

AMENDMENT

It is agreed by and between the State of Vermont, Department of Vermont Health Access (hereafter called the "State") and University of Vermont (hereafter called the "Contractor") that the contract on the subject of special programs and Medicaid clinical management, effective October 1, 2012, is hereby amended effective December 1, 2012 as follows:

1. By deleting on page 8 of 31 in Section 1 (Description), the following sentence:

"The Medical Director will be 1.0 FTE"

And substituting in lieu thereof the following sentence:

"The Medical Director will also be between 0.75 and 1.0 FTE."

2. By deleting on pages 14-15 in Attachment B, Section II (Project #1) in its entirety, and substituting in lieu thereof the following Section II:

"II. Project #1: Chief Medical Officer and Medical Director

Costs for the State Chief Medical Officer (CMO) and State Medical Director will not exceed \$1,240,313.00 for the two-year contract period. Costs will include salary, fringe, direct personnel (expenses, in-state and out-of-state travel), operating and indirect costs. Out-of-state travel expenses for the CMO and Medical Director must be approved in advance of the travel by the Commissioner of DVHA; the Contractor will be reimbursed for mileage, food, and lodging expenses at the rates established by the Contractor.

The State will pay the Contractor a maximum of \$155,039.12 per quarter for the services provided in Attachment A, Section B, and the Project #1 description. Payment by State is contingent upon receipt and approval of a statement of the services provided by the CMO and Medical Director in the previous quarter, or receipt and approval of the documentation outlined in the Proration Scenario or Gap in Service Scenario in the previous quarter(s).

Proration Scenario

This quarterly payment will be prorated for the quarter in which the CMO or Medical Director begins working for the State. In the instance of a quarter in which a prorated payment is necessary, the percent of effort during the period shall be documented by the Contractor and submitted to the State to be included with the quarterly invoice.

Gap in Service Scenario

In the event of a gap in service from either the CMO or Medical Director, the Contractor may bill the State for reasonable effort and expenses related to recruitment and employment of the new CMO or Medical Director. Any effort and expenses attributed to recruitment and employment of these two positions shall be documented by the Contractor and submitted to the State to be included with the quarterly invoice.

The CMO and Medical Director will assure completion of medical necessity reviews in accordance with all applicable State and federal regulations regarding Medicaid clinical reviews. The CMO and Medical Director will work at the direction of the State to complete medical necessity reviews within a timeframe that enables the State to adhere to all applicable State and federal laws as reflected in the following Code of Federal Regulations (CFR):

42 CFR §438.210 (d) titled "Timeframe for Decisions", and 42 CFR §438.408 (b) titled "Specific Timeframes".

These can be found online from the Electronic Code of Federal Regulations website at:

<http://ecfr.gpoaccess.gov>

Or the direct internet link to Title 42:

http://ecfr.gpoaccess.gov/cgi/t/text/text-idx?sid=7ef067068fd5790636ada6d541f3976e&c=ecfr&tpl=/ecfrbrowse/Title42/42cfrv4_02.tpl

The deadlines associated with State regulations concerning Medicaid clinical reviews mirror the deadlines found in Federal regulations. For reference, they can be found at:

<http://humanservices.vermont.gov/on-line-rules/dvha/medicaid-covered-services-7100-7700/view>

If the State is unable to adhere to the requirements of state and federal laws due to a delay in the completion of medical necessity reviews by the CMO or Medical Director, the Contractor will forfeit \$2,000 for the first such delay, and \$5,000 for each instance of all subsequent delays (not \$5,000 aggregate.) Such assessment shall not be made to the extent that the failure, in the State's judgment, reasonably results from:

- Unforeseeable catastrophic events experienced at the Contractor local and corporate facilities,
- Unforeseeable catastrophic events experienced by State which have a material effect on the Contractor, or;
- Complying with any directions of the State or its employees regarding changes to the scope of work.

Reimbursement will be based on the full-time equivalency (FTE) of the CMO and the Medical Director. The budget for this agreement assumes a 1.00 FTE for both positions. In the event a CMO or Medical Director is hired to be available at any less than 1.00 FTE, the Contractor shall bill at rate based upon the following formula: the CMO or Medical Director's full time annual salary x the percent Full Time Equivalency.

For example, if the CMO's annual salary is \$160,000.00 and their FTE is 0.85, the Contractor will base their invoices on an annual salary of \$136,000.

**STATE OF VERMONT
AMENDMENT TO PERSONAL SERVICES CONTRACT
UNIVERSITY OF VERMONT**

**PAGE 3 OF 3
CONTRACT 23099
AMENDMENT #1**

This amendment consists of 3 pages. Except as modified by this amendment and any previous amendments, all provisions of this contract, (#23099) dated October 1, 2012 shall remain unchanged and in full force and effect.

**STATE OF VERMONT
DEPARTMENT OF VERMONT HEALTH ACCESS**

**CONTRACTOR
UNIVERSITY OF VERMONT**

MARK LARSON, COMMISSIONER DATE

RUTH FARRELL, DATE
ASS. VP FOR RESEARCH ADMINISTRATION