* Secretary of Administration _____
 Date _____ Date _____ Secretary of Administration _____
 (initial) (initial)

MAR 02 2012

MEMORANDUM

TO: Jeb Spaulding; Secretary, Agency of Administration (AOA) *Lori Collins*
FROM: Mark Larson; Commissioner, Department of Vermont Health Access (DVHA)
THROUGH: Doug Racine; Secretary, Agency of Human Services (AHS) *cmd for DAK*
DATE: January 27, 2012
SUBJECT: Approval for Amendment #12 – HP Enterprise Services (HP) Contract #8430
Current Duration: 01/01/2004 – 12/31/2012
Current Value: \$ 98,369,140.41
Proposed Value: \$ 101,554,286.41

DVHA is requesting approval to amend the above mentioned contract with HP Enterprises to allow for performance of 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.

Fiscal year(s) 2008 - 2010 this contract was level funded and was then reduced by 3% in fiscal year 2011. All increases associated with this amendment are a result of the added services requested of the Contractor to assist the state in the varying needs to meet requirements identified in the associated approved Advanced Planning Documents (APD) or federal regulations. 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:

Jeb Spaulding, Secretary, AOA

cc: Lori Collins, Deputy Commissioner (DVHA)
Kate Jones, Financial Manager (DVHA)

Jones, Kate

From: Rouelle, Angela
Sent: Friday, January 27, 2012 11:51 AM
To: Jones, Kate
Cc: Hall, Michael
Subject: RE: HP Contract 8430 Amendment 12 Draft V5.docx

Approved

Angela S. Rouelle
Chief Information Officer
Agency of Human Services
133 State Street/5th Floor
Montpelier, VT
angela.rouelle@ahs.state.vt.us
Work: (802) 828-3887
Cell: (802) 522-8461



Please consider the environment before printing this e-mail

“If you can't describe what you are doing as a process, you don't know what you're doing.” *w.*
Edwards Deming

From: Jones, Kate
Sent: Friday, January 27, 2012 11:08 AM
To: Rouelle, Angela
Cc: Hall, Michael
Subject: HP Contract 8430 Amendment 12 Draft V5.docx

I've attached the latest proposed amendment for our HP contract can you review and send back an email approval I can attach w/ the contract packet for routing? Thanks!

KATE JONES
DVHA BO
802-879-8256

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:

Replace in Amendment # 11, Item #1, page 1 of 10, 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 \$ 101,486,636.41.

Replace in Amendment #11, on page 2 of 11, Operational Invoice/Payment Schedule for the period of January 1, 2012 – December 31, 2012 and substituting in lieu thereof the following updated Operational Invoice/Payment Schedule:

January 1, 2012- December 31, 2012

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
Claims Processing		\$ 7,844,903
Drug Payment Transactions		\$ 202,932
Provider Relations		\$ 1,623,459
Management Reporting (Business Objects, CRLS, MAR, SURS)		\$ 507,331
Subtotal		\$ 10,178,626
Added Services (As Utilized)		
Clinical Specialist		\$ 98,275
DAIL Project Coordinator		\$ 53,607
Translator Services		\$ 100,000
Radiology Management Services *	\$34.25/PA	\$ 685,000
Subtotal		\$ 936,882
		\$ 11,227,007

Amount
invoiced
each
Month
\$848,218

**Dollars represented as Annual Amount is for estimation purposes only based on 20K processed annually.*

Actual invoice will be rate (\$34.25) times actual Prior Authorizations processed.

By adding Attachment F Part XI Narrative and Price Proposal Submitted for Additional Services as Utilized dated November 1, 2011, which is an attachment of this amendment on page 3.

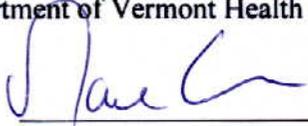
STATE OF VERMONT, DEPARTMENT OF VERMONT HEALTH ACCESS
CONTRACT FOR PERSONAL SERVICES
HP ENTERPRISE SERVICES, LLC

CONTRACT #8430
AMENDMENT # 12
PAGE 2 OF 7

This amendment consists of 7 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.

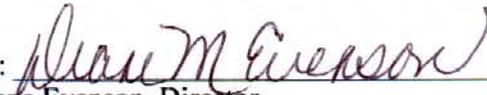
STATE OF VERMONT

Department of Vermont Health Access

By: 
Mark Larson, Commissioner
Department of Vermont Health Access

CONTRACTOR:

HP Enterprise Services, LLC

By: 
Diane Evenson, Director
US Government, State and Local

Date: March 19, 2012

Date: March 16, 2012

Attachment F, Part XI
 HP Narrative and Price Proposal November 1, 2011

Medical Assistance Provider Incentive Repository (MAPIR)

Core MAPIR Ongoing Development and Support:

The State of Vermont has indicated participation in the development of the core MAPIR application in coordination with State of Pennsylvania as evidenced by the attached signed letter of intent (Exhibit A). DVHA agrees to the payment schedule presented below under Total Cost Per State related to the ongoing development and support of the core MAPIR application. 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.

Services Provided	Time Period	Payment Date	Quarterly Price Per State
MAPIR: Enhancements, Ongoing Support and Maintenance	Oct. 2011 – Dec. 2011	December 2011	\$59,538.00
MAPIR: Enhancements, Ongoing Support and Maintenance	Jan. 2012 - March 2012	March 2012	\$59,538.00
MAPIR: Enhancements, Ongoing Support and Maintenance	April 2012 - June 2012	June 2012	\$59,538.00
MAPIR: Enhancements, Ongoing Support and Maintenance	July 2012 – Sept. 2012	September 2012	\$59,538.00
MAPIR: Enhancements, Ongoing Support and Maintenance	Oct. 2012 – Dec. 2012	December 2012	\$59,538.00
TOTAL FOR 15 MONTHS			\$297,690.00

Exhibit B to this document titled MAPIR Enhancements, Ongoing Development and Support Statement of Work details scope of work to be performed.

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.

The hours provided below are estimates only. HPES will produce a monthly bill for the actual hours used each month. The bill will include the hours used for each activity listed below. HPES will be reimbursed at the modification hourly rate for additional CSR Hours as described in Section 11 of Amendment #5 of this contract.

Installation and Customization of Core MAPIR release C:

MAPIR Installation and Customization	Hours
Environmental Changes (DB2/WebSphere/Stored procedures)	200
MAPIR Installation	120
State Configuration	80
Interface Development	
MMIS4 Modification	80
MMIS1 Modification	80
Additional Customization	60
Project Management	
Project Management	80
Testing	
Testing of Installation and Customization	120
Grand Total	820

Installation and Customization of Core MAPIR release D:

MAPIR Installation and Customization	Hours
Environmental Changes (DB2/WebSphere/Stored procedures)	200
MAPIR Installation	120
State Configuration	80
Interface Development	
Additional Customization	80
Project Management	
Project Management	60
Testing	
Testing of Installation and Customization	110
Grand Total	650

VT MAPIR Application Production Support

For the purposes of planning, HP estimates approximately 20 hours per month associated with the ongoing technical support of the VT production environment in addition to the installation and customization estimates presented above.

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. HP will evaluate the new operating rules for the EDI 270/271 and 276/277 transactions for impact to the existing MMIS under this scope of work. Specifically, HP will evaluate the Connectivity and Security Rules and Data content Rules defined for ACA Section 1104 as described below. These rules apply for EDI 270/271 and 276/277 by January 1, 2013.

- Connectivity and Security Rules (270/271 and 276/277)
 - Internet based connectivity and transmission supported
 - Both SOAP/WSDL and Multi-part MIME protocols supported
 - Authentication supports either Name/Password or X.509 Token
- Data Content Rules (270/271)
 - Generic requests for eligibility must affirm or deny coverage in ~50 service categories
 - Specific (service category level) requests for these ~50 categories must be responded to appropriately
 - Deductible, coinsurance and copay requirements must be reported by service category if applicable
 - Remaining deductible must be reported. (Spendedown and Patient Liability are not exactly deductible within these operating rules).

The assessment and requirements analysis will be done by a project team consisting of subject matter experts and technical staff for each MMIS component. The team will determine the impact of the HIPAA transaction modifications to the MMIS business rules and system functions. Under this project, HP will complete an impact assessment, requirements definition and work plan.

2012 Estimated Costs

Activity	Start	Finish	Hours*	Cost
Assessment	02/01/2012	03/15/2012	250	\$27,250
Requirements Definition	03/01/2012	05/15/2012	300	\$32,700
Workplan Deliverable	03/01/2012	05/31/2012	50	\$5,450

*The hours provided below are estimates only. HPES will produce a monthly bill for the actual hours used each month. The bill will include the hours used for each activity listed below. HPES will be reimbursed at the modification hourly rate for additional CSR Hours as described in Section 11 of Amendment #5 of this contract

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 01/01/2012 through 12/31/2012.

2012 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	12
Documentation Specialist	create/update internal and external documentation, assist with training curriculum and material development	.75	6
Provider Training Specialist	internal training curriculum development; external communication and education	2	12
SE (Information Analyst)	systems remediation	4	42
SE (Information Specialist)	systems remediation	3	36
ICD-10 Test Lead	direct testing efforts	1	10
Tester	testing	2	12
Total Staffing Effort		19.75	166

2012 Estimated Costs

Activity	Hours*	Cost
Project Management	1,680	\$189,420.00
Crosswalk Design/Development	5,040	\$568,260.00
System Remediation	10,920	\$1,231,230.00
Testing	3,080	\$347,270.00
Training	1,680	\$189,420.00
Documentation	630	\$71,032.50
Sub-Total	23,030	\$2,596,632.50
Third Party Costs		Cost
	Hours	
PES Remediation	500	\$56,375.00
OCR Software Remediation	24	\$2,706.00
Total Third Party Costs	524	\$59,081.00¹
2012 Total Project Costs		\$2,655,713.50

*The hours provided are estimates only for planning purposes. HPES 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 \$112.75 per hour for ICD-10 remediation project work.

¹ HPES assumes that any other third party charges incurred for this project will be passed through to DVHA at cost.