

**Department of Vermont Health Access
Agreement Routing Form**

Grant Contract MOU Renewal New Amendment:

Name of Grantee or Contractor: Ann Rugg Vendor #: 139663
 Agreement Manager: Nancy Hogue Phone: 879-5611
 Agreement Number: 15905 SFY: 2011, 2012
 Agreement Period Start Date: 10/21/2009 End Date: 10/20/2011

Bid process (contract only): Standard Simplified Sole Sourced
 Maximum Amount: \$19,900 Prior Amount: \$15,000 % of Change 32.66%

Funding Source: (please enter dollar amount)
 ACA Exchange \$ _____ Global Commitment: \$ 19,900 ACA Exchange \$ _____
 (CFDA# 93.525) (CFDA# 93.778) (CFDA# 93.778)
 Special Fund: \$ _____ Other: \$ _____

Justification for Agreement: Increasing the number of hours in Ann's contract to accommodate higher demands for SSDC projects

Contents of Grant Award

	Yes	No		Yes	No
Standard Grant Agreement:		YES	Attachment E - Business Associate Agreement		NO
Attachment A - Scope of Work to be Performed	YES		Attachment F - AHS Grant Provisions		YES
Attachment B - Payment Provisions:	YES		MOU (if needed)		NO
Attachment C - Customary State Grant Provision	YES		Other ()		NO
Attachment D - Modifications to Insurance:	NO		Justification Notification from Unit Leader		YES
			AA-14 (contracts only)		YES

Routing sign-off: Once division approval is complete for each step please return to OVHA Grants Administrator

Reviewer	Reviewer Name	Reviewer Initials	Date In	Date Out	Resubmit Date (if necessary)
Division Review					
Administrator Review	Kate Jones Sawyer Jorcks	S.S.	2/24/11	2/24/11	
Business Office Review	Carrie Hathaway/Jill Gould	[Signature]	2/24/11	2/24/11	
Attorney General	Seth Steinzor	[Signature]		2/28/11	
<i>Contract Only</i>					
Agency of Human Services	Diane Nealy	[Signature]	3/9/11	3/9/11	
Agency of Administration	Michael Clasen				
Department of Information & Innovation	Dave Tucker				
Grantee/Contractee Signature on Grant	Authorized Signor				
Commissioner's Signature	Susan Besio	[Signature]	2/24/11	2/24/11	

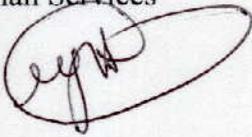
Entered into VISION Subrecipient Grant Tracking System: Initials: _____ Date: _____

Routing process started by: _____

MEMORANDUM

TO: Jeb Spaulding, Secretary - Agency of Administration

THROUGH: Douglas Racine, Secretary – Agency of Human Services

FROM: Nancy Hogue, Pharmacy Director - DVHA 

DATE: February 23, 2011

REGARDING: Request to amend sole-source contract with Ann Rugg
Duration of Contract: 10/21/09 – 10/20/11; Contract Amount: \$19,900.

The Department of Vermont Health Access is requesting an increase in the maximum dollar amount of contract #15905 from \$15,000 to \$19,900. This contract is one of two hosted by the State of Vermont on behalf of the Sovereign States Drug Consortium (SSDC). The SSDC is an initiative of the states of Iowa, Maine, Oregon, Utah, Vermont, West Virginia, and Wyoming that secures Medicaid rebates supplemental to federally required rebates on the drug utilization.

DVHA believes that the SSDC produces significant valued returns for Vermont. By pooling their Medicaid covered lives, the member states of the SSDC are able to maximize their ability to negotiate favorable rebates. To illustrate, in SFY 2010, the SSDC's average monthly covered lives count was 1,998,731 and its collective state fiscal year Medicaid drug spend was \$1,121,132,082. With that kind of leverage, Vermont's supplemental rebate revenue for SFY 2010 was \$7.3 million dollars.

Contract #15905 is the support services contract for the SSDC that is responsible for its administration. Prior to this contract the states administered the pool. However, as the pool grew, staff changed, and demands on Medicaid programs increased, the SSDC chose to secure a vendor. That vendor chosen was and is Ann Rugg who was Vermont's representative in the founding of the SSDC in 2005. Ann retired from Vermont service in 2009 and provided the SSDC with a unique opportunity to continue to use her skills and expertise in its ongoing administration.

When contract #15905 was initially executed the maximum was set based on our best estimate of the time commitment required for the duration of the contract. Of note, the SSDC competitive procurement to secure a vendor for continued rebate negotiations has required an additional commitment above those initial estimates. The rebate negotiation contract is the other contract that Vermont hosts on behalf of the SSDC. Its procurement is scheduled to be completed in March of this year.

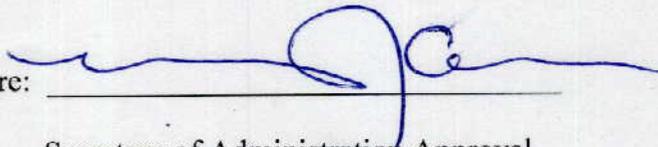
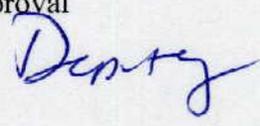
While Vermont hosts both the support services and the rebate negotiations contracts of the SSDC, actual contract costs are shared equally by the seven member states of the SSDC. The other member states will reimburse us for their share of this contract increase.

Vermont's share of the current value of this \$15,000 contract is \$2,142.86, and its share of the proposed amendment is \$700.

REC'D MAR 10 2011

Vermont's funding for this contract will be covered by the Global Commitment to Health Appropriations and complies with all mandatory provisions of AOA Bulletin 3.5.

DVHA looks forward to approval of this contract.

Signature:  Date: 03/11/11
Secretary of Administration Approval


STATE OF VERMONT CONTRACT SUMMARY AND CERTIFICATION ----- Form AA-14 (10/18/2010)

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/ DVHA Contract #: 15905 Amendment #: 1
 Vendor Name: Ann Rugg VISION Vendor No: 139663
 Vendor Address: 203 LedgeWood, 80 Austin Drive, Burlington, VT 05401
 Starting Date: 10/21/2009 Ending Date: 10/20/2011 Amendment Date: UPON EXECUTION
 Summary of agreement or amendment: Increasing the number of hours in Ann's contract to accommodate higher demands for SSDC projects

II. FINANCIAL INFORMATION

Maximum Payable: \$19,900 Prior Maximum: \$ 15,000 Prior Contract # (If Renewal):
 Current Amendment: \$4,900 Cumulative amendments: \$ 4,900 % Cumulative Change: 32.66 %
 Business Unit(s): 03410 VISION Account:

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 % GC-Fund 100.00 % Other %

IV. 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

V. TYPE OF AGREEMENT & PERFORMANCE INFORMATION

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

VI. 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

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

VIII. AGENCY/DEPARTMENT HEAD CERTIFICATION; APPROVAL

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

2/24/11 [Signature] Agency / Department Head Date 3/9/11 [Signature] Patrick Flood Agency Secretary or Other Department Head (if required)
 2/23/11 [Signature] Approval by Attorney General Date Approved by Commissioner of Human Resources
 Date CIO (initial) Date CMO (initial) Date Secretary of Administration Deputy

REC'D MAR 10 2011

STATE OF VERMONT
AMENDMENT TO CONTRACT FOR PERSONAL SERVICES
Ann Rugg

Page 1 of 1
Contract # 15905
Amendment #1

AMENDMENT

It is agreed by and between the State of Vermont, Department of Vermont Health Access (hereafter called the "State") and Ann Rugg (hereafter called the "Contractor") that the contract on the subject of Support services for the Sovereign States Drug Consortium (SSDC)/Medicaid Supplemental Drug Rebate Activities, effective October 21st, 2009, is hereby amended effective upon execution by both parties, as follows:

By deleting on page 1 of 11, 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 \$19,900.

By deleting on page 4 of 11, Section 4 of Attachment B (Payment Provisions) and substituting in lieu thereof the following Section 4:

4. The total maximum amount payable under this contract shall not exceed \$19,900.00.

This amendment consists of 1 page. Except as modified by this amendment and any previous amendments, all provisions of this contract, (#15905) signed into effect on October 21, 2009 shall remain unchanged and in full force and effect.

STATE OF VERMONT
Department of Vermont Health Access

CONTRACTOR
Ann Rugg

By: Susan Besio
Susan Besio, Commissioner

By: Ann Rugg

Date: 3/17/11

Date: 3/15/2011