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STATE OF NEW HAMPSHIRE
DEPARTMENT OF HEALTH AND HUMAN SERVICES
OFFICE OF THE COMMISSIONER

129 PLEASANT STREET, CONCORD, NH 03301-3857
603-271-9200 1-800-852-3345 Ext. 9200

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Lori A. Shibinette
Commissioner

Lori A. Weaver
Deputy Commissioner

June 13, 2021

His Excellency, Governor Christopher T. Sununu
and the Honorable Council
State House
Concord, New Hampshire 03301

REQUESTED ACTION

Authorize the Department of Health and Human Services, Office of the Commissioner, to enter into a **Sole Source** amendment to an existing contract with Conduent State Healthcare, LLC (Vendor #278791), Atlanta, GA, to develop, operate, and transition the State's Medicaid Management Information System (MMIS), by exercising a contract renewal option by increasing the price limitation by \$206,518,539 from \$254,121,854 to \$460,640,393 and extending the completion date from June 30, 2021 to June 30, 2026 effective upon Governor and Council approval for the period of July 1, 2021 through June 30, 2026. 79.84% Federal Funds. 20.15% General Funds. 0.01% Other Funds (Granite Advantage Health Program Trust Fund).

The Governor and Executive Council approved the original contract on December 7, 2005 (Late Item #C), Amendment 1 on December 11, 2007 (Item#59), Amendment 2 on June 17, 2009 (Item#92), and Amendment 3 on June 23, 2010 (Item#97), Amendment 4 on March 7, 2012 (Item#22A), Amendment 5 on December 19, 2012 (Item#27A), Amendment 6 on March 26, 2014 (Late Item A), Amendment 7 on June 18, 2014 (Item#61A), Amendment 8 on May 27, 2015 (Item#16), Amendment 9 on June 24, 2015 (Item#9), Amendment 10 on December 16, 2015 (Late Item#A1), Amendment 11 on June 29, 2016 (Item#8), Amendment 12 on November 18, 2016 (Item# 21A), Amendment 13 on July 19, 2017 (Item#7C), Amendment 14 on March 21, 2018 (Item# 6B), Amendment 15 on June 6, 2018 (Late Item # A) and Amendment 16 on June 19, 2019 (Item #8).

Funds are anticipated to be available in the following accounts for State Fiscal Years 2022 through 2026, upon the availability and continued appropriation of funds in the future operating budget, with the authority to adjust budget line items within the price limitation and encumbrances between state fiscal years through the Budget Office, if needed and justified.

05-95-95-954010-5952 HEALTH AND SOCIAL SERVICES, DEPT OF HEALTH AND HUMAN SERVICES, HHS: COMMISSIONER, OFFICE OF INFORMATION SERVICES, OFFICE OF INFORMATION SERVICES

Design, Development and Implementation Phase

State Fiscal Year	Class / Account	Class Title	Job Number	Current Budget	Increased (Decreased) Amount	Revised Budget
2005	034/500099	Capital Projects	95440009	\$25,000,000	\$0	\$25,000,000
2006	034/500099	Capital Projects	95440009	\$1,076,918	\$0	\$1,076,918
2006	102/500731	Contracts for Progr. Svs.	95440009	\$76,326	\$0	\$76,326
2012	102/500731	Contracts for Progr. Svs.	95440009	\$7,152,125	\$0	\$7,152,125
2013	102/500731	Contracts for Progr. Svs.	95440009	\$4,298,885	\$0	\$4,298,885
2014	102/500731	Contracts for Progr. Svs.	95440009	\$30,239,095	\$0	\$30,239,095
2015	102/500731	Contracts for Progr. Svs.	95440009	\$4,321,110	\$0	\$4,321,110
2016	102/500731	Contracts for Progr. Svs.	95440009	\$6,953,485	\$0	\$6,953,485
2017	102/500731	Contracts for Progr. Svs.	95440009	\$5,582,018	\$0	\$5,582,018
2018	102/500731	Contracts for Progr. Svs.	95440009	\$324,479	\$0	\$324,479
2019	102/500731	Contracts for Progr. Svs.	95440009	\$2,212,355	\$0	\$2,212,355
			<i>Subtotal</i>	\$87,236,796	\$0	\$87,236,796

05-95-95-954010-5952 HEALTH AND SOCIAL SERVICES, DEPT OF HEALTH AND HUMAN SERVICES, HHS: COMMISSIONER, OFFICE OF INFORMATION SERVICES, OFFICE OF INFORMATION SERVICES

Operations

State Fiscal Year	Class / Account	Class Title	Job Number	Current Budget	Increased (Decreased) Amount	Revised Budget
2013	102/500731	Contracts for Prog Svc	95440003	\$2,084,889	\$0	\$2,084,889
2014	102/500731	Contracts for Prog Svc	95440003	\$8,544,809	\$0	\$8,544,809

2015	102/500731	Contracts for Prog Svc	95440003	\$9,164,847	\$0	\$9,164,847
2016	102/500731	Contracts for Prog Svc	95440003	\$16,000,932	\$0	\$16,000,932
2017	102/500731	Contracts for Prog Svc	95440003	\$16,329,529	\$0	\$16,329,529
2018	102/500731	Contracts for Prog Svc	95440003	\$19,043,544	\$0	\$19,043,544
2019	102/500731	Contracts for Prog Svc	95440003	\$23,062,007	\$0	\$23,062,007
			Subtotal	\$94,230,557	\$0	\$94,230,557

05-95-95-954010-1527 HEALTH AND SOCIAL SERVICES, DEPT OF HEALTH AND HUMAN SERVICES, HHS: COMMISSIONER, OFFICE OF INFORMATION SERVICES, MMIS TECHNIAL STACK UPGRADE

Design, Development and Implementation Phase

State Fiscal Year	Class / Account	Class Title	Job Number	Current Budget	Increased (Decreased) Amount	Revised Budget
2019	034/500099	Capital Projects	95440009	\$21,474,533	\$0	\$21,474,533
			Subtotal	\$21,474,533	\$0	\$21,474,533

05-95-47-470010-2358 HEALTH AND SOCIAL SERVICES, HEALTH AND HUMAN SVCS DEPT OF HHS: MEDICAID & BUS POLICY OFC, OFF. OF MEDICAID & BUS. POLICY, GRANITE ADVANTAGE HEALTH PROGRAM TRUST FUNDS

Design, Development and Implementation Phase

State Fiscal Year	Class / Account	Class Title	Job Number	Current Budget	Increased (Decreased) Amount	Revised Budget
2019	034/500099	Capital Projects	47007019	\$344,293	\$0	\$344,293
			Subtotal	\$344,293	\$0	\$344,293

05-95-47-470010-8009 HEALTH AND SOCIAL SERVICES, HEALTH AND HUMAN SVCS DEPT OF HHS: MEDICAID & BUS POLICY OFC, OFF. OF MEDICAID & BUS. POLICY, MEDICAID MANAGEMENT INFORMATION SYSTEM

Operations

State Fiscal Year	Class / Account	Class Title	Job Number	Current Budget	Increased (Decreased) Amount	Revised Budget
2020	102/500731	Contracts for Progr. Svs	47007001	\$24,676,096	\$0	\$21,474,533
2021	102/500731	Contracts for Progr. Svs	47007001	\$26,159,579	\$0	\$26,159,579
2022	102/500731	Contracts for Progr. Svs	47007001	\$0	\$32,542,558	\$32,542,558
2023	102/500731	Contracts for Progr. Svs	47007001	\$0	\$35,200,936	\$35,200,936
2024	102/500731	Contracts for Progr. Svs	47007001	\$0	\$36,679,733	\$36,679,733
2025	102/500731	Contracts for Progr. Svs	47007001	\$0	\$38,232,469	\$38,232,469
2026	102/500731	Contracts for Progr. Svs	47007001	\$0	\$39,862,843	\$39,862,843
			<i>Subtotal</i>	\$50,835,675	\$182,518,539	\$233,354,214

05-95-TBD New Capital Account SFY 2022-2023

Design, Development and Implementation Phase

State Fiscal Year	Class / Account	Class Title	Job Number	Current Budget	Increased (Decreased) Amount	Revised Budget
2022	102/500731	Contracts for Progr. Svs	95440058	\$0	\$24,000,000	\$24,000,000
			<i>Subtotal</i>	\$0	\$24,000,000	\$24,000,000
			Total	\$254,121,854	\$206,518,539	\$460,640,393

EXPLANATION

This request is **Sole Source** because the completion date is being extended and there are no additional years of renewal available. This request incorporates additional Design, Development and Implementation (DDI) initiatives in support of the NH Medicaid Program, requiring changes to the State's Medicaid Management Information System (MMIS) as well as continued fiscal management of the system, maintenance and operations. The services of the Contractor's technical and operational resources are expanded to address program mandates, legislative requirements and modernization technology projects. This Amendment 17 will allow the Contractor to continue to incorporate the Centers for Medicare and Medicaid Services' (CMS) Medicaid Information Technology Architecture (MITA) Seven Conditions and Standards. Specifically, this contract modifies the fiscal agent, maintenance and operations as well as

accommodates the application lifecycle management components necessary to maintain a certified Medicaid Management Information System over the next five (5) years while the Department follows the CMS guidelines for modular re procurement of the system.

This amendment extends the services of contractor technical resources that are already in place, that have been performing the technically required tasks for a significant period, and will leverage existing system processes to expedite implementation of the required changes. The Department intends to leverage and maximize its investment in the experienced technical support team that has developed an intricate knowledge of the NH MMIS and will be able to meet the challenges of implementing the new system capabilities and technical upgrades in the timeline needed by the Medicaid Program.

The Design, Development and Implementation services acquired under this Amendment 17 encompass the following two (2) areas:

1. Technical Stack Upgrade
2. Interoperability and Patient Access Final Rule Compliance

The number of people served directly or indirectly under this Amendment includes over 200,000 NH Medicaid participants statewide receiving coverage under the Medicaid Care Management Program and Granite Advantage Programs. It also includes 90+ nursing home providers for whom nursing facility rates are calculated on the MMIS, and up to 30,000 other NH Medicaid providers who utilize the NH MMIS for member eligibility look-ups, access to correspondence and reports, and who rely on the MMIS for payment for services rendered to the Medicaid population.

Technical Stack Upgrade

The department in conjunction with Department of Information Technology evaluated the architecture of the current MMIS with the vendor and identified several hardware and software components that were end of life and end of support putting the security and privacy of the client's data at risk. At the direction of CMS when first implementing the MMIS the requirement was for State's to own the hardware and software and as a result would be responsible to maintain and replace the system according to standard lifecycle management. This created a need to budget for a planned replacement of the hardware and software every 7-10 years based on the ability for the system to maintain the privacy, security and sustainability of the data. The hardware was largely replaced in the last year in accordance with previous contract amendments; this contract will replace the remaining hardware and upgrade the software and incorporate the costs for the vendor to maintain the upgrades at their cost going forward. This will ensure that the State remains in compliance with federal and state legislation and regulations regarding security and maintain a predictable budget for the system over the term of the contract.

Interoperability and Patient Access Final Rule

The department in compliance with the CMS Interoperability and Patient Access Final Rule implemented the member portal to support the components necessary within the MMIS to provide the improved care coordination between patients, providers and payers for the applicable claims that are processed through the MMIS. This contract addresses the continued support and maintenance as well as any enhancements needed during the contract term.

Project Support

Amendment 17 includes technical services to pursue the analysis and implementation of several MMIS Process Improvement Projects and to enhance the functionality of the MMIS to

support greater efficiency in the implementation of system changes needed by the NH Medicaid Program.

Project Support of the MMIS is in the following areas:

- Review of existing MMIS system controls;
- Project Management Including Detailed Planning and Scheduling
- Development, Documentation, and Implementation of New Requirements
- Project Change Requests, Technical Change Requests and Defect Tracking
- Implementation of Electronic Visit Verification Interface

The Department has continued to explore alternatives for its MMIS re-procurement strategy. The Department over the last biennium have identified a planned roadmap for re-procurement of the MMIS over the next five (5) years. This roadmap is dependent upon capital improvement projects being approved and funded to support the modular re-procurement of the system. It is currently estimated that there will be at least fourteen procurement efforts to replace this system, during which the state will need to maintain, operate and enhance the existing system to be in compliance with Federal and State law as well as continue to process Medicaid claims payments. Approval of this Amendment will allow for the existing system and operational services to continue while the Department implements its strategy for MMIS re-procurement.

Should the Governor and Executive Council not approve this request, the Department's need for automated system support to implement its new Medicaid Program initiatives will be significantly compromised. The Department's ability to operationalize those initiatives successfully and in accordance with required implementation timelines will be jeopardized. The privacy and security of the over 200,000 patients data stored in the system would be at risk and the ability to continue processing Medicaid claims payments would be impacted. A significant adverse impact to the NH Medicaid Program, Medicaid eligible recipients, and providers would be realized if the MMIS is not changed to meet Medicaid Program needs as required under this Amendment.

Area served: Statewide.

Source of Funds: CFDA #93.778, FAIN 2105NH5ADM.

In the event that the Federal Funds become no longer available, General Funds will not be requested to support this program.

Respectfully submitted,



Lori A. Shibinette
Commissioner



STATE OF NEW HAMPSHIRE
DEPARTMENT OF INFORMATION TECHNOLOGY
27 Hazen Dr., Concord, NH 03301
Fax: 603-271-1516 TDD Access: 1-800-735-2964
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Denis Goulet
Commissioner

June 15, 2021

Lori A. Shibinette
Commissioner
Department of Health and Human Services
State of New Hampshire
129 Pleasant Street
Concord, NH 03301

Dear Commissioner Shibinette:

This letter represents formal notification that the Department of Information Technology (DoIT) has approved your agency's request to amend a contract (Amendment 17) with Conduent State Healthcare, LLC, of Germantown, MD as described below and referenced as DoIT No. 2005-004Q.

The requested action authorizes the Department of Health and Human Services to amend a contract with Conduent State Healthcare, LLC to provide additional Design, Development and Implementation (DDI) initiatives in support of the NH Medicaid Program, requiring changes to the State's Medicaid Management Information System (MMIS) as well as continued fiscal management of the system, maintenance and operations.

This amendment increases the price limitation by \$206,518,539 from \$254,121,854 to \$460,640,393 and extends the completion date from June 30, 2021 to June 30, 2026 effective upon Governor and Council approval for the period of July 1, 2021 through June 30, 2026.

A copy of this letter should accompany the Department of Health and Human Services' submission to the Governor and Executive Council for approval.

Sincerely,

A handwritten signature in cursive script that reads "Denis Goulet".

Denis Goulet

DG/ik
DoIT #2005-004Q

cc: Bruce Smith, IT Manager, DoIT

STATE OF NEW HAMPSHIRE
Department of Health and Human Services
Medicaid Management Information System
RFP # DHHS MMIS RFP 2005-004 CONTRACT AMENDMENT 17

This 17th Amendment to the Conduent State Healthcare, LLC (formerly known as Xerox State Healthcare, LLC) contract (hereinafter referred to as "Amendment 17") dated this day of June 2021, is by and between the State of New Hampshire, Department of Health and Human Services (hereinafter referred to as the "State" or "Department") and Conduent State Healthcare, LLC, a Delaware limited liability company, with a principal place of business at 100 Campus Drive, Florham Park, NJ 07932 (hereinafter referred to as "Conduent" or "Contractor"); and

WHEREAS, pursuant to an Agreement approved by Governor and Council, as a result of DHHS MMIS RFP 2005-004, on December 7, 2005 (Late Item C) and as amended by Amendment 1 on December 11, 2007 (Item #59); Amendment 2 on June 17, 2009 (Item #92); Amendment 3 on June 23, 2010 (Item #97); Amendment 4 on March 7, 2012 (Item#22A); Amendment 5 on December 19, 2012 (Item #27A); Amendment 6 on March 26, 2014 (Late Item A); Amendment 7 on June 18, 2014 (Item #61A); Amendment 8 on May 27, 2015 (Item #16); Amendment 9 on June 24, 2015 (Item #9); Amendment 10 on December 16, 2015 (Late Item A1); Amendment 11 on June 29, 2016 (Item #8); Amendment 12 on November 18, 2016 (Item #21A); Amendment 13 on July 19, 2017 (Item #7C); Amendment 14 on March 21, 2018 (Item #6B); Amendment 15 on June 20, 2018 (Late Item A); and Amendment 16 on June 19, 2019 (Item 8), (hereinafter referred to as the "Agreement"), the Contractor agreed to perform certain services based upon the terms and conditions specified in the Contract and in consideration of certain sums specified; and WHEREAS, pursuant to the Agreement Section 18: Amendment and the provisions of the Agreement, the Agreement may be modified or amended only by a written instrument executed by the parties thereto and approved by the Governor and Executive Council;

WHEREAS, Conduent and the Department have agreed to amend the Agreement in certain respects;

WHEREAS, the Department wishes to extend the contract expiration date, modify the scope of work and increase the price limitation;

WHEREAS, the Department and Conduent wish to extend the completion date from June 30, 2021 to June 30, 2026;

WHEREAS, the Department and Conduent wish to increase the Contract price by \$206,518,539 to bring the total contract price to \$460,640,393;

NOW THEREFORE, in consideration of the foregoing, and the covenants and conditions contained in the Agreement and set forth herein, the parties agree as follows:

The Agreement is hereby amended as follows:

1. Amend Section 1.6 of the Agreement (Page 1) by extending the Completion Date from June 30, 2021 to June 30, 2026.
2. Amend Section 1.8 of the Agreement (Page 1) by increasing the Price Limitation by \$206,518,539 from \$254,121,854 to \$460,640,393.
3. Amend Section 3, Effective Date: Completion of Services by restating Section 3.1 as follows:

"The effective date of the original Contract is December 7, 2005. The effective date of Amendment 1 is December 11, 2007. The effective date of Amendment 2 is June 17, 2009. The effective date of Amendment 3 is June 23, 2010. The effective date of Amendment 4 is March 7, 2012. The effective date of Amendment 5 is December 19, 2012. The effective date of Amendment 6 is March 26, 2014. The effective date of Amendment 7 is June 18, 2014. The effective date of Amendment 8 is May 27, 2015. The effective date of Amendment 9 is June 24, 2015. The effective date of Amendment 10 is December 16, 2015. The effective date of Amendment 11 is June 29, 2016. The effective date of Amendment 12 is November 18, 2016. The effective date of Amendment 13 is July 19, 2017. The effective date of Amendment 14 is March 21, 2018. The effective date of Amendment 15 is June 6, 2018. The effective date of Amendment 16 is June 19, 2019. The effective date of Amendment 17 is July 1, 2021. All of the preceding dates are the dates the Contract was approved by the New Hampshire Governor and Executive Council, or a date certain, whichever is later, as specified in each document. This Amendment 17 is effective on the date of Governor and Executive Council approval and shall continue through June 30, 2026."

The Parties agree that Conduent is hereby authorized to continue performance of the services pursuant to the terms of the Contract from the effective date of Amendment 17 through the date on which the State

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STATE OF NEW HAMPSHIRE
Department of Health and Human Services
Medicaid Management Information System
RFP # DHHS MMIS RFP 2005-004CONTRACT AMENDMENT 17

receives notice that CMS has approved funding for Amendment 17 ("Approval Date"). The parties further agree that Conduent is permitted to invoice the Department for services performed from the effective date of Amendment 17 to the Approval Date in accordance with the terms of the Contract. This invoice shall be submitted within 30 days of the Approval Date, which invoice the Department shall pay no later than 30 days after receipt. In the event CMS does not approve full funding for Amendment 17, the Department agrees to immediately notify Conduent of such and to pay Conduent for services performed between the effective date of Amendment 17 and 30 days after the date on which the Department receives notice of CMS rejection ("Rejection Date") in accordance with the terms of the Contract. In the event CMS does not approve full funding for Amendment 17, the Parties further agree to negotiate the terms of an extended performance period beginning 30 days after the Rejection Date. Conduent shall not be obligated to perform services under this Contract for more than 30 days after the Rejection Date absent agreement on the terms of such an extension.

4. Amend Exhibit A, Key Staff: The Contractor's "key staff" as identified in Exhibit A, Contract Paragraph 8.1.1 Key Staff, are hereby replaced with the following:

The Contractor's "key staff" shall be comprised of the following:

- Account Manager
- Technical Director
- Functional Manager
- Systems Manager
- Release Manager
- Interface Lead
- Claims Manager
- Call Center Manager
- Provider Enrollment Manager

Staffing requirements stated in this Amendment 17 supersede all previous stated contract requirements. Conduent is responsible to provide Fiscal Agent and O&M staffing to best meet the needs of the corresponding responsibilities and performance requirements.

Operation and Maintenance Services:

Managers, Subject Matter Experts, Business Analysts, Developers, QA Testers, Technical Analysts, and Reporting Specialists. Staff shall include onshore and offshore resources. Staff located onshore shall provide support during normal business hours from 8:00 AM EST to 5:00 PM EST, Monday – Friday, with on-call availability for after-hours support, weekends, and holidays. Staff located offshore shall provide support during the hours from 5:00 PM EST to 8:00 AM EST Monday – Friday, with on-call availability for afterhours support.

Fiscal Agent Services:

Managers, Provider Enrollment Specialists, Provider Field Representatives, Call Center Specialists, Claims Specialists, Quality Assurance Analysts and Publications Specialists.

5. Amend Exhibit I, Health Insurance Portability and Accountability Act Business Associate Agreement in its entirety and replace with Exhibit I Amendment 17, Health Insurance Portability and Accountability Act Business Associate Agreement, which is attached hereto and incorporated by reference herein.
6. Add Exhibit K, Amendment 17, DHHS, Information Security Requirements, which is attached hereto and incorporated by reference herein.
7. Add Exhibit O, Amendment 17, Additional Scope of Work, which is attached hereto and incorporated by reference herein.
8. Amend Appendix A.3: Delete Appendix A.3 in its entirety and replace with the revised Appendix A.3 attached hereto and incorporated by reference.
9. Delete Appendix A.14 (Performance Measures) in its entirety.

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Date: 6/16/2021

STATE OF NEW HAMPSHIRE
Department of Health and Human Services
Medicaid Management Information System
RFP # DHHS MMIS RFP 2005-004 CONTRACT AMENDMENT 17

10. Section 3: Add the following Table 2 to the end of this Section 3:

Table 2 CONTRACT HISTORY 2005-004-Medicaid Management Information System

CONTRACT AND AMENDMENT NUMBER	AMENDMENT TYPE	G&C APPROVAL DATE	END DATE	CONTRACT AMOUNT
2005-004	Original Contract	December 7, 2005 (Late Item C)	11/01/2010	\$ 60,860,763.00
2005-004 Amendment 1	1 st Amendment	December 11, 2007 (Item #59)	01/01/2014	\$ 0.00
2005-004 Amendment 2	2 nd Amendment	June 17, 2009 (Item #92)	01/30/2015	\$ 6,056,123.00
2005-004 Amendment 3	3 rd Amendment	June 23, 2010 (Item #97)	09/30/16	\$ 0.00
2005-004 Amendment 4	4 th Amendment	March 7, 2012 (Item#22A)	12/03/2017	\$ 9,037,125.00
2005-004 Amendment 5	5 th Amendment	December 19, 2012 (Item #27A)	03/31/2018	\$ 15,765,290.00
2005-004 Amendment 6	6 th Amendment	March 26, 2014 (Late Item A)	03/31/2018	\$ 18,806,210.00
2005-004 Amendment 7	7 th Amendment	June 18, 2014 (Item #61A)	03/31/2018	\$ 6,799,609.00
2005-004 Amendment 8	8 th Amendment	May 27, 2015 (Item #16)	03/31/2018	\$ 2,453,808.00
2005-004 Amendment 9	9 th Amendment	June 24, 2015 (Item #9)	03/31/2018	\$ 25,261,365.00
2005-004 Amendment 10	10 th Amendment	December 16, 2015 (Late Item A1)	03/31/2018	\$ 1,162,790.00
2005-004 Amendment 11	11 th Amendment	June 29, 2016 (Item #8)	03/31/2018	\$ 1,464,250.00
2005-004 Amendment 12	12 th Amendment	November 18, 2016 (Item #21A)	03/31/2018	\$ 1,776,575.00
2005-004 Amendment 13	13 th Amendment	July 19, 2017 (Item #7C)	03/31/2018	\$ 504,646.00
2005-004 Amendment 14	14 th Amendment	March 21, 2018 (Item #6B)	06/30/2018	\$ 6,244,437.00
2005-004 Amendment 15	15 th Amendment	June 20, 2018 (Late Item A)	06/30/2021	\$ 95,372,215.00
2005-004 Amendment 16	16 th Amendment	June 19, 2019 #8	06/30/2018	\$ 2,556,648.00
2005-004 Amendment 17	17 th Amendment	TBD	TBD	\$ 206,518,539.00
	CONTRACT TOTAL			\$ 460,640,393.00

All terms and conditions of the Contract and prior amendments not modified by this Amendment #17 remain in full force and effect.

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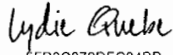
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Date: 6/18/2021

STATE OF NEW HAMPSHIRE
Department of Health and Human Services
Medicaid Management Information System
RFP # DHHS MMIS RFP 2005-004CONTRACT AMENDMENT 17

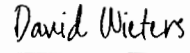
This modification shall take effect upon the approval date from the Governor and the Executive Council.

IN WITNESS WHEREOF, the parties have hereunto set their hands as of the day and year first above written.

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
Conduent State Healthcare, LLC

Date: 6/16/2021

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David Wieters
State of New Hampshire

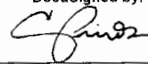
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Date: 6/16/2021

STATE OF NEW HAMPSHIRE
Department of Health and Human Services
Medicaid Management Information System
RFP # DHHS MMIS RFP 2005-004 CONTRACT AMENDMENT 17

The preceding Amendment, having been reviewed by this office, is approved as to form, substance, and execution.

Approved by the Attorney General

DocuSigned by:


Date: 6/16/2021

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State of New Hampshire, Department of Justice


I hereby certify that the foregoing Amendment was approved by the Governor and Executive Council of the State of New Hampshire at the Meeting on: _____ (date of meeting)

Office of the Secretary of State

By: _____

Title: _____

Date: _____

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Appendix A.3 of Amendment 17
NH MMIS
NH MMIS Liquidated Damages and Performance Measures

This revised Appendix A.3 of Amendment 17 replaces and supersedes the prior Appendix A.3 and Appendix A.14 in their entirety.

Subject to a written notice from the State to the Contractor, the aggregate Liquidated Damages shall not exceed five percent (5%) of the monthly invoice paid by the State; if Contractor fails to cure, a failed performance measure(s) within a thirty (30) days cure period or longer as mutually agreed upon by the Parties. If one failure triggers more than one failure(s), Contractor shall only be assessed for one failure if Contractor fails to cure the failed performance measure(s) within a thirty (30) days cure period or longer as mutually agreed upon by the Parties.

Any failure to achieve defined performance levels by Conduent shall delay and disrupt the State's operations and obligations. Therefore, the parties agree that liquidated damages as specified in this Amendment 17, as outlined in the chart below, reasonable.

The State shall determine compliance and assessment of liquidated damages on a monthly basis. The State shall notify Conduent of the potential assessment in writing of all liquidated damages. Conduent shall have thirty (30) days from the date of notice to meet a performance standard to cure the failure. The State may, at its discretion, allow Conduent additional time to cure the failure. If the failure is not resolved within the agreed upon cure period, liquidated damages may be imposed retroactively to the date of failure.

Liquidated damages may be recovered by means of offsetting against future payments under the Contract. If Conduent disagrees with the assessment of liquidated damages, it shall inform the State in writing of the basis of its disagreement. The parties shall make a good faith effort to negotiate any disagreements regarding the applicability of liquidated damages. If the parties are unable to reach an agreement, the parties shall rely upon the dispute resolution process.

Conduent shall not be liable for liquidated damages and other damages due to acts or failures of the State or State Partners. The aggregate total of all liquidated damages in a given month shall not exceed 5% of the total monthly invoice.

Contract Reference	Category	Performance Measure	Liquidated Damages
LD 1	Claims Adjudication Accuracy	Contractor shall ensure a financial accuracy rate of at least ninety-eight percent (98%) for all claims processed, as determined based on the aggregate total for the calendar month.	Liquidated damages in the amount of five percent (5%) of the total monthly invoice for the month in which the violation occurred.
LD2	System Downtime	Contractor shall ensure that the MMIS is available ninety-six percent (96%) of the time as measured on a monthly basis and that downtime is no greater than twenty-four (24) hours per incident. Contractor shall provide notice to the State as to its regularly	Liquidated damages in the amount of five percent (5%) of the total monthly invoice for the month in which the violation occurred.

Contract Reference	Category	Performance Measure	Liquidated Damages
		scheduled maintenance windows, which shall not be part of this guarantee.	
LD3	Reporting Requirements	Contractor shall provide all the reports and paid claims transactional history files defined in the State-approved system documentation within the stated time periods.	Liquidated damages in the amount of three percent (3%) of the total monthly invoice for the month in which the violation occurred..
LD 4	Call Answering Time	Contractor shall answer all calls within two (2) minutes or less of entering the queue, as determined based on the monthly average.	Liquidated damages in the amount of five percent (5%) of the total monthly invoice for the month(s) in which the violation occurred.
LD5	Claims Adjudication Timeliness	Contractor shall ensure ninety (90) percent of all clean provider submitted claims are adjudicated for payment, denial or budget relief within thirty (30) calendar days of the date of receipt.	Liquidated damages in the amount of five percent (5%) of the total monthly invoice for the month in which the violation occurred.
LD6	Customer Service Resolution Rate	Contractor shall ensure all customer service interactions are logged in the Contractor's information systems with ninety-five percent (95%) of all issues resolved on the same day and one hundred percent (100%) of issues resolved within 30 days.	Liquidated damages in the amount of three percent (3%) of the total monthly invoice for the month in which the violation occurred.
LD7	Ad Hoc Report Requests	Contractor shall ensure all State requests for custom reports are reviewed with the requestor within two (2) State workdays of receipt. The requestor and Conduent shall finalize requirements, including report output format. All requests for ad-hoc reports shall be completed within one (1) week of review unless otherwise negotiated at the time of the request from the State.	Liquidated damages in the amount of three percent (3%) of the total monthly invoice for the month in which the violation occurred
LD8	Communication	Contractor shall provide the State with any and all complete, accurate, and timely communication of all modifications made to the operational NH MMIS. Such communication shall be in accordance with the NH MMIS Project's approved format.	Liquidated damages in the amount of five percent (5%) of the total monthly invoice for the month in which the violation occurred
LD9	Key Staff Replacement	Contractor shall replace key personnel within forty-five (45) State workdays. The State may grant additional time to replace key personnel if the Conduent makes interim arrangements to ensure that	Liquidated damages in the amount of three percent (3%) of the total operating costs for the month in which the violation occurred

Contract Reference	Category	Performance Measure	Liquidated Damages
		operations are not affected by loss of personnel.	
	Provider Enrollment	The Contractor shall process at least 98 percent of completed provider enrollment applications within five (5) business days of the receipt of all required documents.	Liquidated damages in the amount of five percent (5%) of the total monthly invoice for the month in which the violation occurred.
1.1.1	Global Performance Measures	Apply data files to the MMIS following the schedule and process approved by the State to meet on-going operations.	Refer to 14 (Other Performance Requirements) below
1.1.2		Notify the State within two (2) business days of identifying any data errors. Timing for correcting data errors shall be agreed upon with the State.	
1.1.3		Audit 10% of keyed claims daily and maintain a data entry accuracy rate of at least 98% for all claims processed based on the aggregate total for the calendar month.	
1.1.4		Perform all updates to Designed System Detailed (DSD) Documentation according to a schedule defined and approved by the State as part of the change management process.	
1.1.5		Updated error reports and audit trails shall be submitted to the State on the next business day following the completion of the update.	
1.1.6		Forward all incoming checks to the appropriate State location within one (1) business day of receipt.	
1.1.7		Reports shall be generated and distributed according to the operational schedule defined and approved by the State.	
1.1.8		All system changes shall be performed according to a schedule defined and approved by the State as part of the change management process (e.g., system maintenance, modification, and reference data files).	

Contract Reference	Category	Performance Measure	Liquidated Damages
1.1.9			
1.1.10		Notify the State of any system functionality errors within one (1) business day of identification and present a resolution plan within five (5) business days.	
1.1.11		Maintain a ninety-nine percent (99%) accuracy rate on electronic eligibility file updates.	
1.1.12		All requests for information received from the State shall be reviewed with the requestor within two (2) business days of receipt. The requestor and Conduent shall agree on the format for responding to the request and a target delivery date.	
1.1.13		Correct and re-issue any State disapproved DSD in final format for State approval as part of the next scheduled system documentation delivery.	
1.1.14		Meet the performance standards in Part 11 of the State Medicaid manual.	
1.2.1		Recipient	
1.3.1	Provider	Licensing transactions that fail the update process shall be resolved within two (2) business days of the failure.	
1.3.2			
1.3.3			

Contract Reference	Category	Performance Measure	Liquidated Damages
1.3.4		Index and attach to the electronic enrollment record all provider documents within two (2) business days of receipt.	
1.3.5		Screen claims appeals and review for accuracy, validity, and completeness within two (2) business days of receipt from provider.	
1.3.6		Notify the provider within three (3) calendar days of receipt of a claims appeal of incomplete or missing information.	
1.3.7		Complete claim re-processing within two (2) business days of receipt of State processing instructions.	
1.3.8		Notify the provider within ten (10) business days of receipt of incomplete enrollment application explaining additional information required.	
1.3.9		Record in the MMIS the approval of a provider within two (2) business days of receipt of State Agent Approval.	
1.3.10			
1.3.11			
1.3.12		Staff provider relations phone lines with trained personnel from 8:00 a.m. to 5:00 p.m. Eastern Time, Monday through Friday with the exception of Conduent holidays and from 3:00pm-4:00pm on Fridays for call center training.	
1.3.13		The call abandonment rate shall be less than five percent (5%) as measured on a monthly basis.	

Contract Reference	Category	Performance Measure	Liquidated Damages
1.3.14		Audit 10% of provider calls for each call center agent on a daily basis and achieve at least ninety-five (95%) accuracy for all calls as determined based on the aggregate total for the calendar month (excluding staff in training).	
1.3.15		Respond to written, faxed, or e-mailed inquiries within five (5) business days of receipt.	
1.3.16		Provider documents shall be posted on the provider website within five (5) business days after State approval. As requested, Conduent with guide providers in accessing documentation.	
1.3.17		Upload provider billing manuals to the MMIS portal within two (2) business days of State approval.	
1.3.18			
1.3.19			
1.3.20			
1.3.21		Apply updates to the provider file within five (5) business days of receipt of the information.	
1.4.1		Eligibility Verification System (EVS)	

Contract Reference	Category	Performance Measure	Liquidated Damages
1.4.2		Assure a response time of no more than twenty-four (24) hours for batch 271 transactions	
1.4.3			
1.5.1	Automated Voice Response (AVR)	Provide a sufficient number of toll-free telephone lines to ensure that providers do not receive a busy signal ninety-nine (99%) of the time when accessing the AVR.	
1.5.2		Provide access to AVR seven (7) days per week, twenty-four (24) hours per day at least ninety-nine-and-a-half percent (99.5%) of the time as measured monthly, not including State-approved scheduled maintenance windows, unless approved otherwise by the State.	
1.6.1	Electronic Claims Management (ECM)	Respond to the receipt of a X12N 837 claims transaction with a X12N 999 Functional Acknowledgement within twenty-four (24) hours of receipt.	
1.6.2			
1.7.1	Reference	On-line updates to reference data performed by the Contractor shall be completed within one (1) business day of receipt.	
1.7.2		Maintain a ninety-nine percent (99%) accuracy rate for all reference file updates performed by the Contractor.	
1.7.3		Report reference file update errors identified within one (1) business day of error detection. Errors shall be corrected following State approved processes.	
1.8.1	Service Authorization		
1.8.2		Paper Service Authorization requests shall be entered into the MMIS within two (2) business days of receipt.	
1.9.1	Claims Control/Entry		
1.9.2		Image and/or key paper claims received from providers into the MMIS within three (3) business days of receipt. This includes dental claims which are keyed by Conduent	

Contract Reference	Category	Performance Measure	Liquidated Damages
		as well as all other paper claims that are loaded in the MMIS through the OCR process.	
1.9.3			
1.9.4		Test and report result of electronic billing, automated remittance, and electronic funds transfer options within ten (10) business days of a provider's written notice that they are ready to test.	
1.9.5		Return hardcopy claims missing required data within two (2) business days of receipt.	
1.9.6		Disability Determination Unit (DOU) documents shall be scanned and attached to the case within one (1) business day of receipt.	
1.10.1	Claims Processing	Adjudicate ninety-nine percent (99%) of all clean claims for payment, denial, or budget relief within ninety (90) calendar days of the date of receipt.	
1.10.2		Adjudicate one hundred percent (100%) of all other claims within twelve (12) months of the date of receipt.	
1.10.3		One hundred percent (100%) of all clean provider and State initiated adjustment requests shall be adjudicated within ten (10) business days of receipt.	
1.10.4			
1.11.1			
1.12.1	Third Party Liability (TPL)	Review and deliver TPL bills to the State TPL Unit no later than three (3) business days after the production run.	
1.12.2			

Contract Reference	Category	Performance Measure	Liquidated Damages
1.13.1	Early and Periodic Screening, Diagnosis and Treatment (EPSDT)	Generate and mail EPSDT notifications according to the schedule defined and approved by the State.	
1.14.1	Management and Administrative Reporting (MARS)	MARS data load shall be reconciled to the penny and load results shall be communicated to the State within three (3) business days of the completion of the data load.	
1.15.1	County Billing	Complete the production of the County Bill within twenty-four (24) hours of the Billing Unit's review and approval of the County Bill Claims data.	
1.16.1	Decision Support System (DSS)	Update Decision Support System (DSS) with MMIS and non-MMIS data according to the schedule defined and approved by the State and notify the State of the status on the following business day.	
1.16.2		Notify the State of any data load problems, discrepancies, or failures within one (1) business day of identification and present a resolution plan within three (3) business days.	
1.17.1	Acuity	Generate and display on-line interim and final census reports according to the schedule defined and approved by the State.	
1.17.2			
1.17.3		Generate operation and error reports on the same day as the completion of the acuity rate setting process.	
1.18.1	Technical	Class I - Routine (high frequency) inquiry/update/claim error correction transactions. The time elapsed after the command is given until the records begin to appear on the workstation. The response time shall be within an average of two (2) seconds.	
1.18.2		Class 2 - Routine creation/modification; claim entry and adjudication; enrollment/application time. The response time shall be within an average of four (4) seconds for the records created or modified.	

Contract Reference	Category	Performance Measure	Liquidated Damages
1.18.3			
1.19.1	Maintenance	Ensure one hundred percent (100%) accuracy in the software changes, updates, documentation, and data transferred to the State.	
1.20.1	Modification		
1.20.2			
1.20.3			
1.21.1	Turnover		
1.21.2			
		Agree that SharePoint shall be available 96% as measured in a given month and downtime shall be no greater than twenty-four (24) hours per incident. Conduent shall provide notice to the State as to its regularly scheduled maintenance windows, which shall not be part of this guarantee.	
		Generate and mail revalidation notifications according to the schedule defined and approved by the State.	

14. Other Performance Requirements:

- A. In addition to the liquidated damages specified above, the following liquidated damages may be assessed if the Contractor fails to meet the performance measures contained above and fails to submit and/or implement a successful Corrective Action Plan (CAP) as directed by the State. The Contractor shall submit the CAP to the State within ten (10) business days of notification. The CAP shall meet State approval. Liquidated damages may be assessed for performance measures that fail to occur within CAP specified times or do not meet requirements established in the CAP.
- B. For failure to deliver an acceptable CAP within ten (10) business days of notification by the State, the Contractor shall pay the State five hundred dollars (\$500.00) per day that the CAP is late or unacceptable based on industry standards. The State's approval shall not be unreasonably withheld.

- C. For failure to meet the timeframe specified in the CAP for correcting the deficiency or deficiencies, or other timeframe approved by the State, the Contractor shall pay the State five hundred dollars (\$500.00) per day that the CAP deficiency corrections are late.
- D. Contractor's aggregate Liquidated Damages shall not exceed five percent (5%) of the monthly invoice paid by the State,

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HEALTH INSURANCE PORTABILITY AND ACCOUNTABILITY ACT
BUSINESS ASSOCIATE AGREEMENT

The Contractor identified in Section 1.3 of the General Provisions of the Agreement agrees to comply with the Health Insurance Portability and Accountability Act, Public Law 104-191 and with the Standards for Privacy and Security of Individually Identifiable Health Information, 45 CFR Parts 160, 162, and 164 applicable to business associates, and as applicable with 42 CFR Part 2. As defined herein, "Business Associate" and "Covered Entity"

(1) Definitions.

- a. "Breach" shall have the same meaning as the term "Breach" in section 164.402 of Title 45, Code of Federal Regulations.
- b. "Business Associate" has the meaning given such term in section 160.103 of Title 45, Code of Federal Regulations and shall mean the Contractor and subcontractors and agents of the Contractor that receive, use or have access to protected health information under this Agreement
- c. "Covered Entity" has the meaning given such term in section 160.103 of Title 45, Code of Federal Regulations and shall mean the State of New Hampshire, Department of Health and Human Services (DHHS).
- d. "Designated Record Set" shall have the same meaning as the term "designated record set" in 45 CFR Section 164.501.
- e. "Data Aggregation" shall have the same meaning as the term "data aggregation" in 45 CFR Section 164.501.
- f. "Health Care Operations" shall have the same meaning as the term "health care operations" in 45 CFR Section 164.501.
- g. "HITECH Act" means the Health Information Technology for Economic and Clinical Health Act, Title XIII, Subtitle D, Part 1 & 2 of the American Recovery and Reinvestment Act of 2009.
- h. "HIPAA" means the Health Insurance Portability and Accountability Act of 1996, Public Law 104-191 and the Standards for Privacy and Security of Individually Identifiable Health Information, 45 CFR Parts 160, 162, and 164 and amendments thereto.
- i. "Individual" shall have the same meaning as the term "individual" in 45 CFR Section 160.103 and shall include a person who qualifies as a personal representative in accordance with 45 CFR Section 164.501(g).
- j. "Part 2 record" shall be as defined in 42 CFR Part 2, namely data or information identifying an individual relating to the individual's past, present, or future substance use disorder treatment, evaluation, or referral for treatment by a federally assisted program.
- k. "Privacy Rule" shall mean the Standards for Privacy of Individually Identifiable Health Information at 45 CFR Parts 160 and 164, promulgated under HIPAA by the United States

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- I. "Protected Health Information" shall have the same meaning as the term "protected health information" in 45 CFR Section 160.103, limited to the information created or received by Business Associate from or on behalf of Covered Entity. Protected Health Information shall include any "Part 2 records" as defined in 42 CFR 2.11.
- m. "Required by Law" shall have the same meaning as the term "required by law" in 45CFR Section 164.103.
- n. "Secretary" shall mean the Secretary of the Department of Health and Human Services or his/her designee.
- o. "Security Rule" shall mean the Security Standards for the Protection of Electronic Protected Health Information at 45 CFR Part 164, Subpart C, and amendments thereto.
- p. "Unsecured Protected Health Information" means protected health information that is not secured by a technology standard that renders protected health information unusable, unreadable, or indecipherable to unauthorized individuals and is developed or endorsed by a standards developing organization that is accredited by the American National Standards Institute.
- q. Other Definitions - All terms not otherwise defined herein shall have the meaning established under 45 C.F.R. Parts 160, 162 and 164, as amended from time to time, and the HITECH Act.

(2) Business Associate Use and Disclosure of Protected Health Information.

- a. Business Associate shall not use, disclose, maintain or transmit Protected Health Information (PHI) except as reasonably necessary to provide the services outlined under Exhibit B of the Agreement. Further, Business Associate, including but not limited to all its directors, officers, employees and agents, shall not use, disclose, maintain or transmit PHI in any manner that would constitute a violation of the Privacy and Security Rule.
- b. Business Associate may use or disclose PHI:
 - I. For the proper management and administration of the Business Associate;
 - II. As required by law, pursuant to the terms set forth in paragraph d. below;
 - III. For data aggregation purposes for the health care operations of Covered Entity;
 - IV. With notice to the Covered Entity, to perform services specified in Exhibit B of the Agreement; or
 - V. As applicable, with appropriate notices prohibiting re-disclosure as required by 42 CFR Part 2.32; and
 - VI. In accordance with the requirements of the HIPAA minimum necessary standard.
- c. To the extent Business Associate is permitted under the Agreement to disclose PHI to a Business Associate third party, Business Associate must obtain in writing, prior to making any such disclosure, (i) an agreement that the requirements, limitations, and restrictions placed on the Business Associate by this Business Associate Agreement also apply to the

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third party, (ii) reasonable assurances from the third party that such PHI will be held confidentially and used or further disclosed only as required by law or for the purpose for which it was disclosed to the third party; and (ii) an agreement from such third party to notify Business Associate, in accordance with the HIPAA Privacy, Security, and Breach Notification Rules of any breaches of the confidentiality of the PHI, to the extent it has obtained knowledge of such breach.

- d. The Business Associate shall not, unless such disclosure is reasonably necessary to provide services under Exhibit B of the Agreement, disclose any PHI in response to a request for disclosure on the basis that it is required by law, without first notifying Covered Entity so that Covered Entity has an opportunity to determine how to best protect the PHI. If Covered Entity objects to such disclosure, the Business Associate shall refrain from disclosing the PHI until Covered Entity has exhausted all remedies. The Business Associate shall not, unless such disclosure is reasonably necessary to provide services under Exhibit B of the Agreement, disclose any PHI in response to a request for disclosure on the basis that it is required by law, without first notifying Covered Entity so that Covered Entity has an opportunity to determine how to best protect the PHI. If Covered Entity objects to such disclosure, the Business Associate shall refrain from disclosing the PHI until Covered Entity has exhausted all remedies. In any judicial proceeding in which access to 42 CFR Part 2 records is requested or otherwise sought, Business Associate shall notify Covered Entity of the request and resist the effort to access the 42 CFR Part 2 records.

(3) **Obligations and Activities of Business Associate.**

- a. Business Associate shall implement appropriate safeguards to prevent unauthorized use or disclosure of PHI in accordance with HIPAA and 42 CFR Part 2, as applicable.
- b. The Business Associate shall notify the Covered Entity's Privacy Officer immediately after the Business Associate becomes aware of any use or disclosure of protected health information not provided for by the Agreement including breaches of unsecured protected health information and/or any security incident that may have an impact on the protected health information of the Covered Entity consistent with the terms of Exhibit K.
- c. The Business Associate shall promptly perform a risk assessment when it becomes aware of any of the above situations. The risk assessment shall include, as consistent with Exhibit K of the Agreement, but not be limited to:
- o The nature and extent of the protected health information involved, including the types of identifiers and the likelihood of re-identification;
 - o The unauthorized person used the protected health information or to whom the disclosure was made;
 - o Whether the protected health information was actually acquired or viewed; and
 - o The extent to which the risk to the protected health information has been mitigated.

The Business Associate shall complete a preliminary risk assessment and a final report

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and mitigation plan at the conclusion of the investigation, consistent with the terms of Exhibit K to the Agreement.

- d. The Business Associate shall comply with all applicable sections of the Privacy, Security, and Breach Notification Rule.
- e. Business Associate shall make available its pertinent policies and procedures, books and records relating to the use and disclosure of PHI received from, or created or received by the Business Associate on behalf of Covered Entity to the Secretary for purposes of determining Covered Entity's compliance with HIPAA and 42 CFR Part 2, if applicable.
- a. Business Associate shall require all of its business associates that receive, use or have access to PHI under the Agreement, to agree in writing to adhere to the same restrictions and conditions on the use and disclosure of PHI contained herein, including the duty to return or destroy the PHI as provided under Section 3 (I).
- f. Within five (5) business days of receipt of a written request from Covered Entity, Business Associate shall make available during normal business hours at its offices all pertinent records, books, agreements, policies and procedures relating to the use and disclosure of PHI to the Covered Entity, for purposes of enabling Covered Entity to determine Business Associate's compliance with the terms of the Business Associate Agreement.
- g. Within ten (10) business days of receiving a written request from Covered Entity, Business Associate shall provide access to PHI in a Designated Record Set to the Covered Entity, or as directed by Covered Entity, to an individual in order to meet the requirements under 45 CFR Section 164.524.
- h. Within ten (10) business days of receiving a written request from Covered Entity for an amendment of PHI or a record about an individual contained in a Designated Record Set, the Business Associate shall make such PHI available to Covered Entity for amendment and incorporate any such amendment to enable Covered Entity to fulfill its obligations under 45 CFR Section 164.526.
- i. Business Associate shall document such disclosures of PHI and information related to such disclosures as would be required for Covered Entity to respond to a request by an individual for an accounting of disclosures of PHI in accordance with 45 CFR Section 164.528.
- j. Within ten (10) business days of receiving a written request from Covered Entity for a request for an accounting of disclosures of PHI, Business Associate shall make available to Covered Entity such information as Covered Entity may require to fulfill its obligations to provide an accounting of disclosures with respect to PHI in accordance with 45 CFR Section 164.528.
- k. In the event any individual requests access to, amendment of, or accounting of PHI directly from the Business Associate, the Business Associate shall within two (2) business days forward such request to Covered Entity. Covered Entity shall have the responsibility of responding to forwarded requests. However, if forwarding the individual's request to Covered Entity would cause Covered Entity or the Business Associate to

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violate HIPAA and the Privacy and Security Rule, the Business Associate shall instead respond to the individual's request as required by such law and notify Covered Entity of such response as soon as practicable.

Within 90 days of termination of the Agreement, for any reason, the Business Associate shall return or destroy, in accordance with the most appropriate method specified in NIST 800-88, all PHI received from, or created or received by the Business Associate in connection with the Agreement, and shall not retain any copies or back-up tapes of such PHI in any form or platform. If return or destruction or NIST 800-88 method is not feasible, or the disposition of the PHI has been otherwise agreed to in the Agreement, Business Associate shall continue to extend the protections of the Agreement, to such PHI and limit further uses and disclosures of such PHI to those purposes that make the return or destruction infeasible, for so long as Business Associate maintains such PHI. If Covered Entity, in its sole discretion, requires that the Business Associate destroy any or all PHI, the Business Associate shall certify to Covered Entity that the PHI has been destroyed.

(4) Obligations of Covered Entity

- a. Covered Entity shall notify Business Associate of any changes or limitation(s) in its Notice of Privacy Practices provided to individuals in accordance with 45 CFR Section 164.520, to the extent that such change or limitation may affect Business Associate's use or disclosure of PHI. A current version of Covered Entity's Notice of Privacy Practices is available at <https://www.dhhs.nh.gov/oos/hipaa/publications.htm>, and any changes thereto will be posted on the website.
- b. Covered Entity shall promptly notify Business Associate of any changes in, or revocation of permission provided to Covered Entity by individuals whose PHI may be used or disclosed by Business Associate under this Business Associate Agreement, pursuant to 45 CFR 164.506 or 45 CFR 164.508.
- c. Covered entity shall promptly notify Business Associate of any restrictions on the use or disclosure of PHI that Covered Entity has agreed to in accordance with 45 CFR 164.522, to the extent that such restriction may affect Business Associate's use or disclosure of PHI.

(5) Termination for Cause

In addition to Paragraph 9 of the standard terms and conditions (P-37) of the Agreement the Covered Entity may terminate the Agreement upon Covered Entity's knowledge of a material breach by Business Associate of the Business Associate Agreement. The Covered Entity may provide an opportunity for Business Associate to cure the alleged material breach within a timeframe specified by Covered Entity.

(6) Miscellaneous

- a. Definitions and Regulatory References. All terms used, but not otherwise defined herein, shall have the same meaning as those terms in the Privacy and Security Rule, amended from time to time. A reference in the Agreement, as amended to include this Exhibit I, to a Section in the Privacy and Security Rule or 42 CFR Part 2 means the Section as in



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- effect or as amended.
- b. Amendment. Covered Entity and Business Associate agree to take such action as is necessary to amend the Agreement, from time to time as is necessary for Covered Entity to comply with the changes in the requirements of HIPAA, the Privacy and Security Rule, 42 CFR Part 2, and applicable federal and state law.
 - c. Data Ownership. The Business Associate acknowledges that it has no ownership rights with respect to the PHI provided by or created on behalf of Covered Entity.
 - d. Interpretation. The parties agree that any ambiguity in the Agreement shall be resolved to permit Covered Entity to comply with HIPAA, the Privacy and Security Rule, and 42 CFR Part 2.
 - e. Segregation. If any term or condition of this Exhibit I or the application thereof to any person(s) or circumstance is held invalid, such invalidity shall not affect other terms or conditions which can be given effect without the invalid term or condition; to this end the terms and conditions of this Exhibit I are declared severable.
 - f. Survival. Provisions in this Exhibit I regarding the use and disclosure of PHI, return or destruction of PHI, extensions of the protections of the Agreement in section (3) I, the defense and indemnification provisions of section (3) e and Paragraph 13 of the standard terms and conditions (P-37), shall survive the termination of the Agreement.

IN WITNESS WHEREOF, the parties hereto have duly executed this Exhibit I.

Department of Health and Human Services

 The State
 DocuSigned by:
 David Wieters

 Signature of Authorized Representative
 David Wieters

 Name of Authorized Representative
 Director Information Services

 Title of Authorized Representative
 6/16/2021

 Date

Conduent State Healthcare, LLC

 Name of the Contractor
 DocuSigned by:
 Lydie Quebe

 Signature of Authorized Representative
 Lydie Quebe

 Name of Authorized Representative
 Vice President

 Title of Authorized Representative
 6/16/2021

 Date

New Hampshire Department of Health and Human Services

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DHHS Information Security Requirements



A. Definitions

The following terms may be reflected and have the described meaning in this document:

1. "Breach" means the loss of control, compromise, unauthorized disclosure, unauthorized acquisition, unauthorized access, or any similar term referring to situations where persons other than authorized users and for an other than authorized purpose have access or potential access to personally identifiable information, whether physical or electronic. With regard to Protected Health Information, "Breach" shall have the same meaning as the term "Breach" in section 164.402 of Title 45, Code of Federal Regulations.
2. "Computer Security Incident" shall have the same meaning "Computer Security Incident" in section two (2) of NIST Publication 800-61, Computer Security Incident Handling Guide, National Institute of Standards and Technology, U.S. Department of Commerce.
3. "Confidential Information" or "Confidential Data" means all confidential information disclosed by one party to the other such as all medical, health, financial, public assistance benefits and personal information including without limitation, Substance Abuse Treatment Records, Case Records, Protected Health Information and Personally Identifiable Information.

Confidential Information also includes any and all information owned or managed by the State of NH - created, received from or on behalf of the Department of Health and Human Services (DHHS) or accessed in the course of performing contracted services - of which collection, disclosure, protection, and disposition is governed by state or federal law or regulation. This information includes, but is not limited to Protected Health Information (PHI), Personal Information (PI), Personal Financial Information (PFI), Federal Tax Information (FTI), Social Security Numbers (SSN), Payment Card Industry (PCI), and or other sensitive and confidential information.

4. "End User" means any person or entity (Contractor, Contractor's employee(s), Contractor's business associate(s), or Contractor's subcontractor(s)) that receives DHHS data or derivative data in accordance with the terms of this Contract.
5. "HIPAA" means the Health Insurance Portability and Accountability Act of 1996 and the regulations promulgated thereunder; 45 CFR 160, 162, and 164 which includes the HIPAA Privacy Rule and the HIPAA Security Rule.
6. "Incident" means an act that potentially violates an explicit or implied security policy, which includes attempts (either failed or successful) to gain unauthorized access to a system or its data, unwanted disruption or denial of service, the unauthorized use of a system for the processing or storage of data; and changes to system hardware, firmware, or software characteristics without the owner's knowledge, instruction, or consent. Incidents include the loss of data through theft or device misplacement, loss or misplacement of hardcopy documents, and misrouting of physical or electronic

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DHHS Information Security Requirements



mail, all of which may have the potential to put the data at risk of unauthorized access, use, disclosure, modification or destruction.

7. "Open Wireless Network" means any network or segment of a network that is not designated by the State of New Hampshire's Department of Information Technology or delegate as a protected network (designed, tested, and approved, by means of the State, to transmit) will be considered an open network and not adequately secure for the transmission of unencrypted PI, PFI, PHI or confidential DHHS data.
8. "Personal Information" (or "PI") means information which can be used to distinguish or trace an individual's identity, such as their name, social security number, personal information as defined in New Hampshire RSA 359-C:19, biometric records, etc., alone, or when combined with other personal or identifying information which is linked or linkable to a specific individual, such as date and place of birth, mother's maiden name, etc.
9. "Protected Health Information" (or "PHI") has the same meaning as provided in the definition of "Protected Health Information" in the HIPAA Privacy Rule at 45 C.F.R. § 160.103.
10. "Unsecured Protected Health Information" means Protected Health Information that is not secured by a technology standard that renders Protected Health Information unusable, unreadable, or indecipherable to unauthorized individuals and is developed or endorsed by a standards developing organization that is accredited by the American National Standards Institute.

I. RESPONSIBILITIES OF DHHS AND THE CONTRACTOR

A. Business Use and Disclosure of Confidential Information.

1. The Contractor must not use, disclose, maintain or transmit Confidential Information except as reasonably necessary as outlined under this Contract. Further, Contractor, including but not limited to all its directors, officers, employees and agents, must not use, disclose, maintain or transmit PHI in any manner that would constitute a violation of the Privacy and Security Rule.
2. The Contractor must not disclose any Confidential Information in response to a

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request for disclosure on the basis that it is required by law, in response to a subpoena, or pursuant to a court order or an order of State or Federal regulatory authority, without first notifying DHHS so that DHHS has an opportunity to determine how to best protect the Confidential Information. Contractor shall cooperate with DHHS to limit disclosure of such Confidential Information to the extent reasonably necessary to comply with such court's or regulatory authority's request.

3. Omitted
4. The Contractor agrees that DHHS Data or derivative there from disclosed to an End User must only be used pursuant to the terms of this Contract.
5. The Contractor agrees DHHS Data obtained under this Contract may not be used for any other purposes than those indicated in this Contract.
6. The Contractor agrees to grant access to the DHHS data to the authorized representatives of DHHS for the purpose of inspecting to confirm compliance with the terms of this Contract. If the authorized representative is a non-State employee, the authorized representative will sign a Contractor NDA prior to accessing the data. DHHS and Contractor will mutually agree on a process prior to access.

II. METHODS OF SECURE TRANSMISSION OF DATA

1. Application Encryption. If End User is transmitting DHHS data containing Confidential Data between Contractor, subcontractor or third-party applications used for this Contract, the Contractor attests the applications have been evaluated by an expert knowledgeable in cyber security and that said application's encryption capabilities ensure secure transmission via the internet.
2. Computer Disks and Portable Storage Devices. End User may not use computer disks or portable storage devices, such as a thumb drive, as a method of transmitting DHHS data.
3. Encrypted Email. End User may only employ email to transmit Confidential Data if email is encrypted and being sent to and being received by email addresses of persons authorized to receive such information.
4. Encrypted Web Site. If End User is employing the Web to transmit Confidential Data, then current transport layer security (TLS) (TLS 1.2 or TLS 1.3) must be used to encrypt data during transmission to keep the internet connection secure and to safeguard the Confidential Data to prevent unauthorized access or data modification. Based on the regulatory requirements for the data type.
5. File Hosting Services, also known as File Sharing Sites. End User may not use file hosting services, such as Dropbox or Google Cloud Storage, to transmit Confidential Data.
6. Ground Mail Service. End User may only transmit Confidential Data via *certified* ground mail within the continental U.S. and when sent to a named individual.
7. Laptops and PDA. If End User is employing portable devices to transmit

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Confidential Data said devices must be encrypted and password-protected.

8. Open Wireless Networks. End User may not transmit Confidential Data via an open wireless network. End User must employ a virtual private network (VPN) when remotely transmitting via an open wireless network.
9. Remote User Communication. If End User is employing remote communication to access or transmit Confidential Data, a virtual private network (VPN) must be installed on the End User's mobile device(s) or laptop from which information will be transmitted or accessed. Contractor may also employ virtual desktop infrastructure (VDI) with approval of DHHS Information Security Office.
10. Secure File Transfer Protocol (SFTP) If End User is employing an SFTP to transmit Confidential Data, End User will structure the Folder and access privileges to prevent inappropriate disclosure of information. SFTP folders and sub-folders used for transmitting Confidential Data will be coded for 24-hour auto-deletion cycle (i.e. Confidential Data will be deleted every 24 hours).
11. Transport Layer Security Protocol (TLS). Contractor shall ensure that the connection is encrypted at rest and in transmission as well as configure the connection to meet State of New Hampshire DoIT standards.
12. Wireless Devices. If End User is transmitting Confidential Data via wireless devices, all data must be encrypted to prevent inappropriate disclosure of information.

III. RETENTION AND DISPOSITION OF IDENTIFIABLE RECORDS

The Contractor will only retain the data and any derivative of the data for the duration of this Contract. After such time, the Contractor will have 90 days to destroy the data and any derivative in whatever form it may exist, unless, otherwise required by law or permitted under this Contract. To this end, the parties must:

A. Retention

1. The Contractor agrees it will not store, transfer or process data collected in connection with the services rendered under this Contract outside of the United States without written exception by DHHS Information Security Office. Such data may, however, be accessed outside of the United States with written exception by by DHHS Information Security Office. This physical location requirement shall also apply in the implementation of cloud computing, cloud service or cloud storage capabilities, and includes backup data and Disaster Recovery locations.
2. The Contractor agrees to ensure proper security monitoring capabilities are in place to detect potential security events that can impact State of NH systems and/or Department confidential information for contractor provided systems.
3. The Contractor agrees to provide security awareness and education for its End Users in support of protecting Department confidential information.
4. The Contractor agrees to retain all electronic and hard copies of Confidential Data in a secure location and identified in section IV. A.2

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5. The Contractor agrees Confidential Data stored in a Cloud must be in a FedRAMP/HITECH compliant solution and comply with all applicable statutes and regulations regarding the privacy and security. All servers and devices must have currently-supported and hardened operating systems, the latest anti-viral, anti-hacker, anti-spam, anti-spyware, and anti-malware utilities. The environment, as a whole, must have aggressive intrusion-detection and firewall protection.
 6. The Contractor agrees to and ensures its complete cooperation with the State's Chief Information Officer in the detection of any security vulnerability of the hosting infrastructure.

B. Disposition

1. If the Contractor will maintain any Confidential Information on its systems (or its sub-contractor systems), the Contractor will sanitize and dispose of such data upon request or contract termination in accordance with the most appropriate standard described in NIST Special Publication 800-88, Rev 1, Guidelines for Media Sanitization, National Institute of Standards and Technology, U. S. Department of Commerce. The Contractor will document and certify in writing at time of the data destruction, and will provide written certification to the Department upon request. The written certification will include all details necessary to demonstrate data has been properly destroyed and validated. Where applicable, regulatory and professional standards for retention requirements will be jointly evaluated by the State and Contractor prior to destruction.
2. Unless otherwise specified, within ninety (90) days of the termination of this Contract, Contractor agrees to destroy all hard copies of Confidential Data using a secure method such as shredding.
3. Unless otherwise specified, within ninety (90) days of the termination of this Contract, Contractor agrees to dispose of all electronic Confidential Data in accordance with Section B.1.

IV. PROCEDURES FOR SECURITY

- A. Contractor agrees to safeguard the DHHS Data received under this Contract, and any derivative data or files, as follows:
 1. The Contractor will maintain proper security controls to protect Department confidential information collected, processed, managed, and/or stored in the delivery of contracted services.
 2. The Contractor will maintain policies and procedures to protect Department confidential information throughout the information lifecycle, where applicable, (from creation, transformation, use, storage and secure destruction) regardless of the media used to store the data (i.e., tape, disk, paper, etc.).

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3. The Contractor will maintain appropriate authentication and access controls to contractor systems that collect, transmit, or store Department confidential information where applicable.
4. The Contractor will ensure proper security monitoring capabilities are in place to detect potential security events that can impact State of NH systems and/or Department confidential information for contractor provided systems.
5. The Contractor will provide regular security awareness and education for its End Users in support of protecting Department confidential information.
6. If the Contractor will be sub-contracting any core functions of the engagement supporting the services for State of New Hampshire, the Contractor will maintain a program of an internal process or processes that defines specific security expectations, and monitoring compliance to security requirements that at a minimum match those for the Contractor, including breach notification requirements.
7. The Contractor will work with the Department to sign and comply with all applicable State of New Hampshire and Department system access and authorization policies and procedures, systems access forms, and computer use agreements as part of obtaining and maintaining access to any Department system(s). Agreements will be completed and signed by the Contractor and any applicable sub-contractors prior to system access being authorized.
8. If the Department determines the Contractor is a Business Associate pursuant to 45 CFR 160.103, the Contractor will execute a HIPAA Business Associate Agreement (BAA) with the Department and is responsible for maintaining compliance with the agreement.
9. The Contractor will work with the Department at its request to complete a System Management Survey. The purpose of the survey is to enable the Department and Contractor to monitor for any changes in risks, threats, and vulnerabilities that may occur over the life of the Contractor engagement. The survey will be completed annually, or an alternate time frame at the Departments discretion with agreement by the Contractor, or the Department may request the survey be completed when the scope of the engagement between the Department and the Contractor changes.
10. The Contractor will not store, knowingly or unknowingly, any State of New Hampshire or Department data offshore or outside the boundaries of the United States unless prior express written consent is obtained from the Information Security Office leadership member within the Department.
11. Data Security Breach Liability. In the event of a security breach caused by the Contractor, Contractor shall make efforts to investigate the causes of the breach, promptly take measures to prevent future breach and minimize any damage or loss resulting from the breach. The State shall recover from the Contractor all costs of response and recovery from

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the breach, including but not limited to: credit monitoring services, mailing costs and costs associated with website and telephone call center services necessary due to the breach.

12. Contractor must, comply with all applicable statutes and regulations regarding the privacy and security of Confidential Information as amended from time-to-time, and must in all other respects maintain the privacy and security of PI and PHI at a level and scope that is not less than the level and scope of requirements applicable to federal agencies, including, but not limited to, provisions of the Privacy Act of 1974 (5 U.S.C. § 552a), DHHS Privacy Act Regulations (45 C.F.R. §5b), HIPAA Privacy and Security Rules (45 C.F.R. Parts 160 and 164) that govern protections for individually identifiable health information. Any changes to these provisions after the Effective Date will be managed through the change management process via a change order and shall be subject to mutual agreement on cost, schedule, scope, resource, and/or any other impacts.
13. Contractor agrees to establish and maintain appropriate administrative, technical, and physical safeguards to protect the confidentiality of the Confidential Data and to prevent unauthorized use or access to it. The safeguards must provide a level and scope of security that is not less than the level and scope of security requirements established by the State of New Hampshire, Department of Information Technology. Refer to Vendor Resources/Procurement at <https://www.nh.gov/doit/vendor/index.htm> for the Department of Information Technology policies, guidelines, standards, and procurement information relating to vendors.
14. Contractor agrees to maintain a documented breach notification and incident response process. The Contractor will notify the State's Privacy Officer and the State's Security Officer of any security breach immediately, at the email addresses provided in Section VI. This includes a confidential information breach, computer security incident, or suspected breach which affects or includes any State of New Hampshire systems that connect to the State of New Hampshire network.
15. Contractor must restrict access to the Confidential Data obtained under this Contract to only those authorized End Users who need such DHHS Data to perform their official duties in connection with purposes identified in this Contract.
16. The Contractor must ensure that all End Users:
 - a. comply with such safeguards as referenced in Section IV A. above, implemented to protect Confidential Information that is furnished by DHHS under this Contract from loss, theft or inadvertent disclosure.
 - b. safeguard this information at all times.
 - c. ensure that laptops and other electronic devices/media containing PHI, PI, or PFI are encrypted and password-protected.
 - d. send emails containing Confidential Information only if encrypted and being sent to and being received by email addresses of persons authorized to receive such information.

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- e. limit disclosure of the Confidential Information to the extent permitted by law.
- f. Confidential Information received under this Contract and individually identifiable data derived from DHHS Data, must be stored in an area that is physically and technologically secure from access by unauthorized persons during duty hours as well as non-duty hours (e.g., door locks, card keys, biometric identifiers, etc.).
- g. only authorized End Users may transmit the Confidential Data, including any derivative files containing personally identifiable information, and in all cases, such data must be encrypted at all times when in transit, at rest, or when stored on portable media as required in section IV above.
- h. in all other instances Confidential Data must be maintained, used and disclosed using appropriate safeguards, as determined by a risk-based assessment of the circumstances involved.
- i. understand that their user credentials (username and password) must not be shared with anyone. End Users will keep their credential information secure. This applies to credentials used to access the site directly or indirectly through a third-party application.

Contractor is responsible for oversight and compliance of their End Users. DHHS reserves the right to conduct onsite inspections to monitor compliance with this Contract, including the privacy and security requirements provided in herein, HIPAA, and other applicable laws and Federal regulations until such time the Confidential Data is disposed of in accordance with this Contract.

V. LOSS REPORTING

- A. The Contractor must notify NH DHHS Information Security via the email address provided in this Exhibit, of any known or suspected Incidents or Breaches immediately after the Contractor has determined that the aforementioned has occurred and that Confidential Data may have been exposed or compromised.
 - 1. Parties acknowledge and agree that unless notice to the contrary is provided by the Department in its sole discretion to Contractor, this Section V.1 constitutes notice by Contractor to Department of the ongoing existence and occurrence or attempts of Unsuccessful Security Incidents for which no additional notice to Department shall be required. "Unsuccessful Security Incidents" means, without limitation, pings and other broadcast attacks on Contractor's firewalls, port scans, unsuccessful log-on attempts, denial of service attacks, and any combination of the above, so long as no such incident results in unauthorized access, use or disclosure of Confidential Data.
- B. Per the terms of this Exhibit the Contractor's and End User's security incident and breach response procedures must address how the Contractor will:
 - 1. Identify incidents;
 - 2. Determine if Confidential Data is involved in incidents;

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3. Report suspected or confirmed incidents to the Department as required in this Exhibit. The Department will provide the Contractor with a NH DHHS Business Associate Incident Risk Assessment Report for completion.
 4. Within 48 hours of initial notification to the Department, submit a summary of the scope of the incident in the form of completing the NH DHHS Business Associate Incident Risk Assessment Report and email it to the Department's Information Security Office at the email address provided herein;
 5. Identify and convene a core response group to determine the risk level of incidents and determine risk-based responses to incidents and mitigation measures, prepare to include the Department in the incident response calls throughout the incident response investigation;
 6. Identify incident/breach notification method and timing;
 7. Within one business week of the conclusion of the Incident/Breach response investigation a final written Incident Response Report and Mitigation Plan is submitted to the Department's Information Security Office at the email address provided herein;
 8. Address and report incidents and/or Breaches that implicate personal information (PI) to the Department in accordance with NH RSA 359-C:20 and this Agreement;
 9. Address and report incidents and/or Breaches per the HIPAA Breach Notification Rule, and the Federal Trade Commission's Health Breach Notification Rule 16 CFR Part 318 and this Agreement.
 10. Comply with all applicable state and federal suspected or known Confidential Data loss obligations and procedures.
- C. All legal notifications required as a result of a breach of information, or potential breach, collected pursuant to this Contract shall be coordinated with the State if caused by the Contractor. The Contractor shall ensure that any subcontractors used by the Contractor shall similarly notify the State of a Breach, or potential Breach immediately upon discovery, shall make a full disclosure, including providing the State with all available information, and shall cooperate fully with the State, as defined above.

VI. PERSONS TO CONTACT

A. DHHS Privacy Officer:

DHHSPrivacyOfficer@dhhs.nh.gov

B. DHHS Security Officer:

DHHSInformationSecurityOffice@dhhs.nh.gov

Exhibit O of Amendment 17

New Hampshire MMIS Fiscal Agent and Operation and Maintenance (“O&M”) Services, Technology Stack Upgrade and Interoperability Statement of Work (“SOW”)

June 8, 2021

Version 1.0

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1. Introduction

This Statement of Work ("SOW") to the Conduent State Healthcare, LLC Contract by and between the State of New Hampshire, Department of Health and Human Services (hereinafter referred to as the "State" or "DHHS" or "Department" or "Client"), and Conduent State Healthcare, LLC (hereinafter referred to as "Conduent" or "Contractor"). This SOW replaces and supersedes all previous Fiscal Agent and Operations and Maintenance (O&M) requirements set forth in the Contract.

2. Purpose

The purpose of this SOW is for Conduent to continue providing the Fiscal Agent and Operations and Maintenance ("O&M") Services for the State, and performing Technology Stack Upgrade and Interoperability requirements. Conduent shall continue to operate and maintain a customizable MMIS and agrees to perform services based upon the scope in this SOW.

3. Acronyms

Acronyms	Term
3DES	Triple data encryption standard
ACD	Automatic Call Distributor
API	Application Programming Interfaces
AVRS	Automated Voice Response System
CMS	Centers for Medicare and Medicaid Services
COTS	Commercial Off-The-Shelf
CR	Change Request
DHHS	Department of Health and Human Services
DR	Disaster Recovery
DSL	Digital Subscriber Line
EDI	Electronic Data Interchange
EFDAS	Electronic Fraud and Abuse Detection System
EMAR	Enterprise Management and Administrative Reporting
EPSDT	Early and Periodic Screening, Diagnostic and Treatment
FHIR	Fast Healthcare Interoperability Resources
HAPI	HL7 Application Programming Interface
HIPAA	Health Insurance Portability and Accountability Act

IOS	Internetwork Operating System
IOX	Interoperability Exchange
JAD	Joint Application Development
LAN	Local Area Network
MMIS	Medicaid Management Information System
MSDP	Media Server De-duplication pool
O&M	Operations & Maintenance
PDex	Payer Data Exchange
RFP	Request for Proposal
SIT	System Integration Testing
T1	An internet connection providing high-speed bandwidth over an optic fiber
TCR	Technical Change Request
TMSIS	Transformed Medicaid Statistical Information System
TPL	Third Party Liability
TSU	Technical Stack Upgrade
UAT	User Acceptance Testing
VPN	Virtual Private Network
WAN	Wide Area Network

4. Scope

The Scope for this SOW defines the responsibilities of the Fiscal Agent and the Operations and Maintenance (“O&M”) Services of the MMIS. The Scope for Fiscal Agent and O&M can be found under the corresponding sections in this SOW.

5. Disaster Recovery and Backup

5.1 Disaster Recovery

Conduent shall retain a disaster recovery and backup plan, which shall ensure, to the greatest extent possible, that the MMIS shall be protected against hardware and software failures, human error, natural disasters, and other emergencies that could interrupt service. The disaster recovery plan shall be available for review by the State on request. The Disaster Recovery and Backup Plan address the following:

- Checkpoint/restart capabilities

- Retention and storage of back-up files and software
- Hardware backup for the main processor
- Hardware backup for data entry equipment
- Network backup for telecommunications
- The continued processing of New Hampshire transactions
- Back-up procedures and support to accommodate the loss of on-line communication between Conduent's processing site and State facilities in New Hampshire
- A detailed file back-up plan and procedures, including the off-site storage of crucial transaction and master files
- Detailed schedule for backing up critical files and their rotation to an off-site storage facility
- Off-site storage facility providing for comparable security of the data stored there, including fire, sabotage, and environmental considerations
- Maintenance of current system documentation and source program libraries at an off-site location

Annually, Conduent shall perform two disaster recovery exercises, a system disaster recovery exercise, and a Fiscal Agent relocation exercise. The system disaster recovery exercise shall validate the ability to perform complete restoration of the MMIS system and affiliated network. The Fiscal Agent disaster recovery relocation exercise shall validate the ability to perform all Fiscal Agent functions should the primary facility be rendered inaccessible. For each disaster recovery test, Conduent shall create a testing report and shall submit this document to DHHS for review. Conduent shall submit a finding report and corrective action plan within 30 days of completion of the test.

5.2 Data Backup

In addition to redundant and failover equipment, Conduent shall perform both daily incremental and weekly full backups of the servers and databases. Incremental backups capture changes to data that have occurred since the last full backup. Backups are performed on a nightly basis for all files. For MMIS Oracle databases, full Oracle Recovery Manager backups are taken weekly and incremental backups for databases happen daily. Incremental and full server and database backups shall stay on NetBackup MSDP (media server deduplication pool) disk for five (5) days and shall be copied concurrently to tapes during this period. Backup tapes shall be stored on site until these tapes are rotated to the offsite storage, Iron mountain, facility. Rotation to the Iron Mountain facility shall occur once a week. Conduent shall work with the State to develop a backup tape retention schedule. Currently, backup tapes for production are being retained for ten (10) years.

6. Location and Office Requirements

During the term of this contract, Conduent shall furnish and equip an appropriate office location within the city of Concord, within 15 minutes of DHHS' Pleasant St building. The office shall be sufficient to house the Conduent and State MMIS staff, hardware, software, and necessary equipment.

Upon reasonable notice, Conduent shall allow the State, and its authorized representatives, to enter all areas of the premises where duties under this SOW are being performed, to inspect, monitor, or otherwise evaluate the directly related work being performed. Any authorized representative engaged to provide audit support shall not include competitors of Conduent. Any non-State or Non-Federal resource shall sign a Conduent Non-Disclosure Agreement.

6.1 Length of Facility Lease

Conduent shall to secure the lease of the current facility to be co-terminus with the Contract Term.

6.2 State Staff Space

Conduent shall provide workspace sufficient to accommodate twenty-five (25) State staff. The space provided for use by State employees shall include modular workstations, six (6) private offices, and shared access to two (2) large conference rooms and a break room. Each private office shall be equipped with floor to ceiling walls, locking doors, one desk and chair, a bookcase, a side chair, a physical connection to the DHHS Local Area Network (LAN), and a telephone with voice mail for each State staff member. The secure State area shall be equipped with a separate copier, printer, and fax machine for use by State employees.

6.3 Conference Rooms

Conduent's facility shall continue to be equipped with two (2) large conference rooms that shall be available for use by either Conduent or State staff. The conference rooms shall continue to include Wi-Fi and shall continue to be wired with additional data ports and phone ports, enabling them to be used to conduct new hire or user training, or to accommodate temporary or overflow staff, if necessary.

6.4 Computer Lab

A Computer Lab shall continue to be provided for training and testing. The Computer Lab shall be equipped with 25 workstations. The Computer Lab shall be securely located within the shared State and Conduent area and shall only be accessed by State or authorized Conduent employees.

6.5 Facility and Equipment Security

Conduent shall be responsible for protecting the Department's data by maintaining a secure office. Conduent ensures adherence to the Health Insurance Portability and Accountability Act (HIPAA) security and privacy regulations as applicable and provides additional protection for the State project data and equipment.

Key elements of Conduent's facility and equipment security measures shall include:

- Swipe cards shall control access to the building and offices, limiting access to authorized personnel only
- No windows or doors shall allow direct external access to the LAN room
- Doors accessible from the lobby area shall remain closed and locked
- All visitors shall be required to sign a visitor logbook; wear visitor badges; and, except for those staff designated by DHHS, be escorted while present in the State MMIS facility
- All data files that are not in use shall be secured in a fireproof vault, which shall be protected by an automatic fire detection and extinguishing system
- The LAN room shall contain an automatic heat and smoke detection system
- All onsite communications, routing, network, and processing equipment shall be located in an area that remains secured at all times
- Reports and documents shall be securely destroyed in compliance with a State-approved recycling program
- Conduent shall comply with any and all other security guidelines, as applicable, established by the State throughout the duration of the contract. Any changes shall be managed through the change management process and shall be subject to mutual agreement on cost, schedule, scope, resource, and/or any other impacts.

6.6 LAN Architecture and Telecommunications Linkages

Conduent systems shall conform to State standards for platforms and interconnections in effect as of the Effective Date ("Effective Date") of Amendment 17Medicaid program.

Conduent's LAN architecture and telecommunications solution provides necessary interfaces with other State systems or locations, when appropriate. Conduent shall provide a router at the State office to connect to the State network through a State-furnished firewall. The router shall include an Advanced Security Internetwork Operating System (IOS) with 3DES (Triple Data Encryption Standard) encryption and secure network capabilities.

Conduent shall provide redundancy for connecting to the State's WAN. In the event that the primary point-to-point T1 link is unavailable, State users shall continue to connect to the Conduent office, the MMIS, and to the disaster recovery data center through the use of a digital subscriber line (DSL) backup circuit. Additionally, Conduent agrees to provide the necessary

network equipment and connectivity to support the State access to the MMIS, as well as to support the communication process that provides access to the State's current network.

7. Document Retention

All documents received by the fiscal agent shall be scanned and stored within the MMIS. Paper documents shall be held onsite for ninety (90) days and then destroyed.

8. Data Retention

Conduent shall be responsible for the archiving and storage of electronic data. The MMIS shall store data for seven (7) years. Claims details that support once-in-a-lifetime procedures shall be maintained indefinitely. Section 5.2 (Data Backup) of this SOW defines data backup and storage procedures. Stored data shall include:

- Claims Data
- Recipient Data
- Provider Data
- Managed Care Data
- Pharmacy Data
- Reference Data
- Normative Comparison Data from Non-DHHS Sources

9. Invoicing

This SOW between the State of New Hampshire, Department of Health and Human Services and Conduent is an agreement to support, maintain, and operate the State's New Hampshire MMIS over a five (5) year base contract for a firm fixed price of \$182,518,539.04. If the State chooses to extend for an addition five (5) years, the total firm fixed price for combined O&M and Fiscal Agent services shall be \$415,913,517.50.

Conduent shall submit invoices for services or deliverables as permitted by this SOW. All invoices shall be subject to the State's approval, which shall not be unreasonably withheld. Invoices shall contain detailed information including identification of each service or deliverable and the date of delivery. The State shall pay the invoice within 30 days of the receipt of the invoice.

If the State receives an invoice and the amount is incorrect, the State shall notify Conduent of the alleged error prior to the due date. The State and Conduent agree to make good faith efforts to resolve invoicing errors within 15 days from notification.

9.1 O&M Payment Schedule

This SOW between the State of New Hampshire, Department of Health and Human Services and Conduent is an agreement to support, maintain, and operate the State's New Hampshire MMIS over a five (5) year base contract for a firm fixed price of \$144,574,639.90. If the State chooses to extend for an additional five (5) years, the total firm fixed price for O&M services shall be \$329,542,519.47. The Technical Stack Upgrade is not included in the fixed price and shall be invoiced independently.

Conduent shall be paid on a monthly basis for the firm fixed price as full compensation for all activities associated with the operations and maintenance of the base MMIS system. The firm fixed cost includes 5,000 modification hours and 35,000 enhancement hours per year. Conduent shall submit monthly invoices for one twelfth (1/12th) of the firm fixed annual cost. As referenced in section 10.2.5.

Five (5) Year Base Price (years 1 – 5):	Year 1	Year 2	Year 3	Year 4	Year 5
Base Operations	\$ 20,600,668.46	\$ 21,630,701.89	\$ 22,712,236.98	\$ 23,847,848.83	\$ 25,040,241.27
Interoperability	\$ 700,000.00	\$ 735,000.00	\$ 771,750.00	\$ 810,337.50	\$ 850,854.38
Additional Scope					
N - 1	-	\$ 1,250,000.00	\$ 1,250,000.00	\$ 1,250,000.00	\$ 1,250,000.00
Enhancement Hours	\$ 4,375,000.00	\$ 4,375,000.00	\$ 4,375,000.00	\$ 4,375,000.00	\$ 4,375,000.00
Total Annual	\$ 25,675,668.46	\$ 27,990,701.89	\$ 29,108,986.98	\$ 30,283,186.33	\$ 31,516,095.65

Additional Five (5) Year Option (years 6 – 10):

O&M	Year 6	Year 7	Year 8	Year 9	Year 10
Base Operations	\$ 26,292,253.33	\$ 27,606,866.00	\$ 28,987,209.30	\$ 30,436,569.77	\$ 31,958,398.25
Interoperability	\$ 893,397.09	\$ 938,066.95	\$ 984,970.30	\$ 1,034,218.81	\$ 1,085,929.75
Additional Scope					
N - 1	\$ 1,700,000.00	\$ 1,700,000.00	\$ 1,700,000.00	\$ 1,700,000.00	\$ 1,700,000.00
Enhancement Hours	\$ 5,250,000.00	\$ 5,250,000.00	\$ 5,250,000.00	\$ 5,250,000.00	\$ 5,250,000.00
Total Annual	\$ 34,135,650.43	\$ 35,494,932.95	\$ 36,922,179.60	\$ 38,420,788.58	\$ 39,994,328.01

EDI Transactions:

The firm Fixed price includes up to 39,000,000 EDI transactions per year. Additional fees shall be applied if 39,000,000 EDI transactions are exceeded in a year:

	Additional One Time Price
Additional block of 5,000,000 annual transactions (Increasing annual allowance to 44,000,000)	\$650,000

9.2 Fiscal Agent Payment Schedule

This SOW between the State and Conduent is an agreement for continued Fiscal Agent services for New Hampshire Medicaid over a five (5) year base contract for a firm fixed price of \$ 37,943,899.14. If the State chooses to extend for an additional five (5) years, the total firm fixed price for the Fiscal Agent Services shall be \$86,370,998.03.

Five (5) Year Base Price:

Fiscal Agent	Year 1	Year 2	Year 3	Year 4	Year 5
Base Operations	\$ 6,866,889.49	\$ 7,210,233.96	\$ 7,570,745.66	\$ 7,949,282.94	\$ 8,346,747.09
Total Annual	\$ 6,866,889.49	\$ 7,210,233.96	\$ 7,570,745.66	\$ 7,949,282.94	\$ 8,346,747.09

Additional Five (5) Year Option:

Fiscal Agent	Year 6	Year 7	Year 8	Year 9	Year 10
Base Operations	\$ 8,764,084.44	\$ 9,202,288.67	\$ 9,662,403.10	\$ 10,145,523.26	\$ 10,652,799.42
Total Annual	\$ 8,764,084.44	\$ 9,202,288.67	\$ 9,662,403.10	\$ 10,145,523.26	\$ 10,652,799.42

10. O&M Services

Conduent shall continue to operate and maintain the MMIS functions listed in section 10.1 and shall meet the performance requirements listed in Appendix A.3.

O&M Services is defined as the functions, duties and labor associated with the daily operations, updates, and repairs of the State MMIS. Conduent shall be responsible for the technical support units required to perform the O&M Services of the State MMIS. These units shall include:

- Core MMIS Scheduled Activities
- System Support Activities
- Electronic Data Interchange (EDI) Activities
- Imaging and Printing Services
- Application Infrastructure and Shared Services
- Data Center Infrastructure System Security
- SharePoint Hosting and Support

10.1 Functions

10.1.1 Core MMIS Activities

Conduent shall be responsible for the organization, coordination, and scheduling of cyclical activities to include code updates, defect resolution and incidence response for the MMIS functionality and its related hardware, software, and vendors. Functions include:

- Claims Processing Sub-System Management
- Provider Sub-System Management
- Benefits Administration Sub-System Management
- Eligibility Verification Sub-System Management
- Prior Authorization Sub-System Management
- Care Management Sub-System Management
- Acuity Rate Setting Sub-System Management, Medicaid Quality Improvement Program (MQIP), Resource Utilization Groups (RUG)
- Database Administration and Support (Reference, Recipient, and GoldenGate)
- Batch Monitoring and Job Failure Resolution
- Interface Management and Coordination with Third Parties

- Production and Lower Environment Support (Development, System Integration Testing (SIT), Regression, Development Back Up, UAT, Disaster Recovery, Trading Partner Testing, Optum, Conversion)

- Weekly Payment Cycle Support
- County Billing Report Generation, Validation and Circulation
- Early and Periodic Screening Diagnostic and Treatment (EPSDT) Report Generation, Validation and Circulation
- Real Time Transaction Analysis
- Remittance Advice Generation, Monitoring and Support
- Server Health Monitoring
- Scheduled Server Health Maintenance Activities
- Third Party Liability (TPL) Bill Production and Count

- Monitoring of Managed Care Organizations (MCOs) Capitation Cycles, Granite Advantage Capitation Cycles and Kick Payment Jobs
- Annual Data Refresh of User Acceptance Testing (UAT) Environment
- Coordination of Code Releases, Deployments, and Testing
- Coordination of Code Build
- Technical Change Request (TCR) Creation and Execution
- System Defect/CR Analysis and Lifecycle Management
- Member ID Card Generation and Distribution
- Operational Readiness Repository Management
- Reporting - Ad Hoc, Query Execution, Federal (Transformed Medicaid Statistical Information System (T-MSIS), Electronic Fraud and Abuse Detection System (EFADS), Enterprise Management and Administrative Reporting (EMAR)),
- Designed System Detailed Documentation (Sys Doc) Management
- 24/7 Monitoring of Application
- Troubleshoot and Correct Issues
- Rules Management/Configuration
- Post Web Content and Reference Documents
- Commercial Off-The-Shelf (COTS) Products Integration
- Online Help Content
- Reference Management
- Middleware Support

Below are the outcome measures required by CMS for this SOW that shall be used to measure against.

Claims Processing Outcomes

Reference #	Outcome	Source(s)
CP1 Receipt and Ingestion	The system receives, ingests, and retains claims, claims adjustments, and supporting documentation submitted both electronically and by paper in standard formats.	45 CFR 162.1102

<p>CP2 Validation</p>	<p>The system performs comprehensive validation of claims and claims adjustments, including validity of services.</p>	<p>42 CFR 431.052 42 CFR 431.055 42 CFR 447.26 42 CFR 447.45(f) 45 CFR 162.1002 SMD Letter 10-017 SMM Part 11 Section 11300</p>
<p>CP3 Prior Authorization</p>	<p>The system confirms authorization for services that require prior approval to manage costs or ensure patient safety, and that the services provided are consistent with the authorization. The system accepts use of the authorization by multiple sequential providers during the period as allowed by state rules. Prior-authorization records stored by the system are correctly associated with the relevant claim(s).</p>	<p>SSA 1927(d)(5) 42 CFR 431.630 42 CFR 431.960 45 CFR 162.1302 SMM Part 4 SMM Part 11 Section 11325</p>
<p>CP4 Calculation and Resolution</p>	<p>The system correctly calculates payable amounts in accordance with the State Plan and logs accounts payable amounts for payment processing. The system accepts, adjusts, or denies claim line items and amounts and captures the applicable reason codes.</p>	<p>42 CFR 431.052</p>
<p>CP5 Provide Submission Status</p>	<p>The state communicates claims status throughout the submission and payment processes and in response to inquiry. If there are correctable errors in a claims submission, the system suspends the claims, attaches pre-defined reason code(s) to suspended claims, and communicates those errors to the provider for correction. The system associates applicable error or reason code(s) for all statuses (e.g., rejected, suspended, denied, approved for payment, paid) and communicates those to the submitter. The system shows providers, case managers and members current submission status through one or more of the following:</p> <ul style="list-style-type: none"> • Automatic notices as appropriate based on claims decision or suspension. • Explanation of Benefits (EOB). 	<p>45 CFR Part 162.1402 (c) 45 CFR Part 162.1403 (a) & (b) 42 CFR 431.60 (a) & (b) SMM Part 11 Section 11325</p>

	<ul style="list-style-type: none"> • Providing prompt response to inquiries regarding the status of any claim through a variety of appropriate technologies, and tracking and monitoring responses to the inquiries. • Application programming interface (API) 	
CP6 Record-Keeping	The system tracks each claim throughout the adjudication process (including logging edits made to the claim) and retains transaction history to support claims processing, reporting, appeals, audits, and other uses.	42 CFR 447.45 42 CFR 431.17 SMM Part 11 Section 11325

Table B-3: Financial Management Outcomes

Reference #	Outcome	Source(s)
FM1	The system calculates FFS provider payment or recoupment amounts, as well as value-based and alternative payment models (APM), correctly and initiates payment or recoupment action as appropriate.	Section 1902(a)(37) of the Act 42 CFR 433.139 42 CFR 447.20 42 CFR 447.45 42 CFR 447.56 42 CFR 447.272
FM2	The system pays providers promptly via direct transfer and electronic remittance advice or by paper check and remittance advice if electronic means are not available.	42 CFR 447.45 42 CFR 447.46

FM3	The system supports the provider appeals by providing a financial history of the claim along with any adjustments to the provider's account resulting from an appeal.	42 CFR 431.152
FM4	The system accurately pays per member/per month capitation payments electronically in a timely fashion. Payments account for reconciliation of withholds, incentives, payment errors, beneficiary cost sharing, and any other term laid out in an MCO contract.	42 CFR 438 42 CFR 447.56(d)
FM5	The system accurately tallies recoupments by tracking repayments and amounts outstanding for individual transactions and in aggregate for a provider.	42 CFR 447
FM6	The state recovers third party liability (TPL) payments by: <ul style="list-style-type: none"> • Tracking individual TPL transactions, repayments, outstanding amounts due, • Aggregating by member, member type, provider, third party, and time period, • Alerting state recovery units when appropriate, and • Electronically transferring payments to the state. 	42 CFR 433.139
FM7	The system processes drug rebates accurately and quickly.	42 CFR 447.509
FM8	State and federal entities receive timely and accurate financial reports (cost reporting, financial monitoring, and regulatory reporting), and record of all transactions according to state and federal accounting, transaction retention, and audit standards.	42 CFR 431.428 42 CFR 433.32

FM9	The system tracks that Medicaid premiums and cost sharing incurred by all individuals in the Medicaid household does not exceed an aggregate limit of five percent of the family's income. If the beneficiaries at risk of reaching the aggregate family limit, the system tracks each family's incurred premiums and cost sharing without relying on beneficiary documentation.	42 CFR 447.56(f)
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Table B-4: Decision Support System (DSS)/Data Warehouse (DW) Outcomes

Reference #	Outcome	Source(s)
DSS/DW1	The system supports various business processes' reporting requirements	42 CFR 431.428
DSS/DW2	The solution includes analytical and reporting capabilities to support key policy decision making	42 CFR 433.112

Table B-5: Encounter Processing System (EPS) Outcomes

Reference #	Outcome	Source(s)
EPS1	The system ingests encounter data (submissions and re-submissions) from MCOs and sends quality transaction feedback back to the plans to ensure appropriate industry standard format. (Quality transaction checks include, but are not limited to completeness, missing information, formatting, and the TR3 implementation guide business rules validations).	42 CFR 438.242
EPS2	The system ingests encounter data (submissions and re-submissions) from managed care entities in compliance with HIPAA security and privacy standards and performing quality checks for	42 CFR 438.604, 438.818, and 438.242

	completeness and accuracy before submitting to CMS using standardized formatting, such as ASC X12N 837, NCPDP and the ASC X12N 835, as appropriate. (Quality checks include, but are not limited to completeness, character types, missing information, formatting, duplicates, and business rules validations, such as payment to dis-enrolled providers, etc.).	
EPS3	The state includes submission requirements (timeliness, re-submissions, etc.), definitions, data specifications and standards, and consequences for non-compliance in its managed care contracts. The state enforces consequences for non-compliance.	42 CFR Part 438.3
EPS4	The state uses encounter data to calculate capitation rates and performs payment comparisons with FFS claims data.	42 CFR Part 438
EPS5	The state complies with federal reporting requirements. These include but are not necessarily limited to: <ul style="list-style-type: none"> • T-MSIS (Transformed Medicaid Statistical Information System) • CMS 416 (EPSDT) • CHIPRA core set quality measures - Medi-Medi, 1115 evaluation, and • CMMI demonstration evaluation reports. 	42 CFR 438.818, 438.242

Table B-6: Long Term Services & Supports (LTSS) Outcomes

Reference #	Outcome	Source(s)
LTSS8	LTSS system collects and saves prior authorizations to exchange with MMIS as needed to prevent the provision of unnecessary or inappropriate services and supports.	42 CFR 441.301

Table B-7: Member Management Outcomes

Reference #	Outcome	Source(s)
MM1	The system auto-assigns managed care enrollees to appropriate managed care organizations, per state and federal regulations.	CFR 42 438.54
MM2	The system sends notice, or facilitates, to the enrolled member with an initial assignment, a reasonable period to change the selection, and appropriate information needed to make an informed choice. If no selection is made, the system either confirms the original assignment, or assigns the member to FFS.	CFR 42 438.10, 438.54
MM3	The system disenrolls members at the request of the plan and in accordance with state procedures.	42 CFR 438.56(b) (c), and (d)
MM4	Disenrollments are effective in the system the first day of the second month following the request for disenrollment.	42 CFR 438.56(e)
MM5	The system notifies enrollees of their disenrollment rights at least 60 days before the start of each enrollment period. This notification is in writing.	42 CFR 438.56(f)
MM6	To prevent duplication of activities, enrollee's needs are captured by the system so that MCOs, PIHPs, and PAHPs can see and share the information (in accordance with privacy controls).	42 CFR 438.208(b)
MM7	The system allows beneficiaries or their representative to receive information through multiple channels including phone, Internet, in-person, and via auxiliary aids and services.	42 CFR 438.71
MM8	The state provides content required by 42 CFR 438.10, including but not limited to definitions for managed care and enrollee handbook, through a website maintained by the state.	42 CFR 438.10(c)
MM9	Potential enrollees are provided information about the state's managed care program when the individual become eligible or is required to enroll in a managed care program. The information includes, but is not limited to the right to disenroll, basic features of managed care, service area coverage, covered benefits,	42 CFR 438.10(e)

	and provider directory and formulary information.	
MM10	The system maintains an up-to-date (updated at least annually) fee-for-service (FFS) or primary care case-management (PCCM) provider directory containing the following: <ul style="list-style-type: none"> • Physician/provider • Specialty • Address and telephone number • Whether the physician/provider is accepting new Medicaid patients (for PCCM providers), and • The physician/provider's cultural capabilities and a list of languages supported (for PCCM providers). 	Section 1902(a)(83), 1902(mm), SMD # 18-007
MM11	The system captures enough information such that the state can evaluate whether members have access to adequate networks. (Adequacy is based on the state's plan and federal regulations).	42 CFR 438.68

Table B-10: Provider Management Outcomes

Reference #	Outcome	Source(s)
PM1 Application	A provider can initiate, save, and apply to be a Medicaid provider.	42 CFR 455.410(a)
PM2 Screening	A state user can view screening results from other authorized agencies (Medicare, CHIP, other related agencies) to approve provider if applicable.	42 CFR 455.410(c)
PM3 Screening	A state user can verify that any provider purporting to be licensed in a state is licensed by such state and confirm that the provider's license has not expired and that there are no current limitations on the provider's license ensure valid licenses for a provider.	42 CFR 455.412
PM4 Revalidation	The system tracks the provider enrollment period to ensure that the state initiates provider revalidation at least every five years.	42 CFR 455.414

PM5 Termination	A state user (or the system, based on automated business rules) shall terminate or deny a provider's enrollment upon certain conditions (refer to the specific regulatory requirements conditions in 42CFR455.416).	42 CFR 455.416
PM6 Reactivation	After deactivation, a provider seeking reactivation shall be re-screened by the state and submit payment of associated application fees before their enrollment is reactivated.	42 CFR 455.420
PM7 Appeal	A provider can appeal a termination or denial decision, and a state user can monitor the appeal process and resolution including nursing homes and ICFs/IID.	42 CFR 455.422
PM8 Site Visits	A state user can manage information for mandatory pre-enrollment and post-enrollment site visits conducted on a provider in a moderate or high-risk category.	42 CFR 455.432(a)
PM9 Background Checks	A state user can view the status of criminal background checks, fingerprinting, and site visits for a provider as required based on their risk level and state law.	42 CFR 455.434
PM10 External Systems Checks	The system checks appropriate databases to confirm a provider's identity and exclusion status for enrollment and reenrollment and conducts routine checks using federal databases including: Social Security Administration's Death Master File, the National Plan and Provider Enumeration System (NPPES), the List of Excluded Individuals/Entities (LEIE), and the Excluded Parties List System (EPLS). Authorized users can view the results of the data matches as needed.	42 CFR 455.436
PM 11 Risk Level Assignment	A state user can assign and screen all applications by a risk categorization of limited, moderate, or high for a provider at the time of new application, re-enrollment, or re-validation of enrollment. A state user can adjust a provider's risk level due to payment suspension or moratorium.	42 CFR 455.450
PM 12 Application Fees	The system can collect application fees. A state user ensures any applicable application fee is collected before executing a provider agreement.	42 CFR 455.460

PM 13 Moratoria	A state user can set CMS and state-imposed temporary moratoria-on new providers or provider types in six-month increments.	42 CFR 455.470
PM 14 Network Adequacy	A state user can determine network adequacy based upon federal regulations and state plan.	42 CFR 438.68
PM 15 Sanctions and Terminations	A state user, and/or the system, can send and receive provider sanction and termination information shared from other states and Medicare to determine continued enrollment for providers.	42 CFR 455.416(c)
PM 16 Notices and Communications	The system can generate relevant notices or communications to providers to include, but not limited to, application status, requests for additional information, re-enrollment termination, investigations of fraud, suspension of payment in cases of fraud.	42 CFR 455.23
PM 17 Fraud	A state user can report required information about fraud and abuse to the appropriate officials.	42 CFR 455.17
PM 18 Payment Suspension	The system, or a state user, can suspend payment to providers in cases of fraud.	42 CFR 455.23
PM 19 Agreements and Disclosures	A state user can view provider agreements and disclosures as required by federal and state regulations.	42 CFR 455.104 42 CFR 455.105 42 CFR 455.106 42 CFR 455.107
PM 20 Change in Circumstances	A state user can view information from a managed care plan describing changes in a network provider's circumstances that may affect the provider's eligibility to participate in Medicaid, including termination of the provider agreement.	42 CFR 438.608(a)
PM 21 Directory	A beneficiary can view and search a provider directory.	42 CFR 438.10(h)

Table B-11: Third Party Liability (TPL) Outcomes

Reference #	Outcome	Source(s)
TPL1 Application	The system does the following: <ul style="list-style-type: none"> • Records third parties, • Determines the liability of third parties, • Avoids payment of third-party claims, • Recovers reimbursement from third parties after Medicaid claims payment, and • Records information and actions related to the plan. 	42 CFR 433.138(k)(2)(i)
TPL2 Health Insurance Information	The system records other health insurance information at the time of application or renewal for Medicaid eligibility that would be useful in identifying legally liable third-party resources.	Section 1902(a)(25) of the Act 42 CFR 433.136 42 CFR 433.137 42 CFR 433.138
TPL3 Information to Determine Legal Liability	The system uses electronic exchange state wage information collection agency The system(s) regularly updates the member file with any third-party liability information, how long it is valid, and for what services, through regular automated checks with these databases.	42 CFR 433.138(d) and (f) 42 CFR 435.4 State Plan
TPL4 Rejection Based on TPL	The system rejects and returns to the provider for a determination of the amount of liability for all claims for which the probable existence of third-party liability is established at the time the claim is filed.	42 CFR 433.139(b)
TPL5 Pay and Chase Identification	For claims identified with a third-party liability and designated as "mandatory pay and chase," the system makes appropriate payments and identifies such claims for future recovery. (Examples include preventive pediatric services provided to children, or medical child support from an absent parent.)	Section 1902(a)(25) of the Act 42 CFR 433.139(b)(3)(ii)
TPL6 Pay and Chase Timeline	The system(s) supports providing up to 100 days to pay claims related to medical support enforcement, preventive pediatric services, labor and delivery, and postpartum care that are subject to "pay and chase." If a state cannot differentiate the costs for prenatal services from labor and delivery on the claim, it shall have to cost avoid the entire claim.	Bipartisan Budget Act of 2018, Sec. 53102 Section 1902(a)(25) of the Act

		CMCS Informational Bulletin (CIB) November 14, 2019 (pg. 2)
TPL7 Claims Identification for TPL	The system identifies paid claims that contain diagnosis codes indicative of trauma, injury, poisoning, and other consequences of external causes on a routine and timely basis for the purposes of determining legal liability of third parties.	42 CFR 433.138(e) and (f)
TPL8 Probable TPL Determination Timeline	The system identifies probable TPL within 60 days after the end of the month in which payment has been made (unless there is an approved waiver to not recoup funds).	42 CFR 433.139(d)
TPL9 Report Generation	The system can generate reports on data exchanges and trauma codes so that the state can evaluate its TPL identification process.	42 CFR 433.138(j)
TPL10 Cost Effectiveness	The system enables the agency to seek reimbursement from a liable third party on all claims for which it is cost effective.	42 CFR 433.139(f)
TPL11 MCO TPL Recovery	As determined by the state policies, system(s) enables the state to manage and oversee TPL recoveries made by its MCOs.	COB/TPL Training and Handbook- 2020 (pg. 53-55)
TPL12 Privacy and Security	Appropriate privacy and security controls are in place so that information exchanged with other agencies is safeguarded.	42 CFR 433.138(h)
TPL13 Reimbursement Tracking	The system tracks TPL reimbursements received so that the state can reimburse the federal government in accordance with the state's FMAP.	42 CFR 433.140 (c)

10.1.2 System Support Activities

Conduent shall be responsible for the control and execution of daily, weekly, monthly, quarterly, and annual jobs and activities to support the operations of the State's MMIS and its related systems. Jobs and activities shall include the implementation of configurability changes and data maintenance. Functions include:

- File Staging
- Inbound/Outbound File Screening, Monitoring and Moving
- TCR Lifecycle Management - Tracking and Result Reporting
- Processing Ad Hoc Requests
- Move It - Enable/Disable Tasks
- Schedule Capitation Jobs
- Control-M Job Creation, Scheduling, Loading and Deleting

10.1.3 Electronic Data Interchange (EDI) Activities

EDI improves the accuracy, efficiency, and timeliness of claims processing operation and improves information exchange with providers and other program stakeholders. Electronic transmission offers greater operational efficiencies as well as a more convenient method of submitting claims and encounter data. This is a benefit for both State Medicaid programs and program stakeholders, especially providers and recipients. Conduent EDI functions shall include:

- Support and Maintenance of EDI Modules
- Edifecs Code Deployments for CRs/Defects
- Edifecs Artifacts Upgrades
- Batch/Real Time Monitoring and Issue Resolution
- Transaction Manager/Dashboard Services Monitoring
- Simple Object Access Protocol / Multipurpose Internet Mail Extensions Channel Monitoring
- Disk Space Monitoring and Issue Resolution
- Recurring Report Generation
- File Transmission Monitoring

- File Issue Resolution
- Trading Partner Communication
- Trading Partner Testing
- Incident and Ad Hoc Request Analysis
- Lower Environment Maintenance
- Claims Balancing Report Validation

10.1.4 Imaging and Printing Services

Conduent shall be responsible for the execution of services related to formatting and generating letters, document storage, and power indexing. Conduent functions shall include:

- Letter Management
- Electronic Document Management System
- Server Access Control
- Server Monitoring
- Process Scripting
- Server Operating System and Storage Maintenance
- Data Integrity Validation
- Application Patching and Upgrades
- Assist Development team with Testing Letters and Code/Configurations
- 24/7 Production Support
- Critical Non-Production Support
- Procurement and Licensing Assistance
- Support Password Change Activities
- User Account Audits
- Scan, Optical Character Recognition (OCR), Right Fax, and Power Indexing Support

10.1.5 Application Infrastructure and Shared Services

Conduent shall be responsible for the monitoring, production support, and code deployment of the MMIS. Conduent functions shall include support of the following:

- IBM AIX Servers and Operating System
- WebSphere Products
- IBM Identity Access Manager
- Oracle Database
- Informatica
- Cognos
- IBM Rational ClearCase and ClearQuest
- SharePoint Infrastructure
- IBM MQ Infrastructure
- Monitoring Infrastructure
- MoveIT Infrastructure

10.1.6 Data Center Infrastructure

State MMIS servers and associated equipment reside in Conduent's East Windsor, New Jersey data center. This facility shall provide support 24/7/365 for production operations. Data center operations shall be driven by three primary objectives:

- Uninterrupted Support and Service
- Security and Integrity of Facilities, Equipment, and Client Data
- Timely Production and Delivery of Quality Output Products

Conduent's functions shall include:

- Network Connectivity
- Data Storage
- Managing Telecommunication links
- Hardware Infrastructure
- Backup and Recovery
- Security
- Helpdesk
- Incident Management

- Operations Command Center
- Network Operations Center

The MMIS has a UAT environment and a Disaster Recovery (DR) environment along with other lower environments such as Development, SIT, and Regression. The servers and associated equipment for these environments are located in Conduent's Sandy, Utah data center. This facility supports 24/7/365 operations, maintained as a replica of Production.

To ensure quality of the Production releases and easy reproduction of Production issues, the State's MMIS shall maintain the UAT environment as an equivalent of the Production environment, including the Production data and nightly batch cycles.

Conduent's Functions shall include:

- Running of Batch Cycles Similar to Production
- Annual Refresh of Production Data into UAT Environment
- Regular Syncing of the Production Database Data into the DR Environment in Sandy
- Running Nightly Batch Cycles in SIT Environment
- Network Connectivity Support
- Data Storage Maintenance
- Managing Telecommunication Links
- Hardware Infrastructure
- Backup and Recovery
- Security
- Incident Management

10.1.7 System Security

Conduent provides security from anticipated threats or hazards to its data, and restricts the availability of data to appropriate staff and other designated individuals and organizations using standardized system applications and data security capabilities.

Conduent shall take reasonable and appropriate safeguards to secure the MMIS against hardware failure, software failure or human intervention including but not limited to:

- Physical Site Security and Protection
- System Access Security
- Data Security

- Application Security
- HIPAA Security Standards

Conduent shall ensure that the MMIS operations are in compliance with both State and Federal regulations and guidelines related to security, privacy, confidentiality, and auditing in effect as of the Effective Date. Any changes after the Effective Date shall follow the change management process and shall be subject to mutual agreement on cost, schedule, scope, resource, and/or any other impacts.

10.1.8 SharePoint Hosting and Support

Conduent shall host and maintain the MMIS SharePoint site during the term of this contract. SharePoint allows for the tracking and documentation of shared documents including change requests.

10.2 Change Management

10.2.1 Change Requests

Change requests are the result of modifications to a business process, system change, and State or Federal Policy changes. The State shall categorize changes to the system as either routine maintenance or modification. Change requests are reviewed and prioritized for a code release.

10.2.2 Maintenance

For the purpose of this SOW, 'Maintenance' shall be defined to include both routine, as well as unanticipated changes, repairs, and adjustments that are required to: sustain routine system operation and availability, correct defects, meet the performance requirements detailed in Appendix A.3 to ensure that data, tables, programs, and documentation are current, and errors are found and corrected. Conduent shall provide necessary maintenance services, including ongoing changes to software and other components of the State MMIS throughout the term of this SOW in order to ensure that the State MMIS system meets federal certification requirements, any and all federal and State statutory or regulatory requirements, and any requirements contained in the CMS State Medicaid Manual.

10.2.3 Modifications

For the purpose of this Contract, 'Modification' shall be defined as a change or addition identified by DHHS or Conduent which is not required by regulatory or contractual obligations.

Conduent shall be responsible for implementing any modifications to the State MMIS as requested by the State throughout the term of this SOW, so long as the number of hours spent

on said modifications do not exceed the total modification hour limitation as agreed to by the parties.

All modifications to the MMIS shall be initiated by means of a written Change Request, submitted either by State staff or Conduent staff. No work shall be done on any modifications to the system unless the State has reviewed all documentation related to the change and has given final approval to the work.

10.2.4 Modification Hours

Conduent and the State shall agree to 5,000 modification hours per year for ongoing operations of the base State MMIS system. These hours shall be included in fixed annual cost and the parties agree that these modification hours shall be non-lapsing at the end of each year such that any unused modification hours from one year shall roll forward and be added to the 5,000-modification hour threshold established for the following year of the base contract. Unused Modification Hours at the end of contract term shall lapse and shall be non-refundable.

10.2.5 Enhancement Pool Hours

Conduent and the State shall agree to create an annual enhancement pool to be used for the remaining Contract Term for MMIS enhancements. The pool shall include up to 35,000 hours per year. The first 20,000 hours shall be included in the fixed annual cost. Once the State exceeds 20,000 hours in a year, a rate of \$125 per excess hour shall be charged and billed monthly. Should the State use less than 20,000 hours in a year, those unused hours shall lapse and be non-refundable.

When the State determines a need for an enhancement, including CMS mandates, and wishes to use enhancement hours, a meeting shall be held with Conduent to discuss the high-level scope of the business need. A Change Request (CR) shall be created for the project and submitted in SharePoint. Conduent shall provide an estimate to the State for the number of hours required for the enhancement after gathering adequate information regarding the project. Once the State has approved the estimate via email, Conduent and the State shall participate in joint application development (JAD) sessions, outlining design and development plans. At that time, the project shall be targeted for a release. Throughout the project, associate CRs shall be created to define and track the required system changes. Should scope be added to the project, the approval process stated above shall be followed for agreement and approval of additional hours.

10.2.6 Enhancements

Conduent shall be responsible for managing the implementation of MMIS enhancements as required by business needs and CMS mandates. Conduent functions shall include:

- Project management including detailed planning and scheduling
- Development, documentation, and implementation of new requirements
- Project CR/TCR/defect tracking
- Tracking and reporting hours

10.2.7 Enhancement Warranty Periods

The warranty period shall commence upon the approved scope of the project being released into production. Subsequent to the production of a release, Conduent shall maintain a defect log associated with the production release and ensure all critical and high priority items (as defined in the table below) are completed prior to the warranty period commencement. The warranty period shall terminate thirty (30) days after the successful completion of all high and critical defect fixes as related to the specifications and requirements of the approved scope of the project. Any defect identified as critical or high during the warranty period shall reset the thirty (30) day warranty for the system until such time that the system has completed thirty (30) days without any high or critical defects. During the warranty period, Conduent shall maintain, repair, or correct any defects in the system in regard to the specifications and requirements of the approved scope of the project. Subsequent to the completion of the warranty period, Conduent shall be responsible for maintaining and operating the system to the agreed to specifications and requirements per Section 10.2.2 Maintenance. Any enhancements not related to approved and accepted changes in the system shall be considered out of scope and treated as enhancement or modification requests.

Priority Code	Description
Critical	Business is stopped due to a fault in the hardware or software that is preventing the operational use of the software or system (or significant function within the system)
High	Business is significantly impaired or restricted due to a fault in the system that, while not preventing, is severely degrading the systems operational use. No viable workaround is identified.
Medium	Business is impaired or restricted due to a fault that either occurs rarely or for which a viable workaround is available.
Low	Fault causing little or no impact upon the business use of the system

10.3 Technical Stack Upgrade

Conduent shall design, develop, and implement the Technical Stack Upgrade (TSU) project for the MMIS. The cost for TSU (\$24,000,000.00) shall be invoiced independently per payment milestone schedule below.

Conduent shall perform the work as follows:

- Upgrade the current State MMIS Technology Software Stack on Linux Intel based machines (virtual machines) utilizing Red Hat Linux operating system. To include the following components in the table below:

	Hardware / Software
1	Power 8 / Power 7+ (Shall be replaced by Conduent VMs)
2	Operating System (AIX) (shall be replaced by Red Hat Enterprise Linux 8)
3	WebSphere Application Server
4	WebSphere IHS Server
5	WebSphere Portal Server
6	IBM Process Server
7	Security Identity Manager (SIM)
8	Security Access Manager (SAM)
9	Security Directory Server/suite (SDS)
10	Security Directory Integrator (SDI)
11	IBM DB2
12	Oracle
13	Golden Gate (Oracle)
14	Geostan Address Broker
15	Blaze Advisor
16	Cognos - BI Developed
17	Informatica Power Center
18	IBM Workplace Automation
19	DRG Grouper

20	DocFinity Suite
21	EMC xPressions
22	RUG Grouper
23	Madcap Flare (Help Tool)
24	CSI AVRS Solution
25	Bloodhound (Convergence Point)
26	FIS Form-Works
27	RightFax
28	Interoperability Exchange Platform
29	Red-Hat Hibernate framework
30	IPSwitch
31	MoveIT Transfer
32	Google Maps
33	Google Re-captcha
34	AppDynamics
35	Atlassian
36	Jenkins
37	Apache
38	IBM Urban Code Deploy

- Sunset unused environments after discussion and agreement with the State
- Standup parallel assets in East Windsor data center corresponding to the existing assets. The standup of the systems shall be done on Linux operating systems on Conduent virtual machines. Virtual machines shall run on Conduent-owned infrastructure
- Standup parallel assets in Conduent data center in Sandy, UT corresponding to the existing assets in Sandy, UT (for Disaster Recovery). The standup of the systems shall be done on Linux operating systems on Conduent virtual machines. Virtual machines shall run on Conduent owned infrastructure

The State shall maintain ownership of the following:

- All New Hampshire MMIS software and supporting programs in their most current version
- All modified operating system software and developed programs, including utilities, electronic claims submission packages and documentation required for the operation of the MMIS

- A non-exclusive royalty-free, irrevocable, and perpetual license to use Conduent's materials necessary to operate the MMIS
- All hardware, software and physical devices procured to satisfy the requirements specified within this contract

The State shall agree that until completion of the TSU, there may be an impact on the Conduent's ability to meet performance standards. Therefore, until implementation of the TSU is complete, Conduent shall not be responsible for performance standards not achieved as a result of system performance degradation. Once the TSU is complete, this clause shall no longer apply.

TSU Payment Milestones:

Milestone	Conduent Deliverables to State	State - Acceptance Criteria	Milestone Due and Invoice Date	Payment Amount
Deliverable 1	Code Migration to GIT VM Provisioning for E52, E53 & E57	Code Migration to GIT Report Wave 1 Code Impact Analysis Report	9/30/2021	\$ 4,000,000
	Network Setup Completion Wave 1 Code Impact Analysis ENV52 Environment Build Complete	VM Provisioning and Network Setup Report for E52, E53 & E57		
Deliverable 2	VM Provisioning for E04, E05, E54 & E58 ENV57 Environment Build Complete ENV04 (UAT) Environment Build Complete	VM Provisioning Report for E04, E05, E54 & E58 ENV52, ENV57 & ENV04 (UAT) Handoff Document	12/31/2021	\$ 4,000,000
Deliverable 3	VM Provisioning for, E82, E15, E70 & E84 ENV05 Environment Build Complete ENV53 Environment Build Complete Smoke, Integration & Regression Testing in ENV57 Complete Smoke & Integration Testing in ENV52, ENV04 (UAT), ENV53 & ENV54 Complete Wave 2 Code Impact Analysis Code remediation Complete	VM Provisioning Report for, E82, E15, E70 & E84 ENV05 (PROD) & ENV53 Hands-off Documents Smoke, Integration & Regression Test Results for ENV57 Smoke & Integration Test Results for ENV52, ENV04 (UAT), ENV53 & ENV54 Wave 2 Code Impact Analysis Report	3/31/2022	\$ 4,000,000

Deliverable 4	ENV04 (UAT) Performance Testing Complete ENV58 Environment Build Complete ENV82 Environment Build Complete ENV15 Environment Build Complete ENV70 Environment Build Complete Smoke & Integration Testing in ENV05, ENV58 & ENV82 Complete ENV15(Optum) Dev Testing Complete	ENV04 (UAT) Performance Test Results ENV58, ENV82, ENV15 & ENV70 Hands-off Documents Smoke & Integration Test Results for ENV05, ENV58 & ENV82	6/30/2022	\$	4,000,000
Deliverable 5	ENV05 (PROD) Performance Testing Complete ENV84 (DR) Environment Build Complete Smoke & Integration Testing in ENV84 Complete	ENV05 (PROD) Performance Test Results ENV84 Hands-off Documents Smoke & Integration Test Results for ENV84	9/30/2022	\$	4,000,000
Deliverable 6	Code Freeze and O&M TSU Non-PROD Cutover Production Cutover	Environment Owner Signoff for Non-Prod Environments State Sign off on UAT, E82 and PROD	1/31/2023	\$	4,000,000

Total

\$24,000,000

10.4 N-1 Program

Subsequent to the completion of the Technical Stack Upgrade of the software and associated hardware components, Conduent shall maintain and upgrade as needed to ensure that the software shall be no more than one version behind the current version of the supported application for the duration of the contract, the N-1 Program. This shall include all necessary infrastructure upgrades to include hardware and software and shall be at Conduent's expense.

As part of the "N-1 Program", Conduent shall ensure that the underlying software used in the State MMIS system shall be maintained at a current supported version or up to one version older. The cost for N-1 shall be included in the monthly fixed pricing. The most stable version shall be identified and chosen by Conduent. The costs identified to maintain the hardware and software are defined in the table below.

Conduent N-1 Contract - State Fiscal Year Breakdown					
N-1	SFY 2022	SFY 2023	SFY 2024	SFY 2025	SFY 2026

Total Funds	\$ -	\$ 1,250,000	\$ 1,250,000	\$ 1,250,000	\$ 1,250,000
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There shall not be any additional cost to the DHHS to upgrade the software or hardware on an ongoing basis as part of this Amendment.

10.5 Interoperability

The Interoperability and Patient Access final rule (CMS-9115-F) gives patients access to their health information. The rule is focused on driving interoperability and patient access to health information through exchanges. The cost for Interoperability operations and maintenance shall be included in the monthly fixed pricing and is broken down in the table below. Conduent functions shall include:

1. Provide compliance updates for Fast Healthcare Interoperability Resources (FHIR)
2. Ensure all software components of Interoperability Exchange (IOX) are current
3. Monitor Application Programming Interfaces (API) for Availability
4. Provide technical assistance to members with their registration and authentication process
5. Provide technical assistance to third party application developer
6. Support incremental load of claims, member, and provider information

Conduent Interoperability - State Fiscal Year Breakdown					
Interoperability	SFY 2022	SFY 2023	SFY 2024	SFY 2025	SFY 2026
Federal Funds	\$ 525,000.00	\$ 551,250.00	\$ 578,812.50	\$ 607,753.13	\$ 638,140.78
State Funds	\$ 175,000.00	\$ 183,750.00	\$ 192,937.50	\$ 202,584.38	\$ 212,713.59
Total Funds	\$ 700,000.00	\$ 735,000.00	\$ 771,750.00	\$ 810,337.50	\$ 850,854.38

Conduent Interoperability - State Fiscal Year Breakdown for Additional Five (5) Year Option					
Interoperability	SFY 2027	SFY 2028	SFY 2029	SFY 2030	SFY 2031
Federal Funds	\$670,047.82	\$703,550.22	\$738,727.73	\$775,664.11	\$814,447.32
State Funds	\$223,349.27	\$234,516.74	\$246,242.58	\$258,554.70	\$271,482.44
Total Funds	\$893,397.10	\$938,066.95	\$984,970.30	\$1,034,218.82	\$1,085,929.76

11. Fiscal Agent Statement of Work

Conduent shall continue to provide Fiscal Agent Services for the State of New Hampshire Medicaid program as listed in Section 11 and meet all of the performance requirements listed in Appendix A.3.

Conduent shall be responsible for the operational units required to perform the functions of the New Hampshire Medicaid Fiscal Agent. These units shall include:

- Provider Relations
- Claims processing
- Mailroom and Courier Services
- Quality Assurance
- Publications
- Training and Communication

11.1 Provider Relations

The Provider Relations unit shall be responsible for enrolling, maintaining, and providing customer service to Providers. The team shall be comprised of Provider Enrollment, Provider Field Representatives, and the Provider Call Center.

11.1.1 Provider Enrollment Unit

The Provider Enrollment Unit shall enter and maintain Provider data needed to enroll, re-enroll, update, change, revalidate, and screen Providers according to the Provider Screening Regulations and maintain the Medicaid Provider database contained within MMIS. The Provider Enrollment Unit shall be responsible for the following functions:

- Receive and process Provider enrollment applications and revalidations
- Determine Provider eligibility using DHHS approved procedures
- Approve or deny applications as directed by DHHS
- Provide notice of determination
- Grant portal access
- Monitor Provider sanctions
- Perform Provider account updates
- Store incoming and outgoing Provider documentation
- Support Providers with applications and program inquiries

11.1.2 Provider Field Representatives

Provider Field Representatives provide issue resolution and training as requested by Providers. This includes travelling throughout New Hampshire for onsite support or facilitating virtual sessions. Provider Field Representatives perform the following functions:

- Provide program orientation and training for Providers
- Assist Providers in resolving claims processing and enrollment issues
- Communicate Medicaid billing and policy changes

- Support district office training
- Partner with the State in presentations, conferences, and workgroups

11.1.3 Provider Call Center

The Provider Call Center shall be open and staffed 8:00 AM – 5:00 PM EST, Monday through Friday with the exception of holidays. The automated voice response system (AVRS) shall be available 24 hours a day/ 7 days a week with the exception of State-approved maintenance periods. The AVRS shall act as the first line of support to Providers by allowing self-service access to claims statuses, eligibility inquiries, remittance advice inquiries, and pin password resets. The AVRS shall route callers to call specialists during business hours, when requested. In addition, the AVRS shall have the ability to post bulletins regarding upcoming changes to business rules or the State MMIS accessibility. The AVRS shall provide operational reports according to State and Federal specifications. Conduent shall ensure that all existing and new requirements of the State Medicaid Manual and State and Federal policy are met. Provider Call Center functions include:

- Answer calls and conduct research for Provider inquiries using all available resources
- Respond to Provider inquiries via telephone, voicemail, email, and web portal
- Escalate issues for timely resolution
- Refer callers to DHHS when appropriate
- Provide research assistance to Provider Field Representatives and other specialists
- Perform administrative duties as required
- Record correspondence within Contact Management in the MMIS

Call Center Hardware/Software Includes:

- AVRS
- Automated Call Distributor (ACD)
- Call Recording
- Telecommunication Lines

11.2 Claims Processing

The Claims Processing unit shall perform tasks related to the receipt and capture of documents, claims processing, adjustments, third party liability (TPL), and file maintenance. Conduent functions shall include:

- Claims data entry
- Resolve pended claims
- Review and correct claims with data entry errors
- Process adjustments
- Process checks and financial receipts
- Service authorization entry

- Special processing requests related to court cases, policy changes, and other one-time situations (at the direction of DHHS)

11.3 Mailroom and Courier Services

The Mailroom shall be responsible for the following functions:

- Pick up and drop off mail at Post Office
- Coordinate the collection and delivery of mail between offices (105 Pleasant St, Brown Building, Thayer Building)
- Screen and sort mail
- Prepare and scan documents
- Move scanned images to the MMIS
- File and prepare paper documents for on-site storage
- Research returned mail for good address

11.4 Quality Assurance

The Quality Assurance team shall help ensure that contract requirements are met by evaluating account functions to assess overall performance. The quality assurance team shall be responsible for the following functions:

- Monitor the accuracy of claims processing, imaging, and document control
- Monitor call quality
- Monitor the accuracy of provider enrollment, maintenance, revalidation, and enterprise administration
- Review TPL bill print quality and delivery to State
- Monitor timeliness of Member ID card issuance
- Provide feedback to managers and administer team training sessions
- Provide monthly quality scores to the State
- Manage service level tracking

11.5 Publications

The Publications team shall support the development, writing, editing, and formatting of documents for publication. Publications is responsible for handbooks, manuals, and instructional materials. Publications distributes daily reports to the State.

11.6 Training & Communication

Conduent shall be responsible for the State MMIS training of Fiscal Agent staff, State staff, and Providers. Training materials and programs shall be built around the need of the recipient.

11.6.1 Fiscal Agent Training

All Fiscal Agent employees shall be required to complete a new employee orientation which is comprised of HIPAA, Security and Privacy, Ethics, and MMIS training. After initial training is completed, on-going training continues throughout employment, including as new processes or policies are implemented.

11.6.2 State Training

State staff MMIS training shall be required for all new users and as additional training is requested. State staff shall be trained on both internal and external functionality of the State MMIS. State and Conduent users shall receive training that shall be specific to their job duties. Training shall be supplemented with business process training and process re-engineering training. State operational process training shall be the responsibility of each individual State program.

11.6.3 State SharePoint Administration

SharePoint shall be used to share files, data, and resources between the State and Conduent. Conduent shall provide access and training to the New Hampshire SharePoint site at the time of hire and as requested.

11.6.4 Communications

Conduent shall be responsible for managing internal and external communications pertaining to the MMIS. In partnership with the State, Conduent shall generate and distribute Provider manuals and training materials. Conduent shall be responsible for communicating MMIS updates and maintenance to Providers, Trading Partners, and the State. Communications shall be delivered via email, phone calls, MMIS provider portal, AVRS bulletins, and mail.

State of New Hampshire

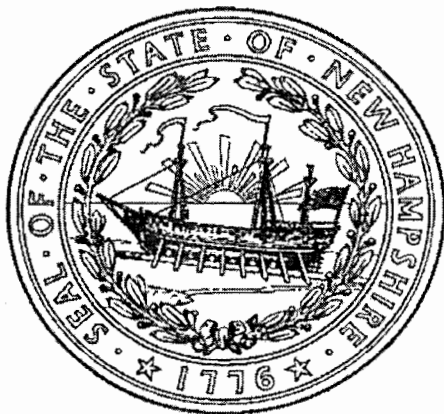
Department of State

CERTIFICATE

I, William M. Gardner, Secretary of State of the State of New Hampshire, do hereby certify that CONDUENT STATE HEALTHCARE, LLC is a Delaware Limited Liability Company registered to transact business in New Hampshire on July 01, 1999. I further certify that all fees and documents required by the Secretary of State's office have been received and is in good standing as far as this office is concerned.

Business ID: **316932**

Certificate Number: **0005382340**



IN TESTIMONY WHEREOF,

I hereto set my hand and cause to be affixed
the Seal of the State of New Hampshire,
this 16th day of June A.D. 2021.

A handwritten signature in black ink, appearing to read "Wm Gardner".

William M. Gardner
Secretary of State

CERTIFICATE OF ASSISTANT SECRETARY

I, Christopher Scott Morrow, do hereby certify as follows:

(1) I am the duly appointed, qualified and Assistant Secretary of Conduent State Healthcare, LLC, a Delaware limited liability company (the "Company") in accordance with the Amended and Restated Limited Liability Company Agreement of Conduent State Healthcare, LLC, adopted as of October 21, 2009, and in such capacity I am authorized to execute this Certificate on behalf of the Company.

(2) Lydie Quebe is a duly appointed, qualified and acting Vice President of the Company in accordance with the Amended and Restated Limited Liability Company Agreement of Conduent State Healthcare, LLC, adopted as of October 21, 2009, and in such capacity is authorized to obligate, bind, and execute Amendment No. 17 to that certain Medicaid Management Information System Reprocurement agreement by and between the Company and the State of New Hampshire Department of Health and Human Services, effective December 7, 2005.

IN WITNESS WHEREOF, I have subscribed this Certificate Assistant Secretary this 15th day of June, 2021.

CONDUENT STATE HEALTHCARE, LLC
a Delaware limited liability company

DocuSigned by:

Scott Morrow

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Christopher Scott Morrow
Assistant Secretary

AGENCY CUSTOMER ID: CN118007651

LOC #: New York



ADDITIONAL REMARKS SCHEDULE

Page 2 of 2

AGENCY MARSH USA, INC.		NAMED INSURED Conduent Incorporated 100 Campus Drive, Suite 200 Florham Park, NJ 07932	
POLICY NUMBER		EFFECTIVE DATE:	
CARRIER	NAIC CODE		

ADDITIONAL REMARKS

THIS ADDITIONAL REMARKS FORM IS A SCHEDULE TO ACORD FORM,
 FORM NUMBER: 25 FORM TITLE: Certificate of Liability Insurance

EACH OF THE INSURANCE POLICIES REFERENCED ABOVE PROVIDES THAT SHOULD SUCH POLICY BE CANCELLED BY THE INSURER BEFORE THE EXPIRATION DATE THEREOF FOR ANY REASON OTHER THAN NONPAYMENT OF PREMIUM, THE INSURING COMPANY WILL ENDEAVOR TO MAIL 30 DAYS WRITTEN NOTICE THEREOF TO THE CERTIFICATE HOLDER, BUT FAILURE TO PROVIDE SUCH NOTICE SHALL IMPOSE NO OBLIGATION OR LIABILITY OF ANY KIND UPON THE INSURER OR ITS AGENTS OR REPRESENTATIVES, WILL NOT EXTEND ANY POLICY CANCELLATION DATE AND WILL NOT NEGATE ANY CANCELLATION OF THE POLICY.



CERTIFICATE OF LIABILITY INSURANCE

DATE(MM/DD/YYYY)
05/28/2021

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must have ADDITIONAL INSURED provisions or be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER Aon Risk Services Northeast, Inc. Stamford CT Office 1600 Summer Street Stamford CT 06907-4907 USA	CONTACT NAME: PHONE (A.C. No. Ext): (866) 283-7122 FAX (A.C. No.): (800) 363-0105	
	E-MAIL ADDRESS:	
INSURED Conduent Incorporated and its subsidiaries 100 Campus Drive, Suite 200 Florham Park NJ 07932 USA	INSURER(S) AFFORDING COVERAGE	
	INSURER A: Greenwich Insurance Company	NAIC # 22322
	INSURER B:	
	INSURER C:	
	INSURER D:	
	INSURER E:	

Holder Identifier :

COVERAGES **CERTIFICATE NUMBER:** 570087478958 **REVISION NUMBER:**

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS. Limits shown are as requested

INSR LTR	TYPE OF INSURANCE	ADDL INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
	COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input type="checkbox"/> OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC <input type="checkbox"/> OTHER:						EACH OCCURRENCE DAMAGE TO RENTED PREMISES (Ea occurrence) MED EXP (Any one person) PERSONAL & ADV INJURY GENERAL AGGREGATE PRODUCTS - COM/OP AGG
	AUTOMOBILE LIABILITY <input type="checkbox"/> ANY AUTO <input type="checkbox"/> OWNED AUTOS ONLY <input type="checkbox"/> HIRED AUTOS ONLY <input type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> NON-OWNED AUTOS ONLY						COMBINED SINGLE LIMIT (Ea accident) BODILY INJURY (Per person) BODILY INJURY (Per accident) PROPERTY DAMAGE (Per accident)
	UMBRELLA LIAB <input type="checkbox"/> OCCUR EXCESS LIAB <input type="checkbox"/> CLAIMS-MADE DED RETENTION						EACH OCCURRENCE AGGREGATE
	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR / PARTNER / EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below	<input type="checkbox"/> Y / <input type="checkbox"/> N	<input type="checkbox"/> N / <input type="checkbox"/> A				<input type="checkbox"/> PER STATUTE <input type="checkbox"/> OTHER E.L. EACH ACCIDENT E.L. DISEASE-EA EMPLOYEE E.L. DISEASE-POLICY LIMIT
A	E&O-PL-Primary			MTP903893002 Claims Made SIR applies per policy terms & conditions	06/01/2021	06/01/2022	per Claim/ Agg. \$5,000,000

Certificate No : 570087478958

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)

Named Insured includes: Conduent State Healthcare, LLC. RE: Medicaid Management Information System, RFP Number: 2005-004

CERTIFICATE HOLDER State of New Hampshire Department of Health and Human Services Office of Commissioner 129 Pleasant Street Concord NH 03301 USA	CANCELLATION SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS. AUTHORIZED REPRESENTATIVE <i>Aon Risk Services Northeast, Inc.</i>
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Jeffrey A. Meyers
Commissioner

STATE OF NEW HAMPSHIRE
DEPARTMENT OF HEALTH AND HUMAN SERVICES
OFFICE OF THE COMMISSIONER

129 PLEASANT STREET, CONCORD, NH 03301-3857
603-271-9389 1-800-852-3345 Ext. 9389
Fax: 603-271-4332 TDD Access: 1-800-735-2964 www.dhhs.nh.gov

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May 8, 2019

His Excellency, Governor Christopher T. Sununu
and the Honorable Council
State House
Concord, New Hampshire 03301

REQUESTED ACTION

Authorize the Department of Health and Human Services to enter into a **sole source**, amendment (Amendment 16) to an existing contract (Purchase Order #1055816) with Conduent State Healthcare, LLC (formerly known as Xerox State Healthcare, LLC) (Vendor #278791) at 9040 Roswell Road, Suite 700, Atlanta, GA, 30350, to develop, operate, and transition the State's Medicaid Management Information System (MMIS) by increasing the price limitation by \$2,556,648 from \$251,565,206 to a new amount not to exceed \$254,121,854, effective upon the date of Governor and Council approval through June 30, 2021. **81.44% Federal Funds, 18.55% General Funds and Other Funds 0.01%**

The Governor and Executive Council approved the original contract on December 7, 2005 (Late Item #C), Amendment 1 on December 11, 2007 (Item#59), Amendment 2 on June 17, 2009 (Item#92), and Amendment 3 on June 23, 2010 (Item#97), Amendment 4 on March 7, 2012 (Item#22A), Amendment 5 on December 19, 2012 (Item#27A), Amendment 6 on March 26, 2014 (Late Item A), Amendment 7 on June 18, 2014 (Item#61A), Amendment 8 on May 27, 2015 (Item#16), Amendment 9 on June 24, 2015 (Item#9), Amendment 10 on December 16, 2015 (Late Item#A1), Amendment 11 on June 29, 2016 (Item#8), Amendment 12 on November 18, 2016 (Item# 21A), Amendment 13 on July 19, 2017 (Item#7C), Amendment 14 on March 21, 2018 (Item# 6B), and Amendment 15 on June 6, 2018 (Late Item # A).

Funds to support this request are available in the following accounts in State Fiscal Year 2019, and are anticipated to be available in the following accounts in State Fiscal Years 2020 and 2021, upon the availability and continued appropriation of funds in the future operating budget, with the ability to adjust amounts within the price limitation and adjust encumbrances between state fiscal years through the Budget Office, without approval of the Governor and Executive Council, if needed and justified.

05-95-95-954010-5952 HEALTH AND SOCIAL SERVICES, DEPT OF HEALTH AND HUMAN SERVICES, HHS: COMMISSIONER, OFFICE OF INFORMATION SERVICES, OFFICE OF INFORMATION SERVICES

Design, Development and Implementation Phase

State Fiscal Year	Class/Object	Class Title	Current Budget	Increase/Decrease	Revised Budget
2005	034/500099	Capital Projects	\$25,000,000	\$0	\$25,000,000
2006	034/500099	Capital Projects	\$1,076,918	\$0	\$1,076,918
2006	102/500731	Contracts for Prog.Svs.	\$76,326	\$0	\$76,326
2012	102/500731	Contracts for Prog.Svs.	\$7,152,125	\$0	\$7,152,125
2013	102/500731	Contracts for Prog.Svs.	\$4,298,885	\$0	\$4,298,885
2014	102/500731	Contracts for Prog.Svs.	\$30,239,095	\$0	\$30,239,095
2015	102/500731	Contracts for Prog.Svs.	\$4,321,110	\$0	\$4,321,110
2016	102/500731	Contracts for Prog.Svs.	\$6,953,485	\$0	\$6,953,485
2017	102/500731	Contracts for Prog.Svs.	\$5,582,018	\$0	\$5,582,018
2018	102/500731	Contracts for Prog.Svs.	\$324,479	\$0	\$324,479
2019	102/500731	Contracts for Prog.Svs.	\$0	\$2,212,355	\$2,212,355
Total			\$85,024,441	\$2,212,355	\$87,236,796

Operations Phase

State Fiscal Year	Class/Object	Class Title	Current Budget	Increase/Decrease	Revised Budget
2013	102/500731	Contracts for Prog.Svs.	\$2,084,889	\$0	\$2,084,889
2014	102/500731	Contracts for Prog.Svs.	\$8,544,809	\$0	\$8,544,809
2015	102/500731	Contracts for Prog.Svs.	\$9,164,847	\$0	\$9,164,847
2016	102/500731	Contracts for Prog.Svs.	\$16,000,932	\$0	\$16,000,932
2017	102/500731	Contracts for Prog.Svs.	\$16,329,529	\$0	\$16,329,529
2018	102/500731	Contracts for Prog.Svs.	\$19,043,544	\$0	\$19,043,544
2019	102/500731	Contracts for Prog.Svs.	\$23,062,007	\$0	\$23,062,007
Total			\$94,230,557	\$0	\$94,230,557

05-95-47-470010-2358 HEALTH AND SOCIAL SERVICES, DEPT OF HEALTH AND HUMAN SERVICES, OFFICE OF MEDICAID SERVICES, OFFICE OF MEDICAID SERVICES, NEW HAMPSHIRE GRANITE ADVANTAGE HEALTH CARE TRUST FUND

Design, Development and Implementation Phase

State Fiscal Year	Class/Object	Class Title	Current Budget	Increase/Decrease	Revised Budget
2019	102/500731	Contracts for Prog.Svs.	\$0	\$344,293	\$344,293
Total			\$0	\$344,293	\$344,293

05-95-47-470010-8009 HEALTH AND SOCIAL SERVICES, DEPT OF HEALTH AND HUMAN SERVICES, OFFICE OF MEDICAID SERVICES, OFFICE OF MEDICAID SERVICES, MEDICAID MANAGEMENT INFORMATION SYSTEM

Operations Phase

State Fiscal Year	Class/Object	Class Title	Current Budget	Increase/Decrease	Revised Budget
2020	102/500731	Contracts for Prog.Svs.	\$24,676,096	\$0	\$24,676,096
2021	102/500731	Contracts for Prog.Svs.	\$26,159,579	\$0	\$26,159,579
Total			\$50,835,675	\$0	\$50,835,675

05-95-95-954010-1527 HEALTH AND SOCIAL SERVICES, DEPT OF HEALTH AND HUMAN SERVICES, HHS:COMMISSIONER, OFFICE OF INFORMATION SERVICES, OFFICE OF INFORMATION SERVICES

Design, Development and Implementation Phase

State Fiscal Year	Class/Object	Class Title	Current Budget	Increase/Decrease	Revised Budget
2019	034/500099	Capital Projects	\$21,474,533	\$0	\$21,474,533
Total			\$21,474,533	\$0	\$21,474,533
Grand Total			\$251,565,206	\$2,556,648	\$254,121,854

EXPLANATION

This request is a **sole source** that incorporates additional Design, Development and Implementation (DDI) initiatives in support of the NH Medicaid Program, requiring changes to the State's Medicaid Management Information System (MMIS). The services of the Contractor's technical and operational resources are expanded to address program mandates, legislative requirements and modernization technology projects. This Amendment 16 will allow the Contractor to incorporate the Centers for Medicare and Medicaid Services' (CMS) Medicaid Information Technology Architecture (MITA) Seven Conditions and Standards.

This request will enable the Department to implement the required system changes to its MMIS on a very aggressive timeline to meet contractual requirements for the new Managed Care Organizations (MCO) contract and for the start-up of the new MCO plan coverage. The MMIS must be ready to exchange data with the new MCO to assist with its readiness for operations prior to the start of enrollment. Additionally, the MMIS must be changed and configured to enroll members in the new MCO benefit plan in time for early enrollment beginning August 1, 2019 and to display and report members' Granite Advantage community engagement status to providers and to the MCOs in July when the requirement goes into effect.

This amendment extends the services of contractor technical resources that are already in place, that have been performing the technically required tasks for a significant period, and will leverage existing system processes to expedite implementation of the required changes. The Department intends to leverage and maximize its investment in the experienced technical support team that has developed an intricate knowledge of the NH MMIS and will be able to meet the challenges of implementing the new system capabilities and technical upgrades in the timeline needed by the Medicaid Program.

The Design, Development and Implementation services acquired under this Amendment 16 encompass the following eight (8) areas:

1. Managed Care Organization Re-Procurement Support;
2. Granite Advantage Program Community Engagement;
3. Acuity Rate Setting/Resource Utilization Groups IV Enhancement;
4. Acuity Rate Setting-Budget Adjustment Factor;
5. Encounter and Fee for Service Claims Data Interfaces;

6. Granite Advantage Program: Newly Eligible/Not Newly Eligible Members;
7. Electronic Document Management System Technology Upgrade; and
8. Project Support.

The number of people served directly or indirectly under this Amendment includes over 180,000 NH Medicaid participants statewide receiving coverage under the Medicaid Care Management Program and Granite Advantage Programs. It also includes 90+ nursing home providers for whom nursing facility rates are calculated on the MMIS, and up to 30,000 other NH Medicaid providers who utilize the NH MMIS for member eligibility look-ups, access to correspondence and reports, and who rely on the MMIS for payment for services rendered to the Medicaid population.

Managed Care Organization Re-Procurement Support

The Department solicited proposals from managed care organizations to deliver health care services to eligible and enrolled Medicaid participants through Medicaid Care Management. The Department sought to select Managed Care Organizations (MCOs) to collaborate responsively with the Department, providers, and members to provide high quality, integrated health care across New Hampshire. The MCOs arrange for the provision of services to approximately 180,000 members including, but not limited to, pregnant women, children, parents/caretakers, non-elderly individuals, and non-disabled adults under the age of 65, and individuals who are aged, blind or disabled.

Re-procurement of Managed Care Organizations (MCO) in support of the NH Medicaid Care Management Program (MCM) resulted in the addition of one (1) new MCO. It also involves Medicaid Care Management program changes for service delivery, data exchanges, and payment.

This Amendment 16 includes Design, Development and Implementation services required in the Medicaid Management Information System for the Managed Care Organization Re-Procurement. Collaborating with the Department, the Contractor will provide consultation and testing services in the following areas:

- Managed Care Organization Benefit Plan Changes;
- Medicaid Management Information System Reference Functionality;
- Medicaid Provider Enrollment;
- Trading Partner Set-Up;
- Trading Partner Electronic Transactions;
- Data Interfaces Set-Up;
- External Partner Interface Changes;
- Remittance Advice Functionality;
- Health Care Eligibility Inquiry and Responses;
- Automated Voice Response System; and
- Transformed Medicaid Statistical Information System.

Granite Advantage Health Care Program Community Engagement

Pursuant to New Hampshire Laws of 2018, Chapter 342, Senate Bill 313, the Granite Advantage Health Care Program transitions coverage for members from Qualified Health Plans to Medicaid Managed Care Organizations and has a new requirement that certain newly eligible adults must be employed or engaged for a minimum number of hours in other work or community engagement activities. Modifications to the Medicaid Management Information System (MMIS) are required to operationalize the new requirements.

The system changes required by the Granite Advantage Program are in the following areas:

- Changes to the MMIS Interface with the New Heights eligibility system;
- Changes to the MMIS user interfaces pages to display Community Engagement data;
- Changes to Member Eligibility Inquires within the MMIS;
- Changes to MMIS Reporting; and
- Changes to the Managed Care Organization 834 Enrollment transaction.

Acuity Rate Setting/Resource Utilization Groups IV Enhancement

The Centers for Medicare and Medicaid Services' Resource Utilization Group IV (RUG IV) modernized the establishment of nursing facility rates. Amendment 16 includes Design, Development and Implementation Services to enhance the Nursing Facility Acuity Rate Setting to utilize an expanded data set for rate setting to determine members' acuity more accurately, and to automate a new data extract process to support the Proportionate Share Adjustment Incentive.

The modifications required to enhance the Acuity Rate Setting/RUG IV processing are in the following areas:

- Changes to CMS Minimum Data Set (MDS) data interface processing;
- Expanding MDS data storage, including archive tables;
- Changes to Acuity Rate Setting to review and incorporate the new data;
- New extracts to support Proportionate Share Adjustment Incentive processing; and
- Changes to reports.

Acuity Rate Setting-Budget Adjustment Factor

Amendment 16 includes modifications to the Acuity Rate Setting automated processes to incorporate a budget adjustment factor that can be applied to preliminary rate results and be factored across all facilities in the determination of adjusted rates. The objectives are to provide greater flexibility, to allow for the application of one or more adjustment factors to refine rate determination, and to improve the efficiency of rate determination across nursing facilities. These modifications will provide additional functionality to the Department and most specifically, the Bureau of Elderly and Adult Services.

The Acuity Rate Setting-Budget Adjustment Factor modifications are in the following areas:

- Adapting rate setting to include a new budget adjustment factor to be applied during rate calculations;
- Applying the new factor across rate setting versions; and
- Changes to display Acuity Rate Setting Budget Adjustment functionality.

Encounter and Fee for Service Claims Data Interfaces

Amendment 16 includes modifications to create new and/or expanded data interfaces with the objective to improve the accuracy of encounter claims data exchanges (Fee for Service and encounter) shared securely with the NH External Quality Review Organization (EQRO), Actuary, Managed Care Organizations, and Pharmacy Benefit Manager.

The Encounter and Fee for Service (FFS) Claim Data Interface modifications include:

- Modify specified MMIS data extract processes to include Encounter Claims;
- Modify Data Interface processing to incorporate Encounter Claims data elements; and
- Streamline MMIS Business Rules for specified data extracts to reduce processing times.

Newly Eligible/Not Newly Eligible Members

Amendment 16 includes changes to improve the data management of member "newly/not newly" status data. The accuracy of this data is essential to the Department's federal financial and statistical reporting specific to the Granite Advantage Program.

The Newly Eligible/Not Newly Eligible Member modifications involve in the following areas:

- Modify the Newly Eligible/Not Newly Eligible business rules;
- Modify processing of incoming member records from the New Heights eligibility system into the MMIS;
- Review of Granite Advantage Health Care Program (reforming New Hampshire's Medicaid and Premium Assistance Program) financial Fund Codes;
- Changes to the Department's federal reporting to the Centers for Medicare and Medicaid Services as it relates to the Granite Advantage Program (reforming New Hampshire's Medicaid and Premium Assistance Program);
- New MMIS Business rules as these relate to batch processing; and
- Modify Transformed Medicaid Statistical Information System (T-MSIS) eligibility extract processing to report member program participation using Newly/Not Newly.

Electronic Document Management System (EDMS) Technology Upgrade

Amendment 16 includes implementing a software upgrade to the MMIS' Electronic Document Management functionality. This upgrade is required to ensure continued capability to capture images, store and retrieve documentation critical to supporting Medicaid provider

enrollment, service authorization approvals, and claims processing. The current version of the MMIS' optical technology is no longer supported by the respective vendor. The risk of inconsistent and unreliable performance, potential lack of access to documentation, and/or more extensive time needed to resolve issues would be detrimental to the operational needs of the Medicaid Program.

MMIS system changes in support of this initiative include:

- Electronic Document Management System software upgrade.

Project Support

Amendment 16 includes technical services to pursue the analysis and implementation of several MMIS Process Improvement Projects and to enhance the functionality of the MMIS to support greater efficiency in the implementation of system changes needed by the NH Medicaid Program.

Project Support of the MMIS is in the following areas:

- Review of existing MMIS system controls;
- Enhance oversight of Managed Care Organization expenditures and capitation rates;
- Interfaces with the New Heights eligibility system; and
- Service Authorization processing.

The Department has begun to explore alternatives for its MMIS re-procurement strategy. The Department has acquired, with approval from the Governor and the Executive Council, the services of a consultant to complete an assessment of the MMIS and its fiscal agent. Conducting a review of the existing NH MMIS landscape, its benefits and areas of need, and existing fiscal agent services, the consultant will provide guidance to the Department about probable re-procurement approaches to best meet the Department's developing needs. Approval of this Amendment will allow for the existing system and operational services to continue while the Department refines its strategy and initiates action towards its MMIS re-procurement.

Should the Governor and Executive Council not approve this request, the Department's need for automated system support to implement its new Medicaid Program initiatives (including adding a new Managed Care Organization to the Medicaid Care Management Program) will be significantly compromised. The Department's ability to operationalize those initiatives successfully and in accordance with required implementation timelines will be jeopardized. System vulnerabilities to be resolved by the Optical Technology/Document Management component upgrade would persist. A significant adverse impact to the NH Medicaid Program, Medicaid eligible recipients, and providers would be realized if the MMIS is not changed to meet Medicaid Program needs as required under this Amendment.

Area served: Statewide.

Source of Funds: Design, Development and Implementation phase: 90% federal funds, 10% general funds; Operations phase: 75% federal funds, 25% general funds. Combined for both phases: 81.44% Federal Funds, 18.55% General Funds and Other Funds 0.01%. Federal funding source is the Centers for Medicare and Medicaid Services. Other funding source from the New Hampshire Granite Advantage Health Care Trust Fund.

In the event that the Federal Funds become no longer available, General Funds will not be requested to support this program.

Respectfully submitted,



Jeffrey A. Meyers
Commissioner



STATE OF NEW HAMPSHIRE
DEPARTMENT OF INFORMATION TECHNOLOGY
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Denis Goulet
Commissioner

May 14, 2019

Jeffrey A. Meyers, Commissioner
Department of Health and Human Services
State of New Hampshire
129 Pleasant Street
Concord, NH 03301

Dear Commissioner Meyers:

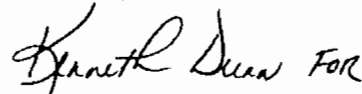
This letter represents formal notification that the Department of Information Technology (DoIT) has approved your agency's request to enter into a **sole source**, contract amendment (Amendment 16) with Conduent State Healthcare, LLC (formerly known as Xerox State Healthcare, LLC) (Vendor #278791) of Germantown, MD as described below and referenced as DoIT No. 2005-004P.

The requested action authorizes the Department of Health and Human Services to enter into a **sole source** contract amendment with Conduent State Healthcare, LLC to incorporate the Design, Development and Implementation (DDI) initiatives in support of the NH Medicaid Program, requiring changes to the State's Medicaid Management Information System (MMIS). This is requested to extend the service of technical resources that are already in place and who have been performing the technically required task for a significant period.

The funding amount for this amendment is \$2,556,648 increasing the current contract from \$251,565,206 to a new amount not to exceed \$254,121,854. The contract shall become effective upon Governor and Council approval through June 30, 2021.

A copy of this letter should accompany the Department of Health and Human Services' submission to the Governor and Executive Council for approval.

Sincerely,


Denis Goulet

DG/kaf/ck
DoIT #2005-004P

cc: Bruce Smith, IT Manager, DoIT

State of New Hampshire
Department of Health and Human Services
Amendment 16 to the Conduent State Healthcare, LLC (formerly known as Xerox State Healthcare, LLC) Contract

This 16th Amendment to the Conduent State Healthcare, LLC (formerly known as Xerox State Healthcare, LLC) contract (hereinafter referred to as "Amendment 16") dated this 1st day of May 2019, is by and between the State of New Hampshire, Department of Health and Human Services (hereinafter referred to as the "State" or "Department") and Conduent State Healthcare, LLC, a Delaware limited liability company, with a principal place of business at 9040 Roswell Road, Suite 700, Atlanta, Georgia 30350 (hereinafter referred to as "Conduent" or "Contractor"); and

WHEREAS, pursuant to an agreement (the "Contract") approved by the Governor and Executive Council on December 7, 2005, (Late Item C), and as amended by Amendment 1 on December 11, 2007 (Item #59); Amendment 2 on June 17, 2009 (Item #92); Amendment 3 on June 23, 2010 (Item #97); Amendment 4 on March 7, 2012 (Item#22A); Amendment 5 on December 19, 2012 (Item #27A); Amendment 6 on March 26, 2014 (Late Item A); Amendment 7 on June 18, 2014 (Item #61A); Amendment 8 on May 27, 2015 (Item #16); Amendment 9 on June 24, 2015 (Item #9); Amendment 10 on December 16, 2015 (Late Item A1); Amendment 11 on June 29, 2016 (Item #8); Amendment 12 on November 18, 2016 (Item #21A); Amendment 13 on July 19, 2017 (Item #7C); Amendment 14 on March 21, 2018 (Item #6B); and Amendment 15 on June 20, 2018 (Late Item A); the Contractor agreed to perform certain services based upon the terms and conditions specified in the Contract and in consideration of certain sums specified; and

WHEREAS, the State gave conditional approval for the NH MMIS "go-live" on March 31, 2013; and

WHEREAS, the Operations Phase commenced on April 1, 2013, the first day of the month immediately following the "go-live" date; and

WHEREAS, the NH MMIS was certified by the Centers for Medicare and Medicaid Services ("CMS") on June 15, 2015; and

WHEREAS, the State and the Contractor have agreed to make changes to the payment schedules and terms and conditions of the Contract;

NOW THEREFORE, in consideration of the foregoing and the mutual covenants and conditions contained in the Contract and set forth herein, the parties hereto agree as follows:

1. Except as specifically amended and modified by the terms and conditions in this Amendment, the obligations of the parties shall remain in full force and effect in accordance with the terms and conditions set forth in the original Contract, its Amendment 1 on December 11, 2007, its Amendment 2 on June 17, 2009, its Amendment 3 on June 23, 2010, its Amendment 4 on March 7, 2012, its Amendment 5 on December 19, 2012, its Amendment 6 on March 26, 2014, its Amendment 7 on June 18, 2014, its Amendment 8 on May 27, 2015, its Amendment 9 on June 24, 2015, its Amendment 10 on December 16, 2015, its Amendment 11 on June 29, 2016, its Amendment 12 on November 18, 2016, its Amendment 13 on July 19, 2017, its Amendment 14 on March 21, 2018, and its Amendment 15 on June 6, 2018.

Contractor Initials: 
Date: 5/15/19

2. The provisions of Contract Paragraph 2. CONTRACT/ORDER OF PRECEDENCE are hereby replaced by:

2.1 Contract Documents

This Contract between the Department and the Contractor (the "Contract") consists of the following Contract Documents:

- New Hampshire Standard Contract Terms and Conditions, Form P-37, together with the following exhibits:
 - Exhibit A – Statement of Work
 - Exhibit B – Price and Payment Schedule
 - Exhibit C – Special Provisions
 - Exhibit C-1 Special Provisions for MMIS Contracts
 - Exhibit D – Certification Regarding Drug Free Workplace Requirements
 - Exhibit E – Certification Regarding Lobbying
 - Exhibit F – Certification Regarding Debarment, Suspension and other Responsibility Matters
 - Exhibit G – Certificate Regarding Americans with Disabilities Act Compliance
 - Exhibit H – Certification Regarding Environmental Tobacco Smoke
 - Exhibit I – HIPAA Business Associate Agreement
 - Exhibit J – Certification Regarding Federal Funding Accountability and Transparency Act (FFATA) Compliance
 - Exhibit K – Ownership and Control Statement
 - Exhibit L – Performance Bond Continuation Certificate
 - Exhibit M – Amendment 15 Proposals
 - Conduent New Hampshire MMIS Proposed Solution Amendment 15 DDI Projects (DDI) Proposal, dated May 15, 2018, version 1.3 – referenced in Appendix A.18
 - Conduent New Hampshire MMIS Technical Platform Minimal Investment (TPMI) Proposal, dated May 15, 2018, version 3.1 - referenced in Appendix A.19
 - Conduent New Hampshire MMIS Operations and Maintenance (O&M) Proposal dated May 17, 2018, version 3.2
 - Exhibit N – Amendment 16 Proposal
 - All Appendices and Tables, including but not limited to:
 - Appendix A.1 – Preliminary Work Plan
 - Appendix A.2 – Deliverables List and Payment Schedule
 - Appendix A.3 – Liquidated Damages
 - Appendix A.4 – System Change Requirements
 - Appendix A.5 – NH MMIS Outpatient Prospective Payment System
 - Appendix A.6 – NH MMIS Enhanced Analytics
 - Appendix A.7 – NH MMIS HIPAA 5010 Enhancements
 - Appendix A.8 – NH MMIS System Change Requirements
 - Appendix A.9 – NH MMIS Additional System Enhancements
 - Appendix A.10 – NH MMIS HIPAA Operating Rules Assessment

- Appendix A.11 – NH MMIS System Change Requests and Testing Support
 - Appendix A.12 – NH MMIS System Enhancements to Meet Federal Requirements I
 - Appendix A.13 – NH MMIS System Enhancements for the New Hampshire Health Protection Plan
 - Appendix A.14 – Performance Measures
 - Appendix A.15 – NH MMIS System Enhancements for the Premium Assistance Program and Medicaid Care Management
 - Appendix A.16 – NH MMIS Security and Efficiency Enhancements
 - Appendix A.17 - NH MMIS System Enhancements to Meet Federal Requirements II
 - Appendix A.18 – NH MMIS System Enhancements to Meet Federal & State Requirements III, including Amendment 15 DDI Proposal
 - Appendix A.19 – NH MMIS System Enhancements Technical Platform Minimal Investment, including Technology Platform Minimum Investment Project (TPMI) Proposal
 - Appendix A.20 – NH MMIS Medicaid System Enhancements
- Amendment 1, Amendment 2, Amendment 3, Amendment 4, Amendment 5, Amendment 6, Amendment 7, Amendment 8, Amendment 9, Amendment 10, Amendment 11, Amendment 12, Amendment 13, Amendment 14, Amendment 15, and this Amendment 16 to the Contract.
 - DHHS MMIS RFP 2005-004, including any appendices and exhibits, as amended, and the State's written responses to written questions posed by vendors.
 - The Contractor's Technical Proposal submitted in response to RFP 2005-004 (1/5/2005), exclusive of any terms that are inconsistent with, or purport to modify or supersede, the New Hampshire Standard Contract Terms and Conditions, Form P-37, or the mandatory terms of RFP 2005-004.

General Terms and Conditions, Form P-37

3. The General Provisions Form P-37 are hereby amended as follows:
- 3.1. Block 1.8, Price Limitation, is increased by \$2,556,648 from \$251,565,206 to \$254,121,854, to reflect the additional requirements set forth in this Amendment 16.
- 3.2. Block 3 Effective Date: Completion of Services is amended by adding the following sentences to section 3.1:
- "The effective date of the original Contract is December 7, 2005. The effective date of Amendment 1 is December 11, 2007. The effective date of Amendment 2 is June 17, 2009. The effective date of Amendment 3 is June 23, 2010. The effective date of Amendment 4 is March 7, 2012. The effective date of Amendment 5 is December 19, 2012. The effective date of Amendment 6 is March 26, 2014. The effective date of Amendment 7 is June 18, 2014. The effective date of Amendment 8 is May 27, 2015. The effective date of Amendment 9 is June 24, 2015. The effective date of Amendment 10 is December 16, 2015. The effective date of Amendment 11 is June 29, 2016. The effective date of Amendment 12 is November 18, 2016. The effective date of Amendment 13 is July 19, 2017. The effective date of Amendment 14 is March 21, 2018. The effective date of Amendment 15 is June 6,

2018. All of the preceding dates are the dates the Contract was approved by the New Hampshire Governor and Executive Council, or a date certain, whichever is later, as specified in each document. This Amendment 16 is effective on the date of Governor and Executive Council approval through June 30, 2021.”

Exhibit A

4. The provisions of Exhibit A, Contract Section 3.4 *System Specifications* shall be amended to add:

3.4.39 NH MMIS Medicaid System Enhancements

The Contractor shall work with the State and collaborative partners to identify requirements, design, construct, test, and implement required enhancements to the NH MMIS specified in RFP 2005-004, Attachment 1, based on the State’s need to implement the system enhancements identified in Appendix A.20 of this Amendment 16. The State shall specify these requirements through deliverables/payment milestones specifically set forth in Amendment 16, Appendix A.20. Any changes to the overall scope of work shall follow the Change Control Procedures identified in Section 6.16 of DHHS MMIS RFP 2005-004.

The Contractor shall fully satisfy the requirements for the implementation of the system enhancements as outlined in Amendment 16, Appendix A.20 and in accordance with the payment schedule identified within Amendment 16, Appendix A.2.

5. The Contractor’s “key staff” as identified in Exhibit A, Contract Paragraph 8.1.1 *Key Staff*, are hereby replaced with the following:

The Contractor’s “key staff” shall be comprised of the following individuals:

- C. Douglas Davis - Executive Account Manager;
- Raja Seshadri Kannan - Technical Director;
- Ravichandran Karuppiah - Functional Manager;
- Sanjay Dua - Systems Manager;
- TBD - Release Manager;
- Melissa Soule - Modifications Manager;
- Kathleen Donovan- Provider Relations Manager;
- Michelle Minor - Claims Processing Manager;
- Regina Knowlton - Call Center Supervisor;
- TBD - Data Interface Lead;
- Swathi Donoori - Reporting Specialist;

6. The provisions of Amendment 15, Appendix A.2, *Deliverables List and Payment Schedule* of the Contract are hereby deleted and replaced with Amendment 16, Appendix A.2 *Deliverables List and Payment Schedule* as attached.

Exhibit B

7. The provisions of Exhibit B, Paragraph 1.1 *Firm Fixed Price* are hereby deleted and replaced with the following paragraphs:

1.1 Price

This Contract between The State of New Hampshire and Contractor is an agreement to plan, design, install, implement, support, maintain, and operate the State's new NH MMIS System for a base contract period of up to ten years and four months. The base contract includes a seven year and four-month DDI Phase, for an amount Not to Exceed \$47,791,503. The base contract period includes a three-year Base Operations Phase for an amount Not to Exceed \$7,975,733 for the first year, \$8,752,153 for the second year, and \$13,773,164 for the third year, for a total Base Operations Phase amount, Not to Exceed \$30,501,050. The total amount for the base contract period shall not exceed \$78,292,553.

The Contract further provides for an optional two-year extension of the Operations Phase, which the State exercised by notifying the Contractor of its intention to extend on September 22, 2015. The Contract as extended includes a two-year Extension Operations Phase for an amount Not to Exceed \$16,765,928 for the first year (extension operations year 1) and \$17,882,345 for the second year (extension operations year 2) for a total two-year Extension Operations Phase amount not to exceed \$34,648,273.

The Contract also provides for Post-DDI Phase Enhancements to be implemented in accordance with Appendix A.12, Appendix A.13, Appendix A.15, Appendix A.16, Appendix A.17, Appendix A.18, Appendix A.19, and Appendix A.20 for a Post-DDI Phase Enhancement total amount Not to Exceed \$61,556,639 (increased by \$2,556,648 for Appendix A.20 for a total increase of \$2,556,648 under this Amendment 16).

The Contract under Amendment 15 provided for a three (3) month Additional Extension to the Operations Phase through to June 30, 2018. Amendment 15 provided for a two (2) year Additional Extension to the Operations Phase for an amount Not to Exceed \$47,738,103 and further provided for one (1) Transition year for an amount Not to Exceed \$26,159,579. There are no cost changes to the Operations Phases or Transition Phase under this Amendment 16.

The total amount for the base contract, Post DDI Enhancements, optional operations extension periods, the Additional Extension to the Operations Phase, and Transition Year shall not exceed \$254,121,854.

The Contractor shall be responsible for performing the work in accordance with the Contract Documents, including without limitation, the requirements, and terms and conditions contained herein.

8. The provisions of Exhibit B, Paragraph 1.5 *Total Contract Price* are hereby replaced with the following:

Conduent State Healthcare, LLC
Amendment 16

Notwithstanding anything in this Contract to the contrary, and notwithstanding unexpected circumstances, in no event shall the total of all payments under this Contract (excluding pass-through costs identified in section 1.4) exceed \$254,121,854, as set forth in Table 1.5-1: Total Contract Price – DDI, Operations, and Post DDI Enhancements. The payment by the State of the total Contract price shall be the only and the complete reimbursement to the Contractor for all fees and expenses, of whatever nature, incurred by the Contractor in performance hereof.

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Table 1.5-1: Total Contract Price –DDI, Operations, and Post DDI Enhancements

AMENDMENT 16 PRICE ITEM	Am 15 PRICE	Amend 16 Change	Am 16 PRICE
DDI Phase	\$47,791,503	\$0	\$47,791,503
Subtotal DDI Phase:	\$47,791,503		\$47,791,503
Post-DDI Phase Enhancements – Appendix A.12	\$21,564,935	\$0	\$21,564,935
Post-DDI Phase Enhancements – Appendix A.13	\$2,923,787	\$0	\$2,923,787
Post-DDI Phase Enhancements – Appendix A.15	\$6,924,326	\$0	\$6,924,326
Post-DDI Phase Enhancements – Appendix A.16	\$1,037,186	\$0	\$1,037,186
Post-DDI Phase Enhancements – Appendix A.17	\$5,075,224	\$0	\$5,075,224
Post-DDI Phase Enhancements – Appendix A.18	\$12,994,593	\$0	\$12,994,593
Post-DDI Phase Enhancements – Appendix A.19	\$8,479,940	\$0	\$8,479,940
Post-DDI Phase Enhancements – Appendix A.20		\$2,556,648	\$2,556,648
Subtotal Post DDI Enhancements:	\$58,999,991	\$2,556,648	\$61,556,639
Total DDI Phase and Post DDI Enhancements :	\$106,791,494	\$2,556,648	\$109,348,142
Base Operations Year 1	\$7,975,733	\$0	\$7,975,733
Base Operations Year 2	\$8,752,153	\$0	\$8,752,153
Base Operations Year 3	\$13,773,164	\$0	\$13,773,164
Subtotal Base Operations Phase:	\$30,501,050	\$0	\$30,501,050
(DDI Phase and Base Operations Phase) Total Base Contract:	\$78,292,553	\$0	\$78,292,553
Extension Operations Year 1	\$16,765,928	\$0	\$16,765,928
Extension Operations Year 2	\$17,882,345	\$0	\$17,882,345
Subtotal Extension Operations Phase:	\$34,648,273	\$0	\$34,648,273
Additional Extension Operations 3 Months	\$5,726,707	\$0	\$5,726,707
Additional Extension Operations Year 1 of 2	\$23,062,007	\$0	\$23,062,007
Additional Extension Operations Year 2 of 2	\$24,676,096	\$0	\$24,676,096
Subtotal Additional Extension Operations Phase:	\$53,464,810	\$0	\$53,464,810
Total Operations Phase:	\$118,614,133	\$0	\$118,614,133
Transition Year	\$26,159,579	\$0	\$26,159,579
Total Transition Phase:	\$26,159,579	\$0	\$26,159,579
(DDI , Post-DDI Enhancements, Operations and Transition) Total Contract Price:	\$251,565,206	\$2,556,648	\$254,121,854

Conduent State Healthcare, LLC
Amendment 16

9. In the event of any discrepancies between Amendment 16 and its Appendices and its Exhibit N, Amendment 16 and its Appendices take precedence.

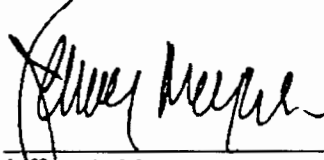
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Contractor Initials: 
Date: 5/15/19

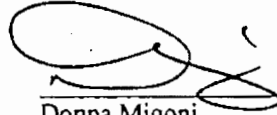
Conduent State Healthcare, LLC
Amendment 16

IN WITNESS WHEREOF, the parties have set their hands as of the date above written.

State of New Hampshire
Department of Health and Human Services



Jeffrey A. Meyers
Commissioner



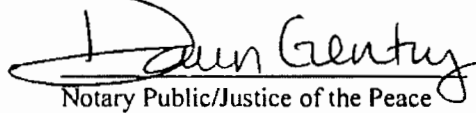
Donna Migoni
Vice President of
Conduent State Healthcare, LLC

STATE OF Tx

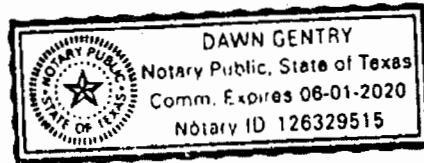
COUNTY OF Williamson

On this the 15 day of May 2019, before me, Dawn Gentry the undersigned officer, personally appeared Donna Migoni who acknowledged herself to be the Vice President of Conduent State Healthcare, LLC, a Delaware limited liability company, and that he/she, as such Vice President being authorized to do so, executed the foregoing instrument for the purposes therein contained, by signing the name of the corporation by herself as Vice President.

IN WITNESS WHEREOF, I hereunto set my hand and official seal.


Notary Public/Justice of the Peace

My commission expires: 6-1-2020



The preceding Amendment, having been reviewed by this office, is approved as to form, substance, and execution.

OFFICE OF THE ATTORNEY GENERAL

By:  _____

Date: 5/24/2019


I hereby certify that the foregoing contract was approved by the Governor and Council of the State of New Hampshire at the Meeting on: _____ (date of meeting)

Office of the Secretary of State

By: _____


Title: _____

Date: _____

Contractor Initials: 
Date: 5/15/19

Amendment 16 Appendix A.2
Deliverable List and Payment Schedule

Ref #	Deliverable	Amendment 16				Payment Amount	Holdback %	Holdback Amount	Payment Due 15% Holdback	Holdback Release %	Holdback Release Amount	Payment with		Holdback Retained Amount
		Factory Delivery Date	Delivery Date	Invoice Date	Invoice Date							Holdback Amount	% Retained	
MMIS BASE SYSTEM - Section A DGI Phase														
1	Project Initiation and Planning	comp	comp	comp	comp	\$1,888,102.55	15%	\$283,265.38	\$1,588,737.17	0%	\$0.00	\$1,588,737.17	15%	\$283,265.38
2	Concord, NH DOI Project Site Requirement	comp	comp	comp	comp	\$12,070.00	15%	\$1,810.50	\$10,259.50	0%	\$0.00	\$10,259.50	15%	\$1,810.50
3	Project Management Plan	comp	comp	comp	comp	\$137,777.00	15%	\$20,666.55	\$117,110.45	0%	\$0.00	\$117,110.45	15%	\$20,666.55
4	Detailed Project Work Plan	comp	comp	comp	comp	\$12,070.00	15%	\$1,810.50	\$10,259.50	0%	\$0.00	\$10,259.50	15%	\$1,810.50
5	Problem Control and Change Management Plan	comp	comp	comp	comp	\$12,070.00	15%	\$1,810.50	\$10,259.50	0%	\$0.00	\$10,259.50	15%	\$1,810.50
6	Project Communication Plan	comp	comp	comp	comp	\$12,070.00	15%	\$1,810.50	\$10,259.50	0%	\$0.00	\$10,259.50	15%	\$1,810.50
7	Quality Assurance Plan	comp	comp	comp	comp	\$12,070.00	15%	\$1,810.50	\$10,259.50	0%	\$0.00	\$10,259.50	15%	\$1,810.50
8	Requirements Traceability Matrix	comp	comp	comp	comp	\$42,452.00	15%	\$6,367.80	\$36,084.20	0%	\$0.00	\$36,084.20	15%	\$6,367.80
9	Weekly Project Status Reports	comp	comp	comp	comp	\$139,277.00	15%	\$20,891.55	\$118,385.45	0%	\$0.00	\$118,385.45	15%	\$20,891.55
10	Detailed Implementation Schedule (IMS) w/quarterly updates	comp	comp	comp	comp	\$21,014.00	15%	\$3,152.10	\$17,861.90	0%	\$0.00	\$17,861.90	15%	\$3,152.10
11	Performance Self-Reporting Mechanism-Monthly	comp	comp	comp	comp	\$55,024.00	15%	\$8,253.60	\$46,770.40	0%	\$0.00	\$46,770.40	15%	\$8,253.60
12	Preliminary CMS Certification Process Plan	comp	comp	comp	comp	\$12,075.00	15%	\$1,811.25	\$10,263.75	0%	\$0.00	\$10,263.75	15%	\$1,811.25
	Total Project Initiation and Planning Cost					\$2,325,001.55	15%	\$348,756.23	\$1,976,245.32	0%	\$0.00	\$1,976,245.32	15%	\$348,756.23
Requirements Analysis and Validation														
12	Requirements Analysis and Validation	comp	comp	comp	comp	\$5,308,860.00	15%	\$948,029.00	\$5,360,831.00	1%	\$63,058.60	\$5,423,889.60	14%	\$862,960.40
13	Requirements Validation Specification	comp	comp	comp	comp	\$52,132.00	15%	\$7,819.80	\$44,312.20	1%	\$521.32	\$44,833.52	14%	\$7,298.48
14	Issues Tracking and Resolution Document	comp	comp	comp	comp	\$72,008.00	15%	\$10,801.20	\$61,206.80	1%	\$720.08	\$61,926.88	14%	\$10,081.12
15	Preliminary Test Plan	comp	comp	comp	comp	\$48,653.00	15%	\$7,297.95	\$41,355.05	1%	\$486.53	\$41,841.58	14%	\$6,811.42
16	Preliminary Training Plan	comp	comp	comp	comp	\$93,375.00	15%	\$14,006.25	\$79,368.75	1%	\$933.75	\$80,302.50	14%	\$13,072.50
17	Preliminary Conversion/Migration Plan	comp	comp	comp	comp	\$106,791.00	15%	\$16,018.65	\$90,772.35	1%	\$1,067.91	\$91,840.26	14%	\$14,050.74
	Total Requirements Analysis and Validation					\$6,879,819.00	15%	\$1,001,872.85	\$5,877,946.15	1%	\$66,788.19	\$5,944,734.34	14%	\$925,174.64
Design														
18	General System Design	comp	comp	comp	comp	\$2,813,754.00	15%	\$422,063.10	\$2,391,690.90	2%	\$56,275.08	\$2,447,965.98	13%	\$365,768.02
19	Detailed System Design Group 1	comp	comp	comp	comp	\$1,303,702.44	15%	\$195,555.37	\$1,108,147.07	2%	\$22,074.05	\$1,130,221.12	13%	\$169,481.32
20	Detailed System Design Group 2	comp	comp	comp	comp	\$1,303,702.44	15%	\$195,555.37	\$1,108,147.07	2%	\$22,074.05	\$1,130,221.12	13%	\$169,481.32
21	Detailed System Design Group 3	comp	comp	comp	comp	\$1,303,702.44	15%	\$195,555.37	\$1,108,147.07	2%	\$22,074.05	\$1,130,221.12	13%	\$169,481.32
22	Test Environment Preparation	comp	comp	comp	comp	\$104,082.00	15%	\$15,612.30	\$88,469.70	2%	\$2,081.54	\$90,551.34	13%	\$13,530.66
23	Provider Operations Plan	comp	comp	comp	comp	\$30,000.00	15%	\$4,500.00	\$25,500.00	2%	\$600.00	\$26,100.00	14%	\$4,200.00
24	Preliminary Operations Plan	comp	comp	comp	comp	\$110,391.00	15%	\$16,558.65	\$93,832.35	2%	\$2,207.82	\$96,040.17	14%	\$15,454.74
25	Preliminary MMS Implementation Plan	comp	comp	comp	comp	\$49,422.00	15%	\$7,413.30	\$42,008.70	2%	\$888.44	\$42,897.14	13%	\$6,424.86
26	Preliminary Contingency Plan	comp	comp	comp	comp	\$84,208.00	15%	\$12,630.90	\$71,577.10	2%	\$1,684.12	\$73,261.22	13%	\$10,946.78
27	Preliminary Security Plan	comp	comp	comp	comp	\$47,566.00	15%	\$7,134.90	\$40,431.10	2%	\$951.32	\$41,382.42	13%	\$6,183.58
28	Finalized Disaster Recovery Plan	comp	comp	comp	comp	\$84,208.00	15%	\$12,630.90	\$71,577.10	2%	\$1,684.12	\$73,261.22	13%	\$10,946.78
65a	MMIS Change Order Analysis-DSD Update Gp 1-7	comp	comp	comp	comp	\$404,429.00	15%	\$60,664.35	\$343,764.65	2%	\$8,088.58	\$351,853.23	13%	\$52,575.77
65b	MMIS Change Order Analysis-DSD Update Gp 8-9	comp	comp	comp	comp	\$18,851.00	15%	\$2,827.65	\$16,023.35	2%	\$337.02	\$16,360.37	13%	\$2,190.63
66a	Archive Claims Retrieval Solution	comp	comp	comp	comp			\$			\$			
	Total Design					\$7,658,014.32	15%	\$1,148,402.15	\$6,509,612.17	2%	\$153,120.29	\$6,662,732.46	13%	\$995,281.88
Construction and Unit Testing														
29a	Functional Test Summary Iteration 1a	comp	comp	comp	comp	\$651,851.22	15%	\$97,777.68	\$554,073.54	2%	\$13,037.02	\$567,110.56	13%	\$84,740.66
29b	Functional Test Summary Member Function	comp	comp	comp	comp	\$358,518.17	15%	\$53,777.73	\$304,740.44	2%	\$7,170.36	\$311,910.81	13%	\$46,607.36
29c	Functional Test Summary Non-Functional Req.	comp	comp	comp	comp	\$97,777.68	15%	\$14,666.65	\$83,111.03	2%	\$1,955.55	\$85,066.58	13%	\$12,711.10
30a	Functional Test Summary Operations Functions	comp	comp	comp	comp	\$1,486,665.40	15%	\$222,999.81	\$1,263,665.59	2%	\$29,333.31	\$1,293,000.00	13%	\$190,666.50
30b	Functional Test Summary Program Functions	comp	comp	comp	comp	\$1,140,739.80	15%	\$171,110.94	\$969,628.86	2%	\$22,814.79	\$992,443.65	13%	\$148,298.15
30c	Functional Test Summary Provider Functions	comp	comp	comp	comp	\$130,370.24	15%	\$19,555.54	\$110,814.70	2%	\$2,607.40	\$113,422.11	13%	\$16,948.13
30d	Functional Test Summary Security Functions	comp	comp	comp	comp	\$65,185.12	15%	\$9,777.77	\$55,407.35	2%	\$1,303.70	\$56,711.05	13%	\$8,474.07
31	Functional Test Results													
32	Integration and System Test Scripts													
33	MMIS Change Orders # 2		Removed Amendment	Per 12		\$0.00	15%	\$0.00	\$0.00	2%	\$0.00	\$0.00	13%	\$0.00
33a	New PBM Interface Design and Construction	comp	comp	comp	comp	\$25,000.00	15%	\$3,750.00	\$21,250.00	2%	\$500.00	\$21,750.00	13%	\$3,250.00
33b	Change Orders A.8	comp	comp	comp	comp	\$51,480.00	15%	\$7,722.00	\$43,758.00	2%	\$1,029.60	\$44,787.60	13%	\$6,692.40
34	Preliminary Provider Handbooks	comp	comp	comp	comp	\$180,143.00	15%	\$27,021.45	\$153,121.55	2%	\$3,202.86	\$156,324.41	13%	\$23,618.59
35a	Finalized MMIS Implementation Plan-Provider Enroll	comp	comp	comp	comp	\$49,488.33	15%	\$7,423.25	\$42,065.08	2%	\$841.31	\$42,906.39	13%	\$6,433.48
35b	Finalized MMIS Implementation Plan- MMS	comp	comp	comp	comp	\$98,976.67	15%	\$14,846.50	\$84,130.17	2%	\$1,682.62	\$85,812.79	13%	\$12,866.97
36	Finalized Integration and System Test Plan	comp	comp	comp	comp	\$141,757.00	15%	\$21,263.55	\$120,493.45	2%	\$2,835.14	\$123,328.59	13%	\$18,428.41
37	Finalized Contingency Plan	comp	comp	comp	comp	\$148,465.00	15%	\$22,269.75	\$126,195.25	2%	\$2,969.30	\$129,164.55	13%	\$19,300.45
38	Finalized Conversion/Migration Plan	comp	comp	comp	comp	\$114,878.00	15%	\$17,201.40	\$97,676.60	2%	\$2,293.52	\$99,970.12	13%	\$14,907.88
39	Finalized Operations Plan	comp	comp	comp	comp	\$49,847.00	15%	\$7,477.05	\$42,369.95	2%	\$847.39	\$43,217.34	13%	\$6,454.11
40	Finalized Security Plan	comp	comp	comp	comp	\$48,553.00	15%	\$7,282.95	\$41,270.05	2%	\$971.06	\$42,241.11	13%	\$6,311.89
	Total Construction and Unit Testing					\$4,799,283.43	15%	\$719,884.01	\$4,079,399.42	2%	\$95,885.87	\$4,175,285.29	13%	\$623,908.19
Integration and System Testing														
41a	Integration and System Test Summary Iteration 1a	comp	comp	comp	comp	\$651,851.22	15%	\$97,777.68	\$554,073.54	2%	\$13,037.02	\$567,110.56	13%	\$84,740.66
41b	Integration and System Test Summary Member Functions	comp	comp	comp	comp	\$195,555.36	15%	\$29,333.30	\$166,222.06	2%	\$3,911.11	\$170,133.17	13%	\$25,422.20
41c	Integration and System Test Summary Non-Functional Req.	comp	comp	comp	comp	\$32,592.56	15%	\$4,888.88	\$27,703.68	2%	\$651.85	\$28,355.53	13%	\$4,237.03
42a	Integration and System Test Summary Operations Functions	comp	comp	comp	comp	\$1,434,072.60	15%	\$215,110.89	\$1,218,961.71	2%	\$28,681.45	\$1,247,643.16	13%	\$186,429.44
42b	Integration and System Test Summary Program Functions	comp	comp	comp	comp	\$1,338,295.00	15%	\$200,744.25	\$1,137,550.75	2%	\$26,725.90	\$1,164,276.65	13%	\$173,718.35
42c	Integration and System Test Summary Provider Functions	comp	comp	comp	comp	\$195,555.36	15%	\$29,333.30	\$166,222.06	2%	\$3,911.11	\$170,133.17	13%	\$25,422.20
42d	Integration and System Test Summary Security Functions	comp	comp	comp	comp	\$65,185.10	15%	\$9,777.77	\$55,407.33	2%	\$1,303.70	\$56,711.03	13%	\$8,474.06
65c	Integration and System Test Summary Changes 1-7	comp	comp	comp	comp	\$885,504.00	15%	\$132,825.60	\$752,678.40	2%	\$17,170.08	\$769,848.48	13%	\$115,115.52
65d	Integration and System Test Summary Iteration 6	comp	comp	comp	comp	\$38,598.00	15%	\$5,789.70	\$32,808.30	2%	\$737.92	\$33,546.22	13%	\$5,051.30

Contractor Initials: 
Date: 5/15/11

Amendment 16 Appendix A.2
Deliverable List and Payment Schedule

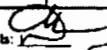
Del #	Deliverable	Amend 15 Delivery Date	Amend 16 Revised Delivery Date	Amend 15 Invoice Date	Amend 16 Revised Invoice Date	Payment Amount	Holdback %	Holdback Amount	Payment less 15% Holdback	Holdback Release %	Holdback Release Amount	Payment with Holdback Release Amt	% Retained Holdback	Holdback Retained Amount
43	Integration and System Test Results					\$0.00								
44	X12N EDI Completion Guides	comp	comp	comp	comp	\$48,872.00	15%	\$7,330.80	\$41,541.20	2%	\$973.44	\$42,514.64	13%	\$6,327.36
45	Provider Status Evaluation	comp	comp	comp	comp	\$76,604.00	15%	\$11,490.60	\$65,113.40	2%	\$1,532.08	\$66,645.48	13%	\$9,958.52
46	Preliminary Converted Files	comp	comp	comp	comp	\$58,610.00	15%	\$8,791.50	\$49,818.50	2%	\$1,172.20	\$50,990.70	13%	\$7,619.30
47	Revised Detailed System Design													
48	Acceptance Test Plan	comp	comp	comp	comp	\$82,481.00	15%	\$12,369.15	\$70,091.85	2%	\$1,649.22	\$71,741.07	13%	\$10,719.93
49	Acceptance Test Tracking System	comp	comp	comp	comp	\$48,872.00	15%	\$7,330.80	\$41,541.20	2%	\$973.44	\$42,514.64	13%	\$6,327.36
50	Finalized Training Plan	comp	comp	comp	comp	\$36,249.00	15%	\$5,437.35	\$30,811.65	2%	\$724.98	\$31,536.63	13%	\$4,712.37
51	Training Materials & Manuals - Provider Enrollment	comp	comp	comp	comp	\$16,061.76	15%	\$2,409.26	\$13,652.50	2%	\$321.24	\$13,973.73	13%	\$2,068.03
52	Training Materials & Manuals - MMIS	comp	comp	comp	comp	\$32,610.24	15%	\$4,891.54	\$27,718.70	2%	\$652.20	\$28,370.91	13%	\$4,239.33
	Total Integration and System Testing					\$5,233,447.20	15%	\$785,017.08	\$4,448,430.12	2%	\$104,668.94	\$4,553,099.06	13%	\$686,348.14
Conversion														
53	Conversion Test Results	comp	comp	comp	comp	\$80,822.00	15%	\$9,093.30	\$71,728.70	1%	\$606.22	\$72,334.92	14%	\$8,487.06
	Total Conversion					\$80,822.00	15%	\$9,093.30	\$71,728.70	1%	\$606.22	\$72,334.92	14%	\$8,487.06
Acceptance Test														
54	Acceptance Test Resolutions Document	comp	comp	comp	comp	\$147,829.00	15%	\$22,174.35	\$125,654.65	1%	\$1,478.29	\$127,132.94	14%	\$20,696.06
55a	MMIS Change Order Acceptance Test	comp	comp	comp	comp	\$1,254,240.00	15%	\$188,136.00	\$1,066,104.00	1%	\$12,542.40	\$1,078,646.40	14%	\$175,593.60
55	Operational Readiness Report	comp	comp	comp	comp	\$32,175.00	15%	\$4,826.25	\$27,348.75	1%	\$321.75	\$27,670.50	14%	\$4,504.50
56	Program Expansion Enhancements		Removed Amendment	Per 12		\$0.00	15%	\$0.00	\$0.00	1%	\$0.00	\$0.00	14%	\$0.00
57	Finalized MMIS Provider Handbooks	comp	comp	comp	comp	\$39,305.00	15%	\$5,895.75	\$33,409.25	1%	\$393.05	\$33,802.30	14%	\$5,502.70
	Total Acceptance Test					\$1,473,549.00	15%	\$221,032.33	\$1,252,516.65	1%	\$14,735.49	\$1,267,252.14	14%	\$206,296.84
Implementation														
58	Finalized CMS Certification Process Plan	comp	comp	comp	comp	\$84,209.00	15%	\$12,631.35	\$71,577.65	1%	\$642.09	\$72,219.74	13%	\$10,947.17
58b	Archive Claims Retrieval Solution	comp	comp	comp	comp									
59	MMIS Systems Documentation	comp	comp	comp	comp	\$114,924.00	15%	\$17,238.60	\$97,685.40	1%	\$1,149.24	\$98,834.64	14%	\$18,089.36
59f	MMIS Change Order Readiness & Implementation	comp	comp	comp	comp	\$313,600.00	15%	\$47,040.00	\$266,560.00	1%	\$3,136.00	\$269,696.00	14%	\$43,904.00
60	Results of Final Conversion	comp	comp	comp	comp	\$98,575.00	15%	\$14,786.25	\$83,788.75	1%	\$985.75	\$84,774.50	14%	\$13,800.50
	Total Implementation					\$611,308.00	15%	\$91,696.20	\$519,611.80	1%	\$6,113.04	\$525,724.84	14%	\$83,563.12
Post-Implementation evaluation														
61	Evaluation plan		Removed Amendment	Per 12		\$0.00	15%	\$0.00	\$0.00	1%	\$0.00	\$0.00	14%	\$0.00
62	Evaluation report		Removed Amendment	Per 12		\$0.00	15%	\$0.00	\$0.00	1%	\$0.00	\$0.00	14%	\$0.00
63	Corrective action plan		Removed Amendment	Per 12		\$0.00	15%	\$0.00	\$0.00	1%	\$0.00	\$0.00	14%	\$0.00
64	Certification manuals for each required system function, including first run reports for federally-required reports	comp	comp	comp	comp	\$13,605.00	15%	\$2,070.75	\$11,534.25	1%	\$138.05	\$11,672.30	14%	\$1,832.70
	Total Post-Implementation evaluation					\$13,605.00	15%	\$2,070.75	\$11,534.25	1%	\$138.05	\$11,672.30	14%	\$1,832.70
TOTAL BASE SYSTEM						\$28,852,859.50	15%	\$4,327,929.93	\$24,524,929.58	1%	\$442,166.13	\$24,967,095.70	14%	\$3,885,762.80
	Note:													
	Note:													
	Note:													
OUTPATIENT PROSPECTIVE PAYMENT SYSTEM														
Requirements Analysis														
1	Analytical Database	comp	comp	comp	comp	\$50,000.00	15%	\$7,500.00	\$42,500.00	1%	\$500.00	\$43,000.00	14%	\$7,000.00
2	Requirements Analysis Report 1	comp	comp	comp	comp	\$50,000.00	15%	\$7,500.00	\$42,500.00	1%	\$500.00	\$43,000.00	14%	\$7,000.00
3	Requirements Analysis Report 2	comp	comp	comp	comp	\$80,000.00	15%	\$12,000.00	\$68,000.00	1%	\$800.00	\$68,800.00	14%	\$9,600.00
	Total Requirements Analysis					\$180,000.00	15%	\$27,000.00	\$153,000.00	1%	\$1,800.00	\$154,800.00	14%	\$22,400.00
Business Rules and Design														
4	Business Requirements Document - Report 1	comp	comp	comp	comp	\$70,000.00	15%	\$10,500.00	\$59,500.00	1%	\$700.00	\$60,200.00	14%	\$8,800.00
5	Business Requirements Document - Report 2	comp	comp	comp	comp	\$70,000.00	15%	\$10,500.00	\$59,500.00	1%	\$700.00	\$60,200.00	14%	\$8,800.00
6	Business Requirements Document - Report 3	comp	comp	comp	comp	\$75,000.00	15%	\$11,250.00	\$63,750.00	1%	\$750.00	\$64,500.00	14%	\$9,000.00
	Total Business Rules and Design					\$215,000.00	15%	\$32,250.00	\$182,750.00	1%	\$2,150.00	\$184,900.00	14%	\$26,100.00
Construction														
7	Detailed System Design Update		Removed Amendment	Per 10		\$0.00	15%	\$0.00	\$0.00	1%	\$0.00	\$0.00	14%	\$0.00
	Total Construction					\$0.00	15%	\$0.00	\$0.00	1%	\$0.00	\$0.00	14%	\$0.00
Implementation														
8	Implementation Go Live		Removed Amendment	Per 10		\$0.00	15%	\$0.00	\$0.00	1%	\$0.00	\$0.00	14%	\$0.00
	Total Implementation					\$0.00	15%	\$0.00	\$0.00	1%	\$0.00	\$0.00	14%	\$0.00
TOTAL OUTPATIENT PROSPECTIVE PAYMENT SYSTEM						\$375,000.00	15%	\$56,250.00	\$318,750.00	1%	\$3,750.00	\$322,500.00	14%	\$52,500.00
ENHANCED ANALYTICS														

Amendment 16 Appendix A.2
Deliverable List and Payment Schedule

Item #	Deliverable	Amount 15 Delivery Date	Amount 16 Revised Delivery Date	Amount 15 Invoice Date	Amount 16 Revised Invoice Date	Payment Amount	Holdback %	Holdback Amount	Payment less 15% Holdback	Holdback Release %	Holdback Release Amount	Payment with Holdback Release Amt	% Retained Holdback	Holdback Retained Amount
TOTAL ENHANCED ANALYTICS														
			Removed Amendment	Per 10		\$0.00	15%	\$0.00	\$0.00	1%	\$0.00	\$0.00	14%	\$0.00
5010 Enhancements														
Requirements and Design														
1	Requirements Analysis and Start Up	comp	comp	comp	comp	\$1,777,000.00	15%	\$266,550.00	\$1,510,450.00	0%	\$0.00	\$1,510,450.00	0%	\$0.00
2	Detailed System Design	comp	comp	comp	comp	\$712,500.00	15%	\$106,875.00	\$605,625.00	1%	\$7,125.00	\$612,750.00	14%	\$99,750.00
	Total Requirements and Design					\$2,489,500.00	15%	\$373,425.00	\$2,116,075.00	1%	\$24,895.00	\$2,140,970.00	14%	\$348,530.00
Construction and User Acceptance Test														
3	Initiation of UAT	comp	comp	comp	comp	\$1,790,300.00	15%	\$268,545.00	\$1,521,755.00	1%	\$17,903.00	\$1,539,658.00	14%	\$250,642.00
4	Completion of UAT	comp	comp	comp	comp	\$1,820,900.00	15%	\$273,135.00		1%	\$18,209.00	\$18,209.00	14%	\$256,048.00
5	Design, code, unit test, SIT - UAT testing for the COB changes		Removed Amendment	Per 12		\$0.00	15%	\$0.00	\$0.00	1%	\$0.00	\$0.00	14%	\$0.00
	Total Construction and Unit Test					\$3,611,200.00	15%	\$542,680.00	\$3,078,520.00	1%	\$34,112.00	\$3,112,632.00	14%	\$506,688.00
Implementation														
6	User Interface Updated for 5010	comp	comp	comp	comp	\$568,425.00	15%	\$85,263.75	\$483,161.25	1%	\$5,884.25	\$488,845.50	14%	\$79,579.50
	Total Implementation					\$568,425.00	15%	\$85,263.75	\$483,161.25	1%	\$5,884.25	\$488,845.50	14%	\$79,579.50
	TOTAL 5010 Enhancements					\$6,677,125.00	15%	\$1,001,568.75	\$5,675,556.25	1%	\$68,771.25	\$5,744,327.50	14%	\$834,797.50
Managed Care System Enhancement Phase I														
Requirements and Design														
1	Requirements Analysis and Start Up	comp	comp	comp	comp	\$442,250.00	15%	\$66,337.50	\$375,912.50	1%	\$4,422.50	\$380,335.00	14%	\$61,915.00
2	Detailed System Design	comp	comp	comp	comp	\$93,750.00	15%	\$14,062.50	\$79,687.50	1%	\$937.50	\$80,625.00	14%	\$13,125.00
	Total Requirements and Design					\$536,000.00	15%	\$80,400.00	\$455,600.00	1%	\$5,360.00	\$460,960.00	14%	\$75,040.00
Construction and User Acceptance Test														
3	Completion of UAT	comp	comp	comp	comp	\$1,873,875.00	15%	\$281,081.25	\$1,677,793.75	1%	\$18,738.75	\$1,697,532.50	14%	\$276,342.50
	Total Construction and Unit Test					\$1,873,875.00	15%	\$281,081.25	\$1,677,793.75	1%	\$18,738.75	\$1,697,532.50	14%	\$276,342.50
Implementation														
4	Completion of Implementation	comp	comp	comp	comp	\$292,400.00	15%	\$43,860.00	\$248,540.00	1%	\$2,924.00	\$251,464.00	14%	\$40,938.00
	Total Implementation					\$292,400.00	15%	\$43,860.00	\$248,540.00	1%	\$2,924.00	\$251,464.00	14%	\$40,938.00
	TOTAL Managed Care Phase I Enhancements					\$2,802,275.00	15%	\$420,341.25	\$2,381,933.75	1%	\$28,022.75	\$2,409,956.50	14%	\$392,318.50
Managed Care System Enhancement Phase II														
Requirements and Design														
1	Management Oversight	comp	comp	comp	comp	\$56,500.00	15%	\$8,475.00	\$48,025.00	1%	\$565.00	\$48,590.00	14%	\$7,910.00
2	Documented Change Requests	comp	comp	comp	comp	\$87,150.00	15%	\$13,072.50	\$74,077.50	1%	\$871.50	\$74,949.00	14%	\$12,201.00
3	Updated DSD Chapters	comp	comp	comp	comp	\$94,150.00	15%	\$14,122.50	\$80,027.50	1%	\$941.50	\$80,969.00	14%	\$13,181.00
4	Technical Design	comp	comp	comp	comp	\$70,500.00	15%	\$10,575.00	\$59,925.00	1%	\$705.00	\$60,630.00	14%	\$9,870.00
	Total Requirements and Design					\$308,300.00	15%	\$46,245.00	\$262,055.00	1%	\$3,083.00	\$265,138.00	14%	\$43,162.00
Construction and Unit Test														
5	Construction	comp	comp	comp	comp	\$535,000.00	15%	\$80,250.00	\$454,750.00	1%	\$5,350.00	\$460,100.00	14%	\$74,900.00
	Total Construction and Unit Test					\$535,000.00	15%	\$80,250.00	\$454,750.00	1%	\$5,350.00	\$460,100.00	14%	\$74,900.00
System Integration Testing														
6	System Test Plan	comp	comp	comp	comp	\$41,000.00	15%	\$6,150.00	\$34,850.00	1%	\$410.00	\$35,260.00	14%	\$5,740.00
7	System Test Complete	comp	comp	comp	comp	\$318,100.00	15%	\$47,715.00	\$270,385.00	1%	\$3,181.00	\$273,566.00	14%	\$44,534.00
	Total System Integration Testing					\$359,100.00	15%	\$53,865.00	\$305,235.00	1%	\$3,591.00	\$308,826.00	14%	\$46,274.00
User Acceptance Testing														
6	UAT Test Planning	comp	comp	comp	comp	\$104,250.00	15%	\$15,637.50	\$88,612.50	1%	\$1,042.50	\$89,655.00	14%	\$14,585.00
7	Train State/State Users	comp	comp	comp	comp	\$8,450.00	15%	\$1,267.50	\$7,182.50	1%	\$84.50	\$7,267.00	14%	\$1,183.00
	Total User Acceptance Testing					\$112,700.00	15%	\$16,905.00	\$95,795.00	1%	\$1,127.00	\$96,922.00	14%	\$15,778.00
Implementation														
4	Production Release		07/31/18	11/27/18	08/31/18	comp		\$99,973.00	\$99,973.00	15%	\$14,995.95	\$84,977.05	1%	\$999.73
	Total Implementation							\$99,973.00	\$99,973.00	15%	\$14,995.95	\$84,977.05	1%	\$999.73
	TOTAL Managed Care Phase II Enhancements					\$1,415,073.00	15%	\$212,260.85	\$1,202,812.05	1%	\$14,150.73	\$1,216,962.78	14%	\$188,110.22
Medicaid Hospice Benefit														
	TOTAL Medicaid Hospice Benefit Enhancements		Removed Amendment	Per 10		\$0.00	15%	\$0.00	\$0.00	1%	\$0.00	\$0.00	14%	\$0.00
Enhanced Provider Screening														
Requirements and Design														
1	Requirements Analysis	comp	comp	comp	comp	\$111,250.00	15%	\$16,687.50	\$94,562.50	1%	\$1,112.50	\$95,675.00	14%	\$15,575.00
2	Detailed System Design	comp	comp	comp	comp	\$78,500.00	15%	\$11,775.00	\$66,725.00	1%	\$785.00	\$67,510.00	14%	\$10,990.00
	Total Requirements and Design					\$189,750.00	15%	\$28,462.50	\$161,287.50	1%	\$1,897.50	\$163,185.00	14%	\$26,565.00

Amendment 16 Appendix A.2
Deliverable List and Payment Schedule

Del #	Deliverable	Amend 15 Revised Delivery Date	Amend 16 Revised Delivery Date	Amend 15 Invoice Date	Amend 16 Revised Invoice Date	Holdback Payment Amount	Holdback %	Holdback Amount	Payment less 15% Holdback	Holdback Release %	Holdback Release Amount	Payment with Holdback Release And	* Retained Holdback	Holdback Retention Amount
HPAA Operating Rules														
1	Software License Acquired and Applied	comp	comp	comp	comp	\$1,586,809.00								
1a	Additional Software License Acquired and Applied	comp	comp	comp	comp	\$105,445.00								
2	Tool Installed and Ready to Use	comp	comp	comp	comp	\$140,419.00								
3	Change Requests Documented and Approved	comp	comp	comp	comp	\$140,419.00								
4	Updated Detailed System Design Approved	comp	comp	comp	comp	\$140,419.00								
5	Technical Design Completed	comp	comp	comp	comp	\$421,256.00								
6	Coding, Unit Testing, and Data Configuration Completed	comp	comp	comp	comp	\$547,633.00								
7	Development Integration Testing Completed	comp	comp	comp	comp	\$547,633.00								
8	System Test Plan Approved	comp	comp	comp	comp	\$122,866.00								
9	System Integration Testing Completed	comp	comp	comp	comp	\$368,599.00								
10	User Acceptance Testing Completed	comp	comp	comp	comp	\$210,628.00								
11	Post Production Validation Completed	comp	comp	comp	comp	\$188,504.00								
12	Receipt of Phase I CORE Certification Seal	comp	comp	comp	comp	\$108,547.00								
13	Receipt of Phase II CORE Certification Seal	comp	comp	comp	comp	\$108,547.00								
14	Receipt of Phase III CORE Certification Seal	comp	comp	comp	comp	\$108,547.00								
15	Environment Upgrades	11/30/18	02/23/19	12/31/18	comp	\$112,885.00								
	TOTAL A-12 HPAA Operating Rules					\$4,833,154.00								
ICD-10														
1	Software License Acquired and Applied	comp	comp	comp	comp	\$2,281,482.00								
2	Tool Installed	comp	comp	comp	comp	\$1,977,211.00								
3	IAD Sessions - Requirement Document Approved	comp	comp	comp	comp	\$329,535.00								
4	Requirements Technical Consulting	comp	comp	comp	comp	\$60,000.00								
5	Technical Design Updated Detailed System Design	comp	comp	comp	comp	\$1,235,757.00								
6	Design Technical Consulting	comp	comp	comp	comp	\$70,000.00								
7	Coding Complete	comp	comp	comp	comp	\$1,029,797.00								
8	Unit Test, Data Configured, Dev Integration Test Complete	comp	comp	comp	comp	\$1,029,797.00								
9	Data Configuration Technical Consulting	comp	comp	comp	comp	\$70,000.00								
10	System Test Plan and Environment Ready	comp	comp	comp	comp	\$297,748.00								
11	System Integration Testing Completed	comp	comp	comp	comp	\$803,242.00								
12	System Integration Testing Technical Consulting	comp	comp	comp	comp	\$70,000.00								
13	User Acceptance Testing Completed	comp	comp	comp	comp	\$659,070.00								
14	User Acceptance Testing Technical Consulting	comp	comp	comp	comp	\$70,000.00								
15	Training Technical Consulting	comp	comp	comp	comp	\$70,000.00								
16	Production Implementation and PIR Completed	comp	comp	comp	comp	\$906,222.00								
17	ORR, Dev Configuration Testing Completed - Phase II	comp	comp	comp	comp	\$257,202.00								
18	Phase II - Technical Consulting	comp	comp	comp	comp	\$70,000.00								
19	Avior 2nd Year License Acquired and Applied		Removed Amendment	Per 10		\$0.00								
20	Trading Partner Testing Completed	comp	comp	comp	comp	\$375,893.00								
21	Phase III - Technical Consulting	comp	comp	comp	comp	\$125,000.00								
22	Full Regression Test with Latest MMS Release Complete	comp	comp	comp	comp	\$161,097.00								
23	Additional Mapping Updates	comp	comp	comp	comp	\$284,000.00								
	TOTAL A-12 ICD-10					\$12,223,633.00								
	TOTAL MMS Post DOI Enhancements A-12					\$21,564,935.00								
NHPP														
1	Software License Acquired and Applied	comp	comp	comp	comp	\$790,850.00								
2	Servers Acquired and Installed	comp	comp	comp	comp	\$282,330.00								
3	Enroll New Provider Types	comp	comp	comp	comp	\$185,061.00								
4	Enroll New Members in NHHPP Benefit Plan(s)	comp	comp	comp	comp	\$277,591.00								
5	Adjudicate Claims for New Benefit Plan	comp	comp	comp	comp	\$555,182.00								
6	Non-Federal Reports, Claims Data Mart for NHHPP	comp	comp	comp	comp	\$462,652.00								
7	Federal Reporting, EFADS, Remaining Tasks	comp	comp	comp	comp	\$370,121.00								
	TOTAL A-13 NHPP					\$2,923,787.00								
	TOTAL MMS Post DOI Enhancements A-13					\$2,923,787.00								
PAP and MCM														
1	MCO Mandatory Enrollment	comp	comp	comp	comp	\$393,693.00								
2	Enrollment File and Eligibility Changes	comp	comp	comp	comp	\$610,820.00								
3	X12 834 Enrollment Transaction	comp	comp	comp	comp	\$707,205.00								
4	Phase 1 PAP Changes	comp	comp	comp	comp	\$611,334.00								
5	MCM Benefit Changes for CFI		Removed Amendment	Per 12		\$0.00								
6	New MCO or MCM/PAP 834/Enrollment		Removed Amendment	Per 12		\$0.00								
7	FFS Co-Pay Changes	comp	comp	comp	comp	\$783,953.00								
8	X12 MIX 820 Premium Payment Transaction	comp	comp	comp	comp	\$364,721.00								
9	NH BRIDGES Interface Changes	comp	comp	comp	comp	\$269,733.00								
10a	Additional Interface - T-MSS	comp	comp	comp	comp	\$101,450.00								
10b	Additional Interface - Options	comp	comp	comp	comp	\$101,449.00								

Contractor Initials: 
Date: 5/15/19

Amendment 16 Appendix A.2
Deliverable List and Payment Schedule

Item #	Deliverable	Amendment 15		Amendment 16		Payment Amount	Holdback %	Holdback Amount	Payment Key: P/N	Holdback Release %	Holdback Release Amount	Payment with Holdback Release Amt	* Retained Holdback	Holdback Retained Amount
		Deliverable Date	Revised Deliverable Date	Invoice Date	Revised Invoice Date									
11	EFADS and eMAR Changes	comp	comp	comp	comp	\$493,810.00								
12a	X12 820 Software Purchase	comp	comp	comp	comp	\$125,000.00								
12b	Capitation Claim Adjustments	comp	comp	comp	comp	\$236,292.00								
13	Targeted Recon Changes	comp	comp	comp	comp	\$88,433.00								
14	Member UI Changes for Additional QHP Data	comp	comp	comp	comp	\$158,433.00								
15	BRIDGES Outbound Interface, SA UI and PCP Part 2 Interface	comp	comp	comp	comp	\$128,300.00								
16	MID Complete Process		Removed Amendment	Per 11		\$0.00								
17	Inbound MCO-MMS Interface	comp	comp	comp	comp	\$94,323.00								
18	NEMT-Requirements Analysis		Removed Amendment	Per 11		\$0.00								
19	NEMT-Configuration		Removed Amendment	Per 11		\$0.00								
20	NEMT-UAT		Removed Amendment	Per 11		\$0.00								
21	NEMT-Regression Testing		Removed Amendment	Per 11		\$0.00								
22	NEMT-Additional Development		Removed Amendment	Per 11		\$0.00								
23	NEMT-Reports and Documentation		Removed Amendment	Per 11		\$0.00								
24	NEMT-T-MSIS		Removed Amendment	Per 11		\$0.00								
25	NEMT-EFADS and EMAR		Removed Amendment	Per 11		\$0.00								
26	NEMT-834		Removed Amendment	Per 11		\$0.00								
27	Additional Eligibility Changes		comp	comp	comp	\$104,500.00								
28	Additional Reporting Changes		Removed Amendment	Per 11		\$0.00								
31	Maternity/Newborn Processing	comp	comp	comp	comp	\$78,625.00								
32	Newborn BP on 271 Transaction	comp	comp	comp	comp	\$37,250.00								
33	Newborn BP in Voice Response	comp	comp	comp	comp	\$5,000.00								
34	820 Payment Financial Reporting	comp	comp	comp	comp	\$30,625.00								
	TOTAL A-15 PAP and MCM Non-NEMT Funds					\$5,644,951.00								
Non-Emergency Medical Transportation (NEMT)														
1N	NEMT Project Management	comp	comp	comp	comp	\$109,349.00								
2N	NEMT Provider Enrollment	comp	comp	comp	comp	\$12,566.00								
3N	NEMT Benefit Plan	comp	comp	comp	comp	\$26,461.00								
4N	NEMT Member NEMT Enrollment	comp	comp	comp	comp	\$54,614.00								
5N	NEMT 834 Enrollment Transaction	comp	comp	comp	comp	\$259,781.00								
6N	NEMT Benefit Plan Rate Cohort	comp	comp	comp	comp	\$10,875.00								
7N	NEMT Capitation	comp	comp	comp	comp	\$124,695.00								
8N	NEMT Claims/Financial/Encounters	comp	comp	comp	comp	\$125,178.00								
9N	NEMT 820 Payment Transaction	comp	comp	comp	comp	\$50,265.00								
10N	NEMT User Interface	comp	comp	comp	comp	\$34,074.00								
11N	NEMT Reports	comp	comp	comp	comp	\$49,540.00								
12N	NEMT Data Interfaces	comp	comp	comp	comp	\$48,331.00								
13N	NEMT Federal Reporting	comp	comp	comp	comp	\$9,666.00								
14N	NEMT Deployments, UAT, PIR	comp	comp	comp	comp	\$193,325.00								
15N	NEMT State Tester Support-4mos	comp	comp	comp	comp	\$251,323.00								
16N	NEMT System Documentation	comp	comp	comp	comp	\$19,332.00								
	TOTAL A-15 PAP and MCM NEMT Funds					\$1,379,375.00								
	TOTAL PAP and MCM Fixed Payments A-15					\$4,924,326.00								
29	General Contingency Pool		Removed Amendment	Per 12		\$0.00								
30	Cost Sharing Enhancement Pool		Removed Amendment	Per 10		\$0.00								
	TOTAL A-15 PAP and MCM Contingency Funds					\$0.00								
	TOTAL MMS Post DDI Enhancements A-15					\$4,924,326.00								
Log-in Security Enhancements														
1	Production Release	comp	comp	comp	comp	\$92,500.00								
	TOTAL A-16 Log-in Security Enhancements					\$92,500.00								
Database Access for Designated Users														
1	Software Acquisition	comp	comp	comp	comp	\$14,350.00								
2	Production Release	comp	comp	comp	comp	\$3,750.00								
	TOTAL A-16 Database Access for Designated Users					\$18,100.00								
3D Barcode and OCR Enhancement														
1	Software Acquisition	comp	comp	comp	comp	\$50,468.00								

Amendment 16 Appendix A.2
Deliverable List and Payment Schedule

No. #	Deliverable	Amount 15		Amount 16		Payment Amount	Holdback %	Holdback Amount	Payment Less 15% Holdback	Holdback Release %	Holdback Release Amount	Payment with Holdback Release Amt	% Retained Holdback	Holdback Retained Amount
		Delivery Date	Revised Delivery Date	Invoice Date	Revised Invoice Date									
2	Design and Construction	comp	comp	comp	comp	\$21,283.00								
3	Testing and Implementation	comp	comp	comp	comp	\$17,415.00								
4	OCR Modifications	comp	comp	comp	comp	\$10,000.00								
TOTAL A-16 2D Barcode Enhancement						\$99,168.00								
Resources Utilization Group (RUG) IV														
1	Develop Policy Design Document (PDD)	comp	comp	comp	comp	\$60,000.00								
2	Conduct Pilot	comp	comp	comp	comp	\$45,000.00								
3	Conduct Simulation	comp	comp	comp	comp	\$30,000.00								
4	Finalize PDD	comp	comp	comp	comp	\$55,000.00								
5	Develop System Modifications Document (SMD)	comp	comp	comp	comp	\$55,000.00								
6	Finalize System Design	comp	comp	comp	comp	\$57,438.00								
7	Regression Testing	comp	comp	comp	comp	\$57,437.00								
8	User Acceptance Testing (UAT)	comp	comp	comp	comp	\$50,000.00								
TOTAL A-16 Resources Utilization Group (RUG) IV						\$410,875.00								
New MMIS Certification Requirements														
1	Develop Responses to CMS Pilot Checklists	comp	comp	comp	comp	\$199,457.00								
TOTAL A-16 New MMIS Certification Requirements						\$199,457.00								
Enhanced DMZ Infrastructure Setup														
1	Software Acquisition	comp	comp	comp	comp	\$46,825.00								
2	Design	comp	comp	comp	comp	\$69,105.00								
3	Testing and Implementation	comp	comp	comp	comp	\$102,158.00								
TOTAL A-16 Enhanced DMZ Infrastructure Setup						\$217,888.00								
TOTAL MMIS Post DDI Enhancements A-16						\$1,037,188.00								
Provider Revalidation (PR)														
Provider Revalidation Phase I - UI, Letters, Reports														
1	PR UI, Letters, Reports Requirements Completed	comp	comp	comp	comp	\$77,050.00								
2	PR UI, Letters, Reports Development Completed	comp	comp	comp	comp	\$115,578.00								
3	PR UI, Letters, Reports SIT/Regression Testing Completed	comp	comp	comp	comp	\$96,312.00								
4	PR UI, Letters, Reports UAT Completed Production Deployed	comp	comp	comp	comp	\$96,312.00								
Provider Revalidation Phase II - Automation														
5	PR Automation Requirements Complete	comp	comp	comp	comp	\$282,950.00								
6	PR Automation Development and Unit Testing Complete	comp	comp	comp	comp	\$424,428.00								
7	PR Automation SIT & Regression Testing Complete	comp	comp	comp	comp	\$353,687.00								
8	PR Automation UAT and Production Deployment Complete	comp	comp	comp	comp	\$353,687.00								
9	PR UIs, Letters & Reports Added Functionality Updates Completed	comp	comp	comp	comp	\$200,000.00								
10	PR Electronic Signature Functionality & Storage Capability Completed	comp	comp	comp	comp	\$200,000.00								
11	PR Data Collection Processes & Volume Control Completed	comp	comp	comp	comp	\$100,000.00								
TOTAL A-17 Provider Revalidation						\$2,300,000.00								
MTA Assessment Support														
1	40 Hours MTA Technical Support	06/20/18	06/20/18	07/05/18	07/05/18	\$5,000.00								
2	40 Hours MTA Technical Support	06/20/18	06/20/18	07/06/18	07/06/18	\$5,000.00								
3	40 Hours MTA Technical Support	06/20/18	06/20/18	07/07/18	07/07/18	\$5,000.00								
TOTAL A-17 MTA Assessment Support						\$15,000.00								
Enhanced Provider Screening														
15	Screening/Monitoring File Processes Implemented	comp	comp	comp	comp	\$37,500.00								
16	Provider FCBC Tracking Process Implemented	comp	comp	comp	comp	\$68,750.00								
TOTAL A-17 Enhanced Provider Screening						\$106,250.00								
T-MSSIS Transformed Medical Statistical Information System														
17	Extended PORT/ORT Testing	comp	comp	comp	comp	\$367,625.00								
TOTAL A-17 T-MSSIS Transformed Medical Statistical Information System						\$367,625.00								
ICD-10														
24	FFY17 Requirement, Validation, Technical System Updates	comp	comp	comp	comp	\$219,750.00								
TOTAL A-17 ICD-10						\$219,750.00								
RCM/PAP														
40	Capitation Claims Adjust User Interface	comp	comp	comp	comp	\$82,625.00								
PAP Yr 2 2017 Plan Enrollment and 834														
41	PAP Yr 2 BP Enrollment Production Implementation	comp	comp	comp	comp	\$137,250.00								
42	OHP Roster Coding Changes Implementation Completed	comp	comp	comp	comp	\$34,190.00								
43	Regs/Design Daily Trigger Logic & 834 Data Storage	comp	comp	comp	comp	\$43,837.00								
44	Development Daily Trigger Logic & 834 Data Storage	comp	comp	comp	comp	\$65,756.00								
45	SIT and Regression Daily Trigger Logic & 834 Data Storage	comp	comp	comp	comp	\$43,837.00								
46	UAT Daily Trigger Logic & 834 Data Storage Completed	comp	comp	comp	comp	\$32,877.00								
47	Daily Trigger Logic & 834 Data Storage Implemented	comp	comp	comp	comp	\$32,878.00								
ENLAR MCM PAP Reporting Enhancements														

Amendment 16 Appendix A.2
Deliverable List and Payment Schedule


Part #	Deliverable	Amendment 16				Payment Amount	Holdback %	Holdback Amount	Payment less 15% Holdback	Holdback Release %	Holdback Release Amount	Payment with Holdback Release Amt	% Payment Retained	Holdback Retained Amount
		Amend 16 Delivery Date	Revised Delivery Date	Amend 16 Invoiced Date	Amend 16 Revised Invoiced Date									
53	EMAR Analysis & Design Completed	08/31/18	11/28/18	09/30/18	comp	\$51,590.00								
54	EMAR Data, Report, Processing Changes Completed	08/31/18	11/28/18	09/30/18	comp	\$51,590.00								
55	EMAR System Integration Testing Completed	08/31/18	11/28/18	09/30/18	comp	\$81,070.00								
56	EMAR UAT, Implementation/Documentation PIR Completed	08/31/18	11/28/18	09/30/18	12/28/19	\$0.00								
57	MCM PAP Multi Project State Tester Support 4 mos Dec-Mar	comp	comp	comp	comp	\$248,800.00								
58	MCM PAP Multi Project State Tester Support 4 Qtrs Apr-Mar	comp	comp	comp	comp	\$184,750.00								
TOTAL A-17 MCM/PAP						\$1,068,850.00								
Change of Ownership (CHOW) Phase II Partial Yr Cost Reporting														
5	CHOW PII Requirements/Design Completed, CRs Approved	comp	comp	comp	comp	\$95,187.00								
6	CHOW PII Development Completed	comp	comp	comp	comp	\$95,187.00								
7	CHOW PII System Integration/Regression Test Completed	comp	comp	comp	comp	\$95,188.00								
8	CHOW PII UAT Completed and Production Implementation	comp	comp	comp	comp	\$95,188.00								
TOTAL A-17 CHOW Phase II						\$380,750.00								
Amendment 13 A-17 Extended Technical Resource Support														
1	Multi-Project State Tester Support 4 Months July-Oct 2017	comp	comp	comp	comp	\$246,333.00								
2	Report Design/Construction Specialist 4 Months July-Oct 2017	comp	comp	comp	comp	\$78,146.00								
TOTAL A-17 Extended Technical Resource Support						\$324,479.00								
Amendment 14 A-17 Extended Technical Resource Support														
1	Multi-Project State Tester Support 4 Months July-Oct 2017	comp	comp	comp	comp	\$292,520.00								
TOTAL A-17 Extended Technical Resource Support						\$292,520.00								
TOTAL MMS Post DOI Enhancements A-17						\$3,675,224.00								
Amendment 15 A-18														
New Medicare Card ID Initiative (formerly SSNR)														
1	New Heights Eligibility Changes and Data Architecture Changes	12/30/18	06/23/19	01/30/19	07/24/19	\$151,378.00								
2	UI Changes Member Contact Management, TPL and Provider	02/03/19	02/03/19	03/06/19	comp	\$105,567.00								
3	UI Changes Member Contact Management, TPL and Provider	02/03/19	04/14/19	03/06/19	05/15/19	\$183,294.00								
4	XML Changes	03/10/19	03/10/19	04/10/19	04/10/19	\$255,248.00								
5	AK ID Table	03/10/19	03/10/19	04/10/19	comp	\$249,189.00								
6	MMS Interface Changes	04/14/19	03/10/19	05/15/19	04/10/19	\$282,732.00								
7	TMSIS Interface Changes	04/14/19	06/23/19	05/15/19	07/24/19	\$54,883.00								
8	Cognos Reporting Changes	05/19/19	06/23/19	06/19/19	07/24/19	\$66,854.00								
9	Optum EMAR Planning & Analysis	02/21/19	06/23/19	03/24/19	07/24/19	\$84,000.00								
10	Optum EMAR SIT & UAT	03/18/19	06/23/19	04/18/19	07/24/19	\$84,000.00								
11	Optum EMAR Documentation, Implementation & Post Implementation	05/19/19	07/28/19	06/19/19	08/28/19	\$42,000.00								
Total A-18 New Medicare Card ID (formerly SSNR):						\$1,878,845.00								
Ordering, Referring, and Prescribing Provider Enrollment and Claims Editing														
1	Provider Enrollment Indivs Billing, Non-Billing, and ORP only completed	12/30/18	07/28/19	01/30/19	08/28/19	\$672,592.00								
2	Revise / create system lists and Create ORP Claim Edits	02/03/19	07/28/19	03/06/19	08/28/19	\$560,454.00								
3	Provider Revalidation Indivs Billing, Non-Billing, and ORP only completed	03/10/19	09/01/19	04/10/19	10/02/19	\$373,172.00								
4	Revise reports for ORP and create Adhoc reports	04/14/19	09/01/19	05/15/19	10/02/19	\$129,088.00								
5	Revise PBM, MCO, Milliman, UNH system, and EHR interfaces	04/14/19	09/01/19	05/15/19	10/02/19	\$108,034.00								
Total A-18 Ordering, Referring, Prescribing Provider Enrollment & Claims:						\$1,843,340.00								
Managed Care Enhancements														
1	Member Enrollment 834 Changes (Next Day Enrollment) Completed	11/25/18	02/03/19	12/26/18	comp	\$479,329.00								
2	Member Capitation Changes to Start Any Date of Month Completed	12/30/18	04/14/19	01/30/19	05/15/19	\$407,387.00								
3	Multiple Attributes MCO Capitation Completed	02/03/19	02/03/19	03/06/19	comp	\$623,498.00								
4	Benefit Plan Configuration Completed	03/10/19	03/10/19	04/10/19	comp	\$6,530.00								
5	Member Eligibility, New Heights File Processing Completed	04/14/19	03/10/19	05/15/19	04/10/19	\$685,108.00								
6	Member Eligibility, MMS User Interface Completed	04/14/19	03/10/19	05/15/19	04/10/19	\$129,898.00								
7	Add Medicare Part D Carrier Info to MCO Interface Completed	05/19/19	06/23/19	06/19/19	07/24/19	\$67,374.00								
8	MCO 834 Enrollment Transaction Completed	05/19/19	02/03/19	06/19/19	comp	\$271,210.00								
9	Transformed Medicaid Statistical Information System (T-MSIS) Completed	06/23/19	09/01/19	07/24/19	10/02/19	\$210,402.00								
10	Expanded 834 for Change Functionality and Increased Volume Completed	07/28/19	07/28/19	08/28/19	08/28/19	\$321,793.00								
11	Create 820 Premium Payment Transaction; Implement with MCOs & QHPs	09/01/19	07/28/19	10/02/19	08/28/19	\$415,125.00								
12	Expand ORR to capture new member data elements	09/01/19	07/28/19	10/02/19	08/28/19	\$210,000.00								
Total A-18 Managed Care Enhancements:						\$4,690,650.00								
BDS Waiver Services Authentication Changes														
1	SA Interface, Attachments & Letters Requirements Completed	11/30/18	04/19/19	12/31/18	05/20/19	\$154,950.00								
2	SA Interface, Attachments & Letters Development Completed	01/04/19	05/24/19	02/04/19	06/24/19	\$232,423.00								
3	SA Interface, Attachments & Letters SIT & Regression Completed	02/05/19	06/23/19	03/11/19	07/24/19	\$193,685.00								
4	SA Interface, Attachments & Letters UAT & Implementation Completed	03/10/19	07/28/19	04/10/19	08/28/19	\$193,685.00								
Total A-18 BDS Waiver Service Authentication:						\$774,743.00								
Requirements ARS Change of Ownership & Partial Year Cost Reporting														
1	ARS CHOW PYCR Requirements JADS Completed	3/1/2019	6/23/2019	04/01/19	07/24/19	\$360,000.00								
Total A-18 Requirements ARS Change of Ownership/Partial Yr Cost Report:						\$360,000.00								
UPIC Data Exchange and TPL Coverage Information														
1	UPIC Data Exchange Requirements Completed	06/28/19	06/28/19	07/29/19	07/29/19	\$61,425.00								

Amendment 16 Appendix A.2
Deliverable List and Payment Schedule

Del #	Deliverable	Amount To				Payment Amount	Holdback %	Holdback Amount	Payment less 15% Holdback	Holdback Release %	Holdback Release Amount	Payment with Holdback Release	% Delivered	Holdback Retained Amount
		Amount 15 Delivery Date	Received Delivery Date	Amount 15 Invoiced Date	Amount 15 Received Date									
2	UPIC Data Exchange Development & Unit Test Completed	08/02/19	08/02/19	09/02/19	09/02/19	\$143,325.00								
3	UPIC Data Exchange SIT & Regression Completed	09/06/19	09/06/19	10/07/19	10/07/19	\$102,375.00								
4	UPIC Data Exchange UAT & Production Deployment Completed	10/06/19	10/06/19	11/06/19	11/06/19	\$102,375.00								
5	TPL Data Collection via 270/271 Assessment & Requirements Completed	08/02/19	08/28/19	09/02/19	07/29/19	\$54,844.00								
6	TPL Data Collection via 270/271 Development & Unit Test Completed	09/06/19	08/02/19	10/07/19	08/02/19	\$127,969.00								
7	TPL Data Collection via 270/271 SIT & Regression Completed	10/11/19	09/06/19	11/11/19	10/07/19	\$91,408.00								
8	TPL Data Collection via 270/271 UAT & Production Deployment Completed	11/10/19	10/06/19	12/11/19	11/06/19	\$91,408.00								
Total A-18 UPIC Data Exchange and TPL Coverage Information:						\$775,125.00								
T-MSSIS Additional New HIE/IGITS Data and Data Quality Resolves														
1	T-MSSIS New Heights Data Analysis & Requirements Completed	02/08/19	04/19/19	03/11/19	05/20/19	\$45,000.00								
2	T-MSSIS Modify New Heights Interfaces Completed	03/15/19	07/28/19	04/15/19	08/28/19	\$50,000.00								
3	T-MSSIS Modify New Heights Interfaces Completed	05/19/19	07/28/19	06/19/19	08/28/19	\$50,000.00								
4	T-MSSIS Modify New Heights Interfaces Completed	06/23/19	07/28/19	07/24/19	08/28/19	\$50,000.00								
5	T-MSSIS Modify New Heights Interfaces Completed	06/23/19	09/01/19	07/24/19	10/02/19	\$50,000.00								
6	T-MSSIS Data Quality Clean-up Completed	07/28/19	09/01/19	08/28/19	10/02/19	\$50,000.00								
7	T-MSSIS Data Quality Clean-up Completed	07/28/19	09/01/19	08/28/19	10/02/19	\$50,000.00								
8	T-MSSIS Data Quality Clean-up Completed	09/01/19	10/06/19	10/02/19	11/06/19	\$50,000.00								
9	T-MSSIS Data Quality Clean-up Completed	09/01/19	10/06/19	10/02/19	11/06/19	\$50,000.00								
10	T-MSSIS Data Quality Clean-up Completed	10/06/19	11/10/19	11/06/19	12/11/19	\$50,000.00								
11	T-MSSIS Data Quality Clean-up Completed	10/06/19	11/10/19	11/06/19	12/11/19	\$50,000.00								
12	T-MSSIS Data Quality Clean-up Completed	11/10/19	12/15/19	12/11/19	01/15/20	\$50,000.00								
13	T-MSSIS Data Quality Clean-up Completed	11/10/19	12/15/19	12/11/19	01/15/20	\$50,000.00								
14	T-MSSIS Data Quality Clean-up Completed	12/15/19	01/19/20	01/15/20	02/19/20	\$50,000.00								
15	T-MSSIS Data Quality Clean-up Completed	12/15/19	01/19/20	01/15/20	02/19/20	\$50,000.00								
16	T-MSSIS Data Quality Clean-up Completed	01/19/20	02/23/20	02/19/20	03/25/20	\$50,000.00								
17	T-MSSIS Data Quality Clean-up Completed	01/19/20	02/23/20	02/19/20	03/25/20	\$50,000.00								
18	T-MSSIS Data Quality Clean-up Completed	02/23/20	03/25/20	03/25/20	04/25/20	\$50,000.00								
19	T-MSSIS Data Quality Clean-up Completed	02/23/20	03/25/20	03/25/20	04/25/20	\$50,000.00								
Total A-18 T-MSSIS Additional New Data & Data Quality Resolves:						\$945,000.00								
Import and Store QHP Encounter Data														
1	Import & Store QHP Encounter Data Requirements Completed	01/04/19	05/24/19	02/04/19	06/24/19	\$133,439.00								
2	Import & Store QHP Encounter Data Development Completed	02/08/19	06/28/19	03/11/19	07/29/19	\$266,971.00								
3	Import & Store QHP Encounter Data SIT & Regression Completed	03/15/19	08/02/19	04/15/19	09/02/19	\$311,466.00								
4	Import & Store QHP Encounter Data UAT & Production Completed	04/14/19	09/01/19	05/15/19	10/02/19	\$177,960.00								
5	Encounter Data Analysis Completed	03/29/19	08/02/19	04/29/19	09/02/19	\$82,029.00								
6	Encounter Data Deliverable Completed	04/12/19	08/23/19	05/13/19	09/23/19	\$82,029.00								
7	Encounter Data Technical Support Completed	07/28/19	11/19/19	08/28/19	12/11/19	\$82,029.00								
8	Encounter Data Technical Support Completed	09/01/19	12/15/19	10/02/19	01/15/20	\$82,029.00								
9	Encounter Data Technical Support Completed	09/01/19	12/15/19	10/02/19	01/15/20	\$82,029.00								
Total A-18 Import and Store QHP Encounter Data:						\$1,300,000.00								
Security Policy Page														
1	Coding, Testing, and Implementation of Security Policy Page Completed	11/25/18	06/23/19	12/26/18	07/24/19	\$79,125.00								
Total A-18 Security Policy Page:						\$79,125.00								
Threat Access Manager Upgrade to Security Access Manager														
1	ISAM Environment Setup Completed	04/30/19	06/30/19	05/31/19	07/31/19	\$20,000.00								
2	ISAM Non-State & all State Applicable Environments Upgrade Completed	06/30/19	08/30/19	07/31/19	09/30/19	\$227,850.00								
3	ISAM UAT Environment Upgrade Completed	07/12/19	09/12/19	08/12/19	10/13/19	\$114,030.00								
4	ISAM Production Environment Upgrade Completed	08/12/19	10/12/19	09/12/19	11/12/19	\$114,030.00								
Total A-18 Threat Access Manager Upgrade to Security Access Manager:						\$475,910.00								
Ceges Upgrade														
1	Environment Setup Completed	04/30/19	06/30/19	05/31/19	07/31/19	\$20,000.00								
2	Cognos Non-State and All State Environments Upgrade Completed	06/30/19	08/30/19	07/31/19	09/30/19	\$405,825.00								
3	Cognos UAT Environment Upgrade Completed	07/12/19	09/12/19	08/12/19	10/13/19	\$202,965.00								
4	Cognos Production Environment Upgrade Completed	08/12/19	10/12/19	09/12/19	11/12/19	\$202,965.00								
Total A-18 Ceges Upgrade:						\$831,755.00								
TOTAL MMIS Post DOI Enhancements A-18						\$12,994,592.00								
Amendment 16 A-19														
IPMI Enhancement I - Hardware Upgrade														
1	Deliver Final Project Plan to NH	07/31/18	07/31/18	08/31/18	comp	\$547,994.00								
2	Purchase/Lease of new assets & begin back-up and replication work	07/31/18	07/31/18	08/31/18	comp	\$1,695,888.00								
Total A-19 Hardware Upgrade:						\$2,243,882.00								
IPMI Enhancement II - Software Upgrade														
1	Transition, Upgrades, Testing and "Operational" Complete	09/30/18	12/19/18	10/31/18	comp	\$1,271,991.00								
2	Transition, Upgrades, Testing and "Operational" Complete	01/31/19	03/23/19	03/03/19	06/25/19	\$1,271,991.00								
3	Transition, Upgrades, Testing and "Operational" Complete	03/31/19	05/03/19	05/01/19	08/05/19	\$1,271,991.00								
4	Transition, Upgrades, Testing and "Operational" Complete	06/30/19	06/30/19	07/31/19	07/31/19	\$847,994.00								
Total A-19 Software Upgrade:						\$4,663,967.00								
IPMI Enhancement III - Network Upgrade														

Amendment 18 A-19 and A-20
Deliverable List and Payment Schedule

Item #	Deliverable	Amount to be Received by Delivery Date	Amount to be Received by Invoice Date	Payment Amount	Holdback %	Holdback Amount	Payment less Holdback	Holdback to be Released	Holdback to be Released Amount	
1	Transition, Upgrades, Testing and Operational Complete	11/09/2019	12/31/19	\$1,271,891.00						
	TOTAL A-19 Brewer Upgrade:			\$1,271,891.00						
	TOTAL MMS Post DOI Enhancements A-19:			\$2,479,849.00						
	TOTAL MMS Post DOI Enhancements Amendment 18 (A-18 & A-19):			\$21,474,633.00						
Amendment 18 A-20										
MCO Re-procurement										
1	MCO Re-procurement Support Part 1 Complete	06/23/19	07/24/19	\$92,705.00						
2	MCO Re-procurement Support Part 2 Complete	08/07/19	10/02/19	\$137,813.00						
	TOTAL A-20 MCO Re-procurement:			\$230,518.00						
Grant Administration Community Engagement										
1	Grant Administration Community Engagement Part 1 Complete	06/23/19	07/24/19	\$172,841.00						
2	Grant Administration Community Engagement Part 2 Complete	07/16/19	08/28/19	\$171,152.00						
	TOTAL A-20 Grant Administration Community Engagement:			\$344,003.00						
Acute Care Referral (MRS) IV Phase I										
1	MRS 3.0, Add New Tables, Load Unprocessable Tables	10/06/19	11/06/19	\$189,841.00						
2	Reporting and MDS Historical Data	11/07/19	12/17/19	\$37,784.00						
3	Pre-Scale Extract	12/15/19	01/15/20	\$31,509.00						
	TOTAL A-20 Acute Care Referral RUG IV Phase I:			\$259,134.00						
ARS Rate Referral Budget Adjustment Factor										
1	ARS Budget Adjustment Factor - Complete	08/01/19	10/02/19	\$173,434.00						
	TOTAL A-20 ARS Budget Adjustment Factor:			\$173,434.00						
Encounter Data Interfaces										
1	Encounter Data Interface	11/10/19	12/17/19	\$247,049.00						
	TOTAL A-20 Encounter Data Interfaces:			\$247,049.00						
Member Self-Service										
1	Member Self-Service	10/06/19	11/06/19	\$338,812.00						
	TOTAL A-20 Member Self-Service:			\$338,812.00						
Operational Upgrade										
1	Operational Upgrade Complete	12/09/19	01/29/20	\$464,653.00						
	TOTAL A-20 Operational Upgrade:			\$464,653.00						
Project Support										
1	Project Support	05/31/20	07/01/20	\$111,815.00						
2	Project Support	05/31/20	05/31/20	\$125,000.00						
	TOTAL A-20 Project Support:			\$236,815.00						
	TOTAL MMS Post DOI Enhancements Amendment 18 A-20			\$2,654,648.00						
TOTAL MMS Post DOI Enhancements Amendment 18 A-19, A-20, A-21, A-22, A-23, A-24, A-25, A-26, A-27, A-28, A-29, A-30, A-31, A-32, A-33, A-34, A-35, A-36, A-37, A-38, A-39, A-40, A-41, A-42, A-43, A-44, A-45, A-46, A-47, A-48, A-49, A-50, A-51, A-52, A-53, A-54, A-55, A-56, A-57, A-58, A-59, A-60, A-61, A-62, A-63, A-64, A-65, A-66, A-67, A-68, A-69, A-70, A-71, A-72, A-73, A-74, A-75, A-76, A-77, A-78, A-79, A-80, A-81, A-82, A-83, A-84, A-85, A-86, A-87, A-88, A-89, A-90, A-91, A-92, A-93, A-94, A-95, A-96, A-97, A-98, A-99, A-100										

Contractor Initials:  Date: 5/15/19

**Conduent Amendment 16
Appendix A.20
NH MMIS Medicaid System Enhancements**

Introduction

The New Hampshire Medicaid Management Information System (MMIS) requires enhancements to improve the capabilities and efficiency in support of the Medicaid Program operation and to meet Federal & State requirements. The solutions to be implemented are detailed in the Contractor's MMIS Proposed Solutions Amendment 16 DDI Projects Proposal, dated December 12, 2018, version 4.1 (incorporated by reference in Exhibit N) for the following eight (8) enhancements:

1. MCO Re-Procurement
2. Granite Advantage Community Engagement
3. Acuity Rate Setting RUG IV Phase II
4. Acuity Rate Setting Budget Adjustment Factor
5. Encounter Claims and Fee For Service Data Interfaces
6. Newly/Not Newly
7. DocFinity Document Management Upgrade
8. Project Support

Due to the complexity and size of the enhancements, the requirements in this document are high level. Once the Joint Application Design (JAD) sessions are completed, a final determination will be made for the functions to be addressed under each enhancement. The final determination mutually will be agreed upon by the State and Conduent and shall not exceed the costs under this Amendment 16.

Enhancement 1: MCO Re-procurement

The objective of this project is to allow more managed care organizations to participate in the service of NH Medicaid members in the most cost effective manner as possible. Periodic re-procurement of the managed care model allows for healthy competition to maximize the healthcare services provided, improve service delivery, manage costs more effectively, and improve program oversight. Competitive Re-procurement of Managed Care Organizations (MCO) in support of the NH Medicaid Care Management Program (MCM) has resulted in the addition of 1 new MCO to serve NH's mandatory care management program. It also involves MCM program changes for service delivery, data exchanges, and payment. MMIS system changes in support of this initiative include:

The scope of work for this project will include consultation and testing support in the following areas:

EDI Transaction Management and Testing to include:

- 834
- 837
- 270/271
- Configuration changes to set up benefit plans for each MCO
- EDI support functions
- Review of existing functionality to remove any hard coding of specific MCO.

**Conduent Amendment 16
Appendix A.20
NH MMIS Medicaid System Enhancements**

Benefit Plan Changes

- Benefit plan configuration
- Set up MCO plan “carve outs”
- Complete benefit plan hierarchy updates for new MCO plan
- Benefit Plan type for capitation processing

Reference

- New system lists or valid value updates
- Create new Cohort rates for MCO
- End date the Cohort rates to existing MCO.

Provider Enrollment

- Enroll new MCO(s)
- Providers will need to be affiliated to/networked to the new MCO plan
- Medicaid FFS providers networked to each new MCO

Trading Partner Set-up

- Enroll new MCO as trading partners for outbound and inbound X12 transactions to include the 834, 820, 270/271 and 276 transactions.
- Complete folder set-up and Trading Partner Management System (TPMS) updates

Trading Partner Testing

- Interactive trading partner testing with the new MCO to ensure connectivity is established, to ensure the Strategic National Implementation Process (SNIP) levels are met, and the transactions are able to be processed by the MCO and MMIS.
- Trading Partner Testing must be successfully completed before production transactions will be accepted into the MMIS.

Data Interface Set-Up

- Ensure all existing inbound and outbound interfaces that are applicable to existing MCOs are validated to accommodate new MCO. This validation will also include Capitation set-up, and may require new use cases, a new Control-M job, or changes to the scheduler.
- Testing to ensure connectivity between the MCO and the MMIS. Additionally, validation that the outbound interfaces can be processed by the new MCO and the inbound interfaces can be processed by the MMIS.

**Conduent Amendment 16
Appendix A.20
NH MMIS Medicaid System Enhancements**

External Partner Interface Changes

- All external interfaces will be reviewed and system lists updated to ensure use of new MCO valid values.

Fee For Service (FFS) Exception Handling

- New Remittance Advice Remark Code (RARC) to be defined for denial to bill the new MCO (exception for denying claims due to member being enrolled in the new MCO) –
- X12 270/271 – Health Care Eligibility Inquiry and Response
- Include reporting new MCO plan for enrolled members in the X12 271 response
- Automated Voice Response System (AVRS)
- Update AVRS to include reporting/display of new MCO plan for enrolled members
- Update AVRS call flow document to reflect changes

Transformed-Medicaid Statistics Information System (T-MSIS)

- Validate the impact of the new MCO on the T-MSIS extract(s) and make changes to accommodate.

The total cost for the MCO Re-Procurement Project enhancement under this Amendment 16, Appendix A.20 is \$230,318.

Enhancement 2: Granite Advantage Community Engagement

Beginning January 1, 2019, NH Medicaid's coverage of its Medicaid Expansion population will be transitioned from the NH Health Protection Program to the new NH Granite Advantage Program (GAP). Significant changes involve: 1.) Discontinuing member coverage under Qualified Health Plans (QHPs) and enrolling GAP members into Medicaid Managed Care plans, and 2.) Requiring certain eligible members to meet Community Engagement criteria for their continued eligibility.

Objectives of this initiative are to sustain uninterrupted Medicaid benefit coverage for the NH Medicaid expansion population while transitioning administration of their coverage from QHPs to MCOs. Other objectives are to improve care and cost management and to reinforce participation in required community engagement programs that are designed to offer members other services to further opportunities for education and employment. MMIS system changes in support of this initiative include:

Changes to MMIS processing for Granite Advantage:

- Modify the New HEIGHTS daily and re-trigger files to create a new record for the Community Engagement information.
- Allow any suspension codes to be received by the MMIS.
- Modify the 834 transaction process to send Community Engagement information to the MCOs.
- Ensure that the Community Engagement information is visible via the MMIS user interfaces.
- Ensure that the suspension codes are contained on the Member Detail report and the Eligibility Interface Audit Trail report.

Conduent Amendment 16
Appendix A.20
NH MMIS Medicaid System Enhancements

Changes to the New HEIGHTS Daily and Re-Trigger files

- Create a new record for member Community Engagement that will include:
 - Community Engagement Status (Exempt, Voluntary, and Mandatory)
 - Community Engagement Status Reason Code (Codes TBD)
 - Status begin and end dates
 - Dates will be updated if either the status code or the status reason code is changed
- The information received on the Community Engagement record is independent of and not tied to member eligibility or enrollment
- The information received on the Community Engagement record only applies to member's eligible for Granite Advantage, the New Hampshire Health Protection Program (NHHPP) coded as "MGIA" and the Medically Frail New Hampshire Health Protection Program (NHHPP-M) "MGIM" categories of eligibility

Changes to the MMIS New HEIGHTS Interface Processing and User Interfaces (UI)

- Create new and/or expand on member database tables to track and store member Community Engagement data, including history going forward
- Ensure the changes in the bullet above are replicated to the Operational Reporting Repository (ORR) environment
- Update the existing Member UIs to display the information that is being sent from New HEIGHTS in the new Community Engagement record. The information being received from New HEIGHTS and displayed on the Member UIs should include, at a minimum: Status, Status Reason Code, and dates.
- Ensure appropriate security is applied to all UI changes.

Changes to Eligibility Inquiry

- All methods of performing member eligibility inquiry must be changed to report if a member is suspended for Community Engagement, including via the X12 271 transaction, the Automated Voice Response (AVRS) and the UI.
- A member will be considered suspended upon receipt of an eligibility transaction reason code with a Granite Advantage suspension. The suspension will be effective the day following the end date of the member's eligibility and will continue to the member's redetermination date.
- No suspension date span will be reported on an eligibility inquiry. If the member is determined to be suspended for Community Engagement on the specific date of inquiry, the MMIS will respond that the member is suspended, otherwise no response will be provided as to Community Engagement.
- To achieve the above action, the following areas will be addressed:
 - The external Provider member eligibility inquiry UI will be changed to display an indicator if Member's eligibility in Granite Advantage is Suspended for Community Engagement

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- o The X12 271 transaction will be reviewed and modified to report if the member is suspended for Community Engagement
- o The AVRS will be reviewed and modified to report if the member is suspended for Community Engagement.

Changes to Adhoc Reporting

The Adhoc reporting views will be expanded to include Community Engagement data

Changes to the 834

The MCO 834 will be expanded to include the Community Engagement data received via the New HEIGHTS daily and re-trigger files.

The total cost for the Granite Advantage Community Engagement Project enhancement under this Amendment 16, Appendix A.20 is \$344,293.

Enhancement 3: Acuity Rate Setting RUG IV Phase II

Today, the MMIS receives the nursing home Minimum Data Set files and extracts from those files only the data that is required for current acuity rate setting processes. The objectives of this initiative are: 1.) for the MMIS to import and store the complete data set from the Minimum Data Set (MDS) files, thereby allowing for the MMIS to utilize an expanded data set to determine members' acuity more accurately and further refine nursing home rate setting; and 2.) from the expanded MDS data stored in the MMIS, new data extract processes will be automated to support a more efficient calculation of ProShare payments to county nursing homes. MMIS system changes in support of this initiative include:

Create Three New Tables

- MDS 3.0 Temp Table.
- Error Table.
- Archive Table.
- ProShare Extract

Informatica Job CNS 004

- Change the mapping to write the MDS 3.0 Nursing Facility records to the MDS 3.0 temp table.
- Change the logic to write the MDS 3.0 records in the archive table when the assessment types are not used by the grouper.
- Change the logic to write the MDS 3.0 inaccurate records in the error table.

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New MMIS Job

- Create a new job to read data from the MDS 3.0 temp table and pass it to the RUG Grouper to identify ungroupable MDS records.
- The Informatica job CNS-004 will be modified to update the mapping to write the MDS 3.0 records to the MDS 3.0 temp table.
- Add logic to write the ungroupable records to the error table.

Two New Reports

The two new reports will be an error report for duplicate and inaccurate records and an ungroupable report for MDS records that are not groupable.

- Error Report – While the duplicate records are identified today, the New Hampshire Department of Health and Human Services (DHHS) would like to store the duplicate records. The duplicate records will be written to the new error table. In addition, new logic/mapping will be introduced to identify and write inaccurate records to the new error table. The Error Report will be developed as part of Phase II to read the new error table and generate a report of duplicate and inaccurate MDS records.
- Ungroupable Report – Identify the ungroupable records by adding a new process. This new process will identify and write the ungroupable records out to the new error table. A new ungroupable report will be developed to read the new error table and generate a report for the ungroupable MDS records.

Load Ungroupable MDS Historical Data to the Archive Table

The Bureau of Elderly and Adult Services (BEAS) has requested that the ungroupable MDS historical data be loaded to the archive table.

This loading to the archive table will require loading the new MDS data from the time the Informatica job (CNS-004) was deployed to production to ensure the ungroupable records are loaded.

The remaining MDS data that BEAS will need in order to fulfill the archive requirement will be in a designated backup folder in the MMIS. MOVEit Central will pull the MDS data from DHHS servers and push the MDS file to a designated MMIS landing zone. Informatica will process the MDS files and write a copy of the MDS file to the designated backup folder. A MMIS utility will archive the backup folder contents for files that are older than sixty (60) days. To reduce manual efforts to obtain the MDS data, on the 1st working day of each month the BEAS will be provided the previous month's data using Secure Large File Transfer (SLFT) until the historical data load is complete.

Proportionate Share Adjustment (ProShare)

Create a data extract, exportable to Microsoft Excel, to support the annual ProShare incentive adjustment. This extract must be able to be executed multiple times, each year, between March and June for specific counties and Nursing Facilities.

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The total cost for the ARS RUG IV Phase II Project enhancement under this Amendment 16, Appendix A.20 is \$319,244.

Enhancement 4: Acuity Rate Setting Budget Adjustment Factor

This project expands on the NH MMIS' Acuity Rate Setting automated rate determination processes to incorporate a budget adjustment factor (BAF) that can be applied to preliminary rate results and be factored across all facilities in the determination of adjusted rates. The objectives are to provide greater flexibility, allow for the application of one or more adjustment factors to refine rate determination, and improve the accuracy of rate determination across nursing facilities - within or beyond budget constraints. MMIS system changes in support of this initiative include:

Update User Interface and Reporting

Updates will be made to reports and UI screens to change the references from Budget Neutrality Factor to BAF.

The reports found to contain this phrase include:

- ARS-SFR-002 ARS Nursing Facility Budget Neutral Estimated Annual Payment Report
- ARS-SFR-004 ARS Nursing Facility Rate Calculation Report

The Screen that will require a change is:

- UIS-ARS-RTS-021 - Manage Budget Neutral Calculations. All portlets within this screen will be reviewed and changed.

Budget Adjustment Factor Rate Override

Modify the UIS-ARS-RTS-021 (Calculate Budget Neutrality screen) to allow an adjustment to the calculated BAF. The process will be changed to add an indicator to UI that will open a new portlet. This will allow the user to enter a factor that will be applied to all calculated factors. The calculation will then continue as current with the ability to version the calculated factor before accepting a version to be applied to the institutional rates and Medicaid Quality Incentive Program (MQIP) fact tables.

Refinement of Factor Versioning

Modify the budget adjustment factor versioning process to allow a version in preliminary status to be processed, and not require each version to be approved, processed, and then unapproved.

The total cost for the ARS BAF Project enhancement under this Amendment 16, Appendix A.20 is \$175,434.

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NH MMIS Medicaid System Enhancements**

Enhancement 5: Encounter Claims and Fee for Service Data Interfaces

This initiative involves the creation of new and/or expanded data interfaces with the objective to improve the accuracy of claims data (FFS and encounter) shared securely with the NH External Quality Review Organization (EQRO), Actuary, MCOs, and Pharmacy Benefit Manager. MMIS system changes in support of this project include:

Modify Process to Include Encounters

Modify the extracts defined by NH-ID-PAY-34-016.4, NH-ID-PAY-34-016.5, NH-ID-PAY-34-018.4 and NH-ID-PAY-34-018.5 to remove the exclusion criteria for encounters. The current process for both of these jobs specifically excludes encounter claims when selecting claims from the staging tables.

Additionally, remove the hard coding of the MCOs from the selection criteria in both jobs and replace with a system list to allow for more future flexibility.

Enhance Extracts to Add Encounter Specific Data

The extracts will be enhanced, or redesigned, to include data specific to encounter claims.

It is anticipated that up to an additional ten (10) items will be identified, for each extract, during the requirements sessions. Those items will be considered within the scope of this Amendment 16.

Streamline Business Rules for Efficiency

The existing data extracts are designed with business rules that result in these rules taking a long duration to complete. These rules will be reviewed for modification to reduce the processing time by a mutually agreed upon amount. The resulting enhancements may include configuration changes, process sequencing, pre-processing and coding changes.

The total cost for the Encounter Claims and Fee for Service Data Interfaces Project enhancement under this Amendment 16, Appendix A.20 is \$247,049.

Enhancement 6: Newly/Not Newly

The objective of this project is to provide accurate management of newly/not newly member eligibility data that is essential to the MMIS for federal financial and T-MSIS reporting. MMIS system changes in support of this initiative include:

Newly/Not Newly Processing Changes:

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- Modify the Newly/Not Newly business rules to not allow spans of data to be added with an end date earlier than the begin date.
- Concatenate the incoming records from New HEIGHTS before comparing them to the records contained within the MMIS to void date spans. This will change the existing process of handling each record independently and will reduce the number of voided spans.
- Review how the Medicaid Expansion Fund Codes are being assigned and ensure that they are being correctly assigned.
- Review the CMS 64.9 base report for the Medicaid Expansion population to ensure that it is being correctly generated.
- Review all online and batch business rules (up to 30 rules) to ensure that they are correct.
- Review the X12 834 to determine impacts of any identified changes.

The total cost for the Newly/Not Newly Project enhancement under this Amendment 16, Appendix A.20 is \$338,812.

Enhancement 7: DocFinity Upgrade

The objective of this project is to implement a software upgrade to the State's optical image and document storage product "DocFinity" as the current version is no longer supported by the product's vendor. Continuing to operate using the unsupported version that is in place today increases the risk of inconsistent and unreliable performance and other impacts to the content management functions required to operate the MMIS. This upgrade further matures system capabilities in document management, consistent with the objectives of MITA. MMIS system changes in support of this initiative include:

DocFinity Software Upgrade and Testing:

- Upgrading the DocFinity software application from version 9.0 to version 11.0 in order to meet the functional needs of the MMIS and for the software to be under regular support by Optical Image Technology.
- The upgrade will occur in all applicable environments in the NH footprint (non-State and all State environments).

The total cost for the DocFinity upgrade project enhancement under this Amendment 16, Appendix A.20 is \$664,683.

Enhancement 8: Project Support

The objective of this initiative is to enhance the functionality of the MMIS to support greater efficiency in the implementation of system changes needed by the NH Medicaid Program. This involves adapting benefit coverage and service delivery methods, improving processing efficiencies, expanding secure data sharing, adjusting payment calculations, refining data integrity, increasing cost savings and maximizing recoveries. Areas of the MMIS that may be impacted by this initiative include:

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Multi-functional Area Impacts:

- Review of existing system controls to enhance claims fee-for-service payment accuracy
- Implementation of improvements to maximize Managed Care Organization (MCO) expenditures and monitor actuarial data for development of capitation rates.
- Evaluate policies and make systematic changes to ensure all third party options are exhausted before making payment for services.
- Evaluation and implementation of system functionality to support the maximization of managed care and waiver resources.
- Review the existing New HEIGHTS eligibility interface to ensure that the MMIS receives all necessary data elements. This review will ensure efficient processing utilizing all applicable member data. This review applies to current and near future initiatives.
- Enhance the Service Authorization system rules to assure proper review is performed for high dollar procedures.

The total cost for the Support Project enhancement under this Amendment 16, Appendix A.20 is \$236,815.

The Appendix A.20 Deliverables/Payment Milestones table on the following page presents the payment milestones for each of the eight projects, cost by project deliverable, subtotal cost by project, and the total cost of Amendment 16 Appendix 20.

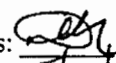
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Appendix A.20
NH MMIS Medicaid System Enhancements

Appendix A.20 Deliverables/Payment Milestones

Ref #	Project Activity	Milestones	Start Date	End Date	Payment
1.1	MCO Re-procurement Support Part 1 Completed	All changes implemented in Production; PIR Completed	2/1/2019	7/31/2019	\$92,705
1.2	MCO Re-procurement Support Part 2 Completed	All changes implemented in Production; PIR Completed			\$137,613
	Subtotal:				\$230,318
2.1	Granite Advantage – Community Engagement Part 1 Completed	All changes implemented in Production; PIR Completed	2/1/2019	7/31/2019	\$172,541
2.2	Granite Advantage – Community Engagement Part 1 Completed	All changes implemented in Production; PIR Completed			\$171,752
	Subtotal:				\$344,293
3.1	ARS MDS 3.0, Add New Tables, Load Ungroupable tables	All changes implemented in Production; PIR Completed	4/1/2019	8/31/2019	\$169,941
3.2	ARS Reporting and MDS Historical Data Completed	All changes implemented in Production; PIR Completed	5/1/2019	9/30/2019	\$97,794
3.3	ARS ProShare Extract Completed	All changes implemented in Production; PIR Completed	6/1/2019	10/31/2019	\$51,509
	Subtotal:				\$319,244
4.1	ARS Budget Adjustment Factor Completed	All changes implemented in Production; PIR Completed	5/1/2019	9/30/2019	\$175,434
	Subtotal:				\$175,434
5.1	Encounter/FFS Data Extracts Completed	All changes implemented in Production; PIR Completed	6/1/2019	12/31/2019	\$247,049
	Subtotal:				\$247,049
6.1	Newly/Not Newly Completed	All changes implemented in Production; PIR Completed	2/1/2019	7/31/2019	\$338,812
	Subtotal:				\$338,812
7.1	DocFinity Upgrade Completed	All changes implemented in Production; PIR Completed	4/1/2019	8/31/2019	\$664,683
	Subtotal:				\$664,683
8.1	Tier 2 Support Completed	Monthly changes deployed to Production; PIR Completed	2/1/2019	1/31/2020	\$111,815
8.2	Tier 1 Support Completed	Monthly changes deployed to Production; PIR Completed	2/1/2019	1/31/2020	\$125,000
	Subtotal:				\$236,815
Amendment 16 A.20 Total Cost:					\$2,556,648

Conduent NH Amendment 16
Appendix A.20

Contractor Initials: 
Date: 5/15/19



Jeffrey A. Meyers
Commissioner

David E. Wieters
Director

A

STATE OF NEW HAMPSHIRE
DEPARTMENT OF HEALTH AND HUMAN SERVICES
BUREAU OF INFORMATION SERVICES

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June 1, 2018

His Excellency, Governor Christopher T. Sununu
and the Honorable Council.
State House
Concord, New Hampshire 03301

REQUESTED ACTION

Authorize the Department of Health and Human Services, Bureau of Information Services, to enter into a **sole source**, amendment (Amendment 15) to an existing contract (Purchase Order #1055816) with Conduent State Healthcare, LLC ("Conduent") (formerly known as Xerox State Healthcare, LLC) (Vendor #278791) at 12410 Milestone Center Drive, Germantown, MD, 20876, to develop, operate, and transition the State's Medicaid Management Information System (MMIS) by increasing the price limitation by \$95,372,215 from \$156,192,991 to a new amount not to exceed \$251,565,206, effective upon the date of Governor and Council approval through June 30, 2021. 85% Federal Funds 15% General Funds.

The Governor and Executive Council approved the original contract on December 7, 2005 (Late Item #C), Amendment 1 on December 11, 2007 (Item #59), Amendment 2 on June 17, 2009 (Item #92), and Amendment 3 on June 23, 2010 (Item #97), Amendment 4 on March 7, 2012 (Item #22A), Amendment 5 on December 19, 2012 (Item #27A), Amendment 6 on March 26, 2014 (Late Item A), Amendment 7 on June 18, 2014 (Item #61A), Amendment 8 on May 27, 2015 (Item #16), Amendment 9 on June 24, 2015 (Item #9), Amendment 10 on December 16, 2015 (Late Item #A1), Amendment 11 on June 29, 2016 (Item #8), Amendment 12 on November 18, 2016 (Item #21A), Amendment 13 on July 19, 2017 (Item #7C), and Amendment 14 on March 21, 2018 (Item #6B).

Funds to support this request are anticipated to be available in the following accounts in State Fiscal Years 2019, 2020 and 2021, upon the availability and continued appropriation of funds in the future operating budget, with the ability to adjust amounts within the price limitation and adjust encumbrances between state fiscal years through the Budget Office, without approval of the Governor and Executive Council, if needed and justified.

**05-95-954010-5952 HEALTH AND SOCIAL SERVICES, DEPT OF HEALTH AND HUMAN SERVICES, HHS:
 COMMISSIONER, OFFICE OF INFORMATION SERVICES, OFFICE OF INFORMATION SERVICES**

Design, Development and Implementation Phase

State Fiscal Year	Class/Object	Class Title	Current Budget	Increase/Decrease	Revised Budget
2005	034/500099	Capital Projects	\$25,000,000	\$0	\$25,000,000
2006	034/500099	Capital Projects	\$1,076,918	\$0	\$1,076,918
2006	102/500731	Contracts for Prog Svs	\$76,326	\$0	\$76,326
2012	102/500731	Contracts for Prog Svs	\$7,152,125	\$0	\$7,152,125
2013	102/500731	Contracts for Prog Svs	\$4,298,885	\$0	\$4,298,885
2014	102/500731	Contracts for Prog Svs	\$30,239,095	\$0	\$30,239,095
2015	102/500731	Contracts for Prog Svs	\$4,321,110	\$0	\$4,321,110
2016	102/500731	Contracts for Prog Svs	\$6,953,485	\$0	\$6,953,485
2017	102/500731	Contracts for Prog Svs	\$5,582,018	\$0	\$5,582,018
2018	102/500731	Contracts for Prog Svs	\$324,479	\$0	\$324,479
Total Design, Development and Implementation Phase			\$85,024,441	\$0	\$85,024,441

Operations Phase

State Fiscal Year	Class/Object	Class Title	Current Budget	Increase/Decrease	Revised Budget
2013	102/500731	Contracts for Prog Svs	\$2,084,889	\$0	\$2,084,889
2014	102/500731	Contracts for Prog Svs	\$8,544,809	\$0	\$8,544,809
2015	102/500731	Contracts for Prog Svs	\$9,164,847	\$0	\$9,164,847
2016	102/500731	Contracts for Prog Svs	\$16,000,932	\$0	\$16,000,932
2017	102/500731	Contracts for Prog Svs	\$16,329,529	\$0	\$16,329,529
2018	102/500731	Contracts for Prog Svs	\$19,043,544	\$0	\$19,043,544
2019	102/500731	Contracts for Prog Svs	\$0	\$23,062,007	\$23,062,007
2020	102/500731	Contracts for Prog Svs	\$0	\$24,676,096	\$24,676,096
2021	102/500731	Contracts for Prog Svs	\$0	\$26,159,579	\$26,159,579
Total Operations Phase			\$71,168,550	\$73,897,682	\$145,066,232

**05-95-954010-1527 HEALTH AND SOCIAL SERVICES; DEPT OF HEALTH AND HUMAN SERVICES, HHS:
 COMMISSIONER, OFFICE OF INFORMATION SERVICES, OFFICE OF, INFORMATION SERVICES**

State Fiscal Year	Class/Object	Class Title	Current Budget	Increase/Decrease	Revised Budget
2019	034/500099	Capital Projects	\$0	\$21,474,533	\$21,474,533
Total Design, Development and Implementation Phase			\$0	\$21,474,533	\$21,474,533
Grand Total			\$156,192,991	\$95,372,215	\$251,565,206

EXPLANATION

This request is for a **sole source** amendment to extend Conduent's contract as Medicaid Management Information System (MMIS) operator for three (3) years, which includes two (2) years of operations by Conduent and one (1) year of transition to the system solutions acquired through the Department's procurement strategy. The services of vendor technical and operational resources will be expanded and extended, upon Governor and Executive Council approval, for the period of July 1, 2018, to June 30, 2021. The services provided for under this amendment include system development of new functional capabilities needed to address federal compliance and NH Medicaid Program requirements, MMIS technical infrastructure (hardware and system software) upgrades, and ongoing fiscal agent business and technical operations support.

This sole source amendment is also requested to extend the services of technical resources that are already in place and who have been performing the required tasks for a significant period of time. The Department intends to leverage and maximize its investment in the experienced technical support team that has developed an intricate knowledge of the NH MMIS and will be able to meet the challenges of implementing the new system capabilities and technical upgrades most expeditiously. Not extending the operations services of this contractor will create a gap in service coverage and would result in the Medicaid Management Information System ceasing to operate.

Funds in this amendment will be used to extend the services of Conduent for an additional three-year period (2 years of operations and 1 year of transition) to June 30, 2021. It allows for Conduent to continue providing essential technical and operational services to ~~enhance, upgrade, host, maintain, and operate the NH MMIS, and thereby, keep one of the~~ Department's most critical systems up and running and responsive to program needs, through this extension period.

The services acquired under this Amendment 15 fall into three (3) areas:

1. Expanding the functional capabilities of the MMIS to meet federal compliance requirements and to address changes needed to support the NH Medicaid Program;
2. Upgrading the technical infrastructure of the MMIS, replacing aged hardware and upgrading unsupported software to maintain the security, reliability, and integrity of the MMIS; and

3. Extending and expanding ongoing operational support, including fiscal agent business operations and system hosting, maintenance, and operations support, through the extension period, including the transition year.

Expanded Functional Capabilities:

The Department has identified the need for a number of functional modifications to the MMIS that, when implemented, will address federal compliance requirements, improve the quality of care provided to New Hampshire enrollees, and improve the efficiency of Medicaid program administration. System changes needed to support the NH Medicaid Program, new initiatives, and/or federal initiative compliance include the following:

1. New Medicare Card ID:
 - Modify the MMIS to be able to receive, store, retrieve, and process using the new Medicare Beneficiary ID as required by the federal Centers for Medicare and Medicaid Services (CMS). The MMIS must be able to identify dually eligible (Medicare and Medicaid) members to edit for appropriate benefit coverage.
2. Ordering, Referring and Prescribing (ORP) Provider Enrollment and Claims Editing
 - Modify the MMIS to create a streamlined provider enrollment application to allow ORP providers to enroll in the Medicaid Program as federally required, and to allow the MMIS to perform ORP provider screening, and claims editing.
3. Managed Care Modifications
 - Adapt MMIS processing to handle "any day enrollment" in managed care; no longer requiring enrollment to begin on the 1st day of the month, and thereby acquiring managed care support for members most expeditiously.
 - Other Managed Care changes to member per month capitation payment processing, data interfaces, and electronic data interfaces, expanding the data sent to Managed Care Organizations to enhance service provision to members.
4. Waiver Service Authorization
 - System changes to enhance the usability of external service authorization request screens and to implement new data interfaces to exchange service authorization data in support of waiver programs.
5. Acuity Rate Setting Change of Ownership and Partial Year Cost Reporting
 - Requirements definition for future changes to the MMIS to support changes in Ownership, Partial Year Cost Reporting, and Rate Setting for Nursing Facilities.
6. UPIC Data Exchange and Third Party Liability Coverage
 - System changes to improve provider fraud detection through data exchanges with the federal Unified Program Integrity Contractor (UPIC).
 - Modify the MMIS to send electronic data interchange files to other insurers to acquire other insurance coverage data for Medicaid eligible members, so that the MMIS will be able to cost avoid payment if the member has other insurance.

7. T-MSIS – Additional Data and Data Quality Issue Resolution
 - System modifications to ensure that the data sent from the MMIS to the Centers for Medicare and Medicaid Services (CMS) under the Transformed Medicaid Statistical Information System (T-MSIS) complies with CMS' specifications and is accurately transmitted to CMS as required.
8. Qualified Health Plan (QHP) Encounter Data and Encounter Claims Analysis
 - Modify the MMIS to receive, store, report, and transmit the health care claim encounter data acquired by the Qualified Health Plans throughout their service provision to members enrolled in the NH Health Protection Program.
 - Conduct an analysis of MMIS encounter processing to identify efficiencies.
9. Security Policy Page
 - Federally required change to the MMIS to require system users to acknowledge the need to protect the data accessible to authorized users of the MMIS.
10. Tivoli Access Manager (TAM) Upgrade to Security Access Manager (SAM)
 - Upgrade to the system software that manages user profiles and access to the MMIS.
11. Cognos Upgrade
 - Upgrade to the MMIS reporting solution, Cognos, to the most current software version.

These system changes will expand on MMIS capabilities to ensure responsive coverage for members and expand enrollment for providers. Many are time-sensitive, needed under this amendment in order to meet Medicaid Program delivery dates and/or to align with federal program implementation dates in the next State Fiscal Year.

Technical Platform Minimal Investment (TPMI):

The fundamental business need addressed by the TPMI Project is to upgrade key MMIS technical components to maintain ongoing vendor support and mitigate the risk of a prolonged system outage or security breach. To ensure the security and reliability of Medicaid system operations, it is essential that hardware and software failures be resolved quickly and accurately, and that vendor software updates be received and applied to address bugs and emerging security threats. Key technical components of the NH MMIS are approaching their end of life and will no longer be supported by the companies who provide maintenance and support.

The Department has worked with Conduent to determine, at a minimum, which key MMIS hardware and system software components are at a critical state, and must be upgraded to newer versions to ensure continued operation of the NH MMIS and to secure continued hardware/software vendor support. These upgrades will protect the investment that has been made in the NH system by extending its useful life through this extension, and ensuring uninterrupted service to New Hampshire's Medicaid clients, providers, and other stakeholders who use the system.

The TPMI project will be implemented in three (3) phases and includes the following high level activities:

- **Hardware Upgrade:** Core components of the underlying system server hardware will be replaced;
- **Operating System Software Upgrade:** Upgrading the operating system and letter-generation software XPression to fully supported versions; and
- **Browser Upgrade:** System upgrades to make the MMIS compatible with current versions of common internet browsers and Google ReCAPTCHA.

The resulting package of upgrades is considered to be the optimum minimal investment for the NH MMIS, taking into account cost and benefit.

While all hardware, operating system, and browser software will be upgraded to a version that vendors will support through the term of this amendment (two years operations plus one year transition), some software will not be upgraded. The cost to upgrade all hardware and all software exceeds \$23M. This Technical Platform Minimum Investment approach costs \$8.5M. Due to the three-year term of this agreement and the intent to reprocur the MMIS software solution, this approach provides the best cost-benefit solution for the State of New Hampshire.

DHHS and DoIT leadership have carefully evaluated this amendment and are in concurrence that this approach is reasonable and manageable. The software which is not being upgraded are products that have been used by Conduent for years without incident. They are very stable and they are unlikely to fail. Should a software product that has not been upgraded fail, Conduent will work with the State and engage as needed the software vendor to correct the problem. The impact of a software product failing ranges from losing a specific capability such as the web portal, batch processing, or reporting to losing core functions such as provider enrollment, member enrollment and claims processing.

In exchange for a minimal investment option at a substantially decreased cost to the State, the Department has agreed to hold Conduent harmless for Incidents as defined by the contract. The Department has specifically agreed it will not hold Conduent liable for Service Level Agreements or any related penalties, performance issues, defects, errors in processing or reporting caused by such Incidents.

Extended and Expanded Operations:

Through this amendment, the Operations Phase of the Conduent contract is extended for two (2) years, followed by a year of transition. It sustains existing operations services through the three-year extension period. The Contractor shall continue to provide the technical services required to maintain system operations, and to keep the NH MMIS available and fully operational. The Contractor's fiscal agent and local provider call center services are extended and expanded, which include NH Medicaid provider enrollment, medical claims processing, and provider and Managed Care Organization payment support.

This amendment also expands the provider enrollment and revalidation support services of the Contractor to provide additional support for the enrollment of ordering, referring, and prescribing (ORP) providers through this extension period. To achieve compliance with federal mandates at 45 CFR 455 410(b), the MMIS must be enhanced to support the enrollment and screening of all Ordering, Referring, and Prescribing providers. Thousands of providers not previously enrolled in the NH Medicaid Program will be required to enroll. The Provider Revalidation support will continue to provide assistance through the extension period to the 24,000 NH Medicaid Providers who are required, under federal mandate, to complete a Provider Revalidation application every five (5) years. Provider Revalidation ensures that the NH Medicaid Program has the most up to date information on its enrolled providers, including address and contact information, as well as information required for Program Integrity to assess the continued validity and good standing of providers.

The Contractor costs for the operations and transition years under this amendment have increased over the cost for operations for years priced in prior amendments. Cost drivers behind these increases as identified by the Contractor include:

1. System Complexity: The NH Health Enterprise MMIS platform comprises more than 30 different hardware and software products. The MMIS currently incorporates 13 separate environments hosted by 37 servers spread across three data centers. The system's complexity and cost have increased over time as new mandates and program initiatives have added to the system's workload.
2. Program Growth: Over the years, member enrollment activity has increased with the implementation of the NH Health Protection Program and provider enrollment activity.

Provider Amount	Payment Less 15% Deductible	Healthcare Reimbursement	Healthcare Reimbursement Amt	Payment with Provider's Deductible Amt	% Retained Deductible	Healthcare Reimbursement Amt
\$90,000.00	\$210,000.00	1%	\$6,000.00	\$516,000.00	14%	\$84,000.00
\$12,117.45	\$49,685.55	1%	\$607.63	\$49,077.92	14%	\$11,510.32
\$35,247.45	\$109,752.55	1%	\$2,349.83	\$107,402.72	14%	\$33,852.87
\$137,364.90	\$776,481.10	1%	\$8,137.68	\$768,343.42	14%	\$129,205.84
\$9,547.50	\$54,102.50	1%	\$638.50	\$53,464.00	14%	\$8,908.96
\$517.50	\$2,932.50	1%	\$34.50	\$2,898.00	14%	\$463.70
\$11,025.00	\$67,575.00	1%	\$765.00	\$66,810.00	14%	\$11,130.00
\$21,890.00	\$124,610.00	1%	\$1,488.00	\$123,122.00	14%	\$20,574.00
\$20,475.00	\$110,025.00	1%	\$1,365.00	\$108,660.00	14%	\$19,110.00
\$8,533.35	\$48,335.65	1%	\$568.89	\$47,766.76	14%	\$7,964.46
\$14,843.45	\$84,078.55	1%	\$998.23	\$83,080.32	14%	\$13,847.22
\$6,533.35	\$48,335.65	1%	\$568.89	\$47,766.76	14%	\$7,964.46
\$6,400.05	\$36,200.05	1%	\$476.07	\$35,723.98	14%	\$5,973.18
\$4,268.75	\$24,178.25	1%	\$324.45	\$23,853.80	14%	\$3,982.30
\$43,151.85	\$257,881.05	1%	\$4,210.13	\$253,670.92	14%	\$48,941.82
\$197,817.40	\$1,483,311.80	1%	\$19,731.29	\$1,463,580.51	14%	\$234,238.06
\$0.00	\$0.00		\$0.00	\$0.00		\$0.00
\$73,387.50	\$415,882.50	1%	\$4,892.50	\$410,990.00	14%	\$60,495.00
\$73,387.50	\$415,882.50	1%	\$4,892.50	\$410,990.00	14%	\$60,495.00
\$73,387.50	\$415,882.50	1%	\$4,892.50	\$410,990.00	14%	\$60,495.00
\$787,862.50	\$4,350,087.50	1%	\$51,177.50	\$4,298,910.00	14%	\$710,465.00
\$50,356.15	\$330,884.65	1%	\$3,990.41	\$326,894.24	14%	\$46,883.71
\$476,018.65	\$4,880,772.35	1%	\$55,087.81	\$4,825,684.54	14%	\$770,850.74
\$836,018.65	\$4,880,772.35	1%	\$55,087.81	\$4,825,684.54	14%	\$770,850.74
\$7,188,725.38	\$40,822,777.13	1%	\$477,815.03	\$40,344,962.10	14%	\$4,990,810.33

Contractor Initials: *DM*
Date: 5/15/19

operational services to continue while the Department refines its strategy and initiates action towards its MMIS reprocurement.

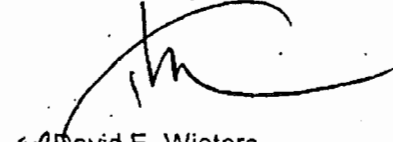
For all the reasons stated above, this extension is justified and is critical to maintaining the operation of the system and the completion of the plan for re-procurement.

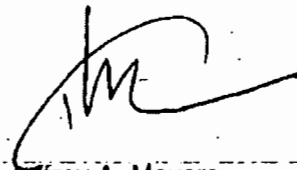
Area served: Statewide.

Source of Funds: Design, Development and Implementation phase: 90% federal funds, 10% general funds; Operations phase: 75% federal funds, 25% general funds. Federal funding source is the Centers for Medicare and Medicaid Services.

In the event that the Federal Funds become no longer available, General Funds will not be requested to support this program.

Respectfully submitted,


David E. Wieters
Director, Bureau of Information
Services

Approved by: 
FOR Jeffrey A. Meyers
Commissioner



STATE OF NEW HAMPSHIRE
DEPARTMENT OF INFORMATION TECHNOLOGY
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www.nh.gov/doit

Denis Goulet
Commissioner

May 30, 2018

Jeffrey A. Meyers, Commissioner
Department of Health and Human Services
State of New Hampshire
129 Pleasant Street
Concord, NH 03301

Dear Commissioner Meyers:

This letter represents formal notification that the Department of Information Technology (DoIT) has approved your agency's request to enter into a sole source, contract amendment (Amendment 15) with Conduent State Healthcare, LLC (formerly known as Xerox State Healthcare, LLC) (vendor #278791) of Germantown, MD as described below and referenced as DoIT No. 2005-0040.

The requested action authorizes the Department of Health and Human Services to enter into a sole source contract amendment with Conduent State Healthcare, LLC to develop, operate, and transition of the State's Medicaid Management Information System (MMIS). This will include hardware/software updates, functional enhancements to meet Federal and State requirements, as well as ongoing maintenance and operations.

The funding amount for this amendment is \$95,372,215, increasing the current contract from \$156,192,991 to a new amount not to exceed \$251,565,206. The contract shall become effective upon Governor and Council approval through June 30, 2021.

A copy of this letter should accompany the Department of Health and Human Services' submission to the Governor and Executive Council for approval.

Sincerely,

Denis Goulet

DG/kaf
DoIT #2005-0040

cc: Bruce Smith, IT Manager, DoIT



Jeffrey A. Meyers
Commissioner

William L. Baggeroer
Interim Director

STATE OF NEW HAMPSHIRE
DEPARTMENT OF HEALTH AND HUMAN SERVICES
BUREAU OF INFORMATION SERVICES

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LeB
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March 13, 2018

His Excellency, Governor Christopher T. Sununu
and the Honorable Council
State House
Concord, New Hampshire 03301

REQUESTED ACTION

Authorize the Department of Health and Human Services, Bureau of Information Services, to enter into a **sole source**, amendment (Amendment 14) to an existing contract (Purchase Order #1055816) with Conduent State Healthcare, LLC (formerly known as Xerox State Healthcare, LLC) (Vendor #278791) at 9040 Roswell Road, Suite 700, Atlanta, GA, 30350, to develop and operate the State's Medicaid Management Information System (MMIS) by increasing the price limitation by \$6,244,437 from \$149,948,554 to a new amount not to exceed \$156,192,991, and by extending the completion date from March 31, 2018 to June 30, 2018, effective upon the date of Governor and Council approval. **75% Federal Funds 25% General Funds.**

The Governor and Executive Council approved the original contract on December 7, 2005 (Late Item #C), Amendment 1 on December 11, 2007 (Item#59), Amendment 2 on June 17, 2009 (Item#92), and Amendment 3 on June 23, 2010 (Item#97), Amendment 4 on March 7, 2012 (Item#22A), Amendment 5 on December 19, 2012 (Item#27A), Amendment 6 on March 26, 2014 (Late Item A), Amendment 7 on June 18, 2014 (Item#61A), Amendment 8 on May 27, 2015 (Item#16), Amendment 9 on June 24, 2015 (Item#9), Amendment 10 on December 16, 2015 (Late Item#A1), Amendment 11 on June 29, 2016 (Item#8), Amendment 12 on November 18, 2016 (Item# 21A), and Amendment 13 on July 19, 2017 (Item#7C).

Funds are available in the following accounts in SFY 2018 and SFY 2019 with the authority to adjust amounts within the price limitation and adjust encumbrances between State Fiscal Years through the Budget Office if needed and justified, without approval of the Governor and Executive Council.

05-95-95-954010-5952 HEALTH AND SOCIAL SERVICES, DEPT OF HEALTH AND HUMAN SERVICES, HHS:COMMISSIONER, OFFICE OF INFORMATION SERVICES, OFFICE OF INFORMATION SERVICES

Design, Development and Implementation Phase

State Fiscal Year	Class/Object	Class Title	Current Budget	Increase/Decrease	Revised Budget
2005	034/500099	Capital Projects	\$25,000,000	\$0	\$25,000,000
2006	034/500099	Capital Projects	\$1,076,918	\$0	\$1,076,918
2006	102/500731	Contracts for Prog.Svs.	\$76,326	\$0	\$76,326
2012	102/500731	Contracts for Prog.Svs.	\$7,152,125	\$0	\$7,152,125
2013	102/500731	Contracts for Prog.Svs.	\$4,298,885	\$0	\$4,298,885
2014	102/500731	Contracts for Prog.Svs.	\$30,239,095	\$0	\$30,239,095
2015	102/500731	Contracts for Prog.Svs.	\$4,321,110	\$0	\$4,321,110
2016	102/500731	Contracts for Prog.Svs.	\$6,953,485	\$0	\$6,953,485
2017	102/500731	Contracts for Prog.Svs.	\$5,582,018	\$0	\$5,582,018
2018	102/500731	Contracts for Prog.Svs.	\$324,479	\$0	\$324,479

Total Design, Development and Implementation Phase \$85,024,441

Operations Phase

State Fiscal Year	Class/Object	Class Title	Current Budget	Increase/Decrease	Revised Budget
2013	102/500731	Contracts for Prog.Svs.	\$2,084,889	\$0	\$2,084,889
2014	102/500731	Contracts for Prog.Svs.	\$8,544,809	\$0	\$8,544,809
2015	102/500731	Contracts for Prog.Svs.	\$9,164,847	\$0	\$9,164,847
2016	102/500731	Contracts for Prog.Svs.	\$16,000,932	\$0	\$16,000,932
2017	102/500731	Contracts for Prog.Svs.	\$16,329,529	\$0	\$16,329,529
2018	102/500731	Contracts for Prog.Svs.	\$12,799,107	\$6,244,437	\$19,043,544

Total Operations Phase \$71,168,550

Grant Total \$156,192,991

EXPLANATION

This is a **sole source** amendment that briefly extends Conduent's role as MMIS system operator for a three-month period in order to conclude a final amendment that will provide for MMIS services and a transition period that is aligned with re-procurement of the MMIS system. Because the current contract expires on March 30, 2018 and because the need for additional time in which to negotiate and complete a final contract with Conduent, the department seeks to extend the current agreement through the period of April 1, 2018 to June 30, 2018. The

extended services provide critical support in the areas of keeping the system running, system testing, and provider enrollment revalidation.

The department is now planning the re-procurement of the Medicaid MMIS system. We have separately submitted an item to retain Berry, Dunn, McNeil & Parker as a consultant to assist the state in identifying the most cost effective and efficient MMIS options for re-procurement.

This sole source amendment is also requested in order to conclude what the department intends to be the final contract amendment with Conduent that will allow for the maintenance and operation of the current MMIS system while we plan for either (1) a takeover of the system by a new vendor or (2) the building of a new MMIS system.

Over the past several years, the technology for MMIS systems has undergone rapid change. More states are exploring a modular based MMIS system that is based remotely "in the cloud" and avoids the very significant investment in hardware that has a limited shelf life. Significantly, the hardware purchased over the past decade for the current MMIS system is rapidly approaching the end of its useful and serviceable life. A total replacement could cost over \$30 million dollars.

Rather than simply commit to replacing hardware with a limited life, the department instead seeks to explore other more cost effective solutions. And it believes that it is in the interest of the state and federal government (that also bears a cost for New Hampshire's system) to re-procure and allow competition for these services.

This brief 3-month extension and the forthcoming transition contract provides the pathway for the re-procurement of the MMIS system.

Funds in this amendment will allow for Conduent to continue providing essential technical and operational services to host, maintain, and operate the NH Medicaid Management Information System (MMIS), and thereby, keep one of the Department's most mission critical systems up and running through this extension period.

This amendment extends the tester and provider revalidation support services of the contractor from the previous amendment through this extension period. During the extension period, some change requests critically needed by the NH Medicaid Program, as well as defect fixes, will continue to be implemented, albeit on a lesser scale. The State tester support assists the efforts of the State to test, validate, and ensure that any changes deployed in code releases will execute with integrity and produce expected results.

The Provider Revalidation support will continue to provide assistance through the extension period to the 24,000 NH Medicaid Providers who are required, under federal mandate, to complete a Provider Revalidation application every five years. Provider Revalidation ensures that the NH Medicaid Program has the most up to date information on its enrolled providers, including address and contact information, as well as information required for Program Integrity to assess the continued validity and good standing of providers.

For all the reasons stated above, this brief 3-month extension is justified and is critical to maintaining the operation of the system and the completion of the plan for re-procurement.

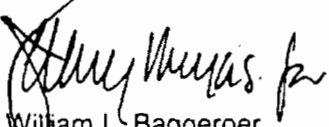
His Excellency, Governor Christopher T. Sununu
and the Honorable Council
March 13, 2018
Page 4 of 4

Area served: Statewide.

Source of Funds: Design, Development and Implementation phase: 90% federal funds, 10% general funds; Operations phase: 75% federal funds, 25% general funds. Federal funding source is the Centers for Medicare and Medicaid Services.

In the event that the Federal Funds become no longer available, General Funds will not be requested to support this program.

Respectfully submitted,



William L. Baggeroer
Interim Director

Approved by:



Jeffrey A. Meyers
Commissioner



STATE OF NEW HAMPSHIRE
DEPARTMENT OF HEALTH AND HUMAN SERVICES
Office of Information Services

Jeffrey A. Meyers
Commissioner

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Donna M. O'Leary
Chief Information Officer

July 7, 2017

His Excellency, Governor Christopher T. Sununu
and the Honorable Council
State House
Concord, New Hampshire 03301

REQUESTED ACTION

Authorize the Department of Health and Human Services, Office of Information Services, to enter into a **sole source** Amendment (#13) to an existing contract (Purchase Order #1055816) with Conduent State Healthcare, LLC (formerly known as Xerox State Healthcare, LLC) (Vendor #278791) at 9040 Roswell Road, Suite 700, Atlanta, GA, 30350, to develop and operate the State's Medicaid Management Information System (MMIS) by increasing the price limitation by \$504,646 from \$149,443,908 to an amount not to exceed \$149,948,554, effective upon the date of Governor and Council approval with no change to the completion date of March 31, 2018. 85% Federal Funds and 15% General Funds.

The Governor and Executive Council approved the original contract on December 7, 2005 (Late Item #C), Amendment #1 on December 11, 2007 (Item #59), Amendment #2 on June 17, 2009 (Item #92), Amendment #3 on June 23, 2010 (Item #97), Amendment #4 on March 7, 2012 (Item #22A), Amendment #5 on December 19, 2012 (Item #27A), Amendment #6 on March 26, 2014 (Late Item A), Amendment #7 on June 18, 2014 (Item #61A), Amendment #8 on May 27, 2015 (Item #16), Amendment #9 on June 24, 2015 (Item #9), Amendment #10 on December 16, 2015 (Late Item #A1), Amendment #11 on June 29, 2016 (Item #8), and Amendment #12 on November 18, 2016 (Item # 21A).

Funds are available in the following accounts in State Fiscal Year 2018 with the authority to adjust amounts within the price limitation and adjust encumbrances between State Fiscal Years through the Budget Office without approval of the Governor and Executive Council, if needed and justified.

05-95-95-954010-5952 HEALTH AND SOCIAL SERVICES, DEPT OF HEALTH AND HUMAN SERVICES, HHS: COMMISSIONER, OFFICE OF INFORMATION SERVICES, OFFICE OF INFORMATION SERVICES

SEE ATTACHED FISCAL DETAILS

EXPLANATION

This Amendment is **sole source** in order for the State to meet federal requirements for Medicaid Management Information System (MMIS) continued certification throughout 2017 and 2018. The Department and the Department of Information Technology (DoIT) are now finalizing

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a plan for re-procurement of the Medicaid MMIS system for 2018. The process will involve development and issuance of a Request for Proposals (RFP), selection of an appropriate vendor, and a sufficient transition period to permit ongoing operations, should the incumbent not win the award. In order to ensure sufficient time for the re-procurement, the present contract will have to be extended for a period of months beyond March 2018.

The Amendment will extend the services of essential vendor technical and operational resources of the MMIS relating to testing, data reporting and analysis, and provider enrollment revalidation for the four (4) month period from July 2017 through October 31, 2017, within the current contract period.

The Department is not extending the completion date of the contract in this Amendment. Rather, the Department and DoIT will present the schedule for the re-procurement this fall (targeting a September Governor and Council Meeting) prior to bringing an amendment to extend the contract for a limited time.

Funds in this amendment will be used to extend the services of four (4) tester resources, six (6) provider call center resources, and one (1) technical reporting resource for four (4) additional months. The services provided by these MMIS resources will improve the integrity of system changes implemented on the MMIS, provide informed support to New Hampshire Medicaid providers contacting the New Hampshire MMIS Call Center for assistance, and will expedite the delivery of on-demand reports.

The New Hampshire Medicaid Program is federally mandated to conduct a revalidation of its enrolled New Hampshire Medicaid providers every five (5) years after provider applications have been approved. New system capabilities were implemented in the MMIS to support an online provider revalidation process, and thousands of providers will be required to initiate their revalidation beginning in July 2017. There are over 24,000 approved New Hampshire Medicaid providers. The provider call-center resources were expanded by six (6) to ensure that there is adequate, responsive, and informed support available to assist providers with their revalidation applications and to minimize the administrative burden on providers as they complete the process.

The MMIS receives an extensive number of requests for report data and the system provides an online reporting capability that Department staff accesses to create and run reports. The technical reporting resource will continue to provide much needed technical support to improve the system's reporting capabilities, to ensure that the reporting function keeps pace with new data stored on the MMIS, and to help improve the integrity of the data being reported.

The MMIS implements a number of change requests, defect fixes, and system enhancements to stay current with New Hampshire Medicaid Program changes and to keep abreast of federally mandated system changes required for the MMIS to remain federally certified. The tester resources execute tests to make sure that all of the newly implemented MMIS system software changes work as expected and produce accurate results. The testers ensure the reliability and integrity of system processing and validate all of the system outputs. The testers' efforts help Department staff to identify defects earlier and to get those defects resolved before they are deployed to production. Early resolution significantly reduces the impact, administrative costs and effort required to resolve the issues later in production, and ensures that payments are accurately made to providers.

Should the Governor and Executive Council not authorize this Request, the Department may need to defer its initiation of the Provider Revalidation Project, in so doing this could place the Department in non-compliance with the federal mandate. Not extending these resources

may create a gap in service coverage at a critical time when the Department is initiating the federally mandated Provider Revalidation initiative, whereby all New Hampshire Medicaid Providers must revalidate their provider enrollment application data. There may be a significant impact to New Hampshire Providers who must complete the provider enrollment revalidation process, in that there would not be sufficient support from the Provider Call Center to address their requests for support in a timely and efficient manner.

Furthermore, should the Governor and Executive Council not authorize this request, the critically needed infusion of technical reporting support may not be available to the Department. Current concerns over the delivery and quality of data reporting would not be addressed as expeditiously, impacting the Department's ability to meet requests for Medicaid Program data analyses. Losing the experienced tester resources may result in a dilution of the overall testing effort, resulting in a greater risk for potential problems not being identified before the software is released to production, and thereby creating an adverse costlier impact on staff and providers dependent on accurate and efficient system payment processes.

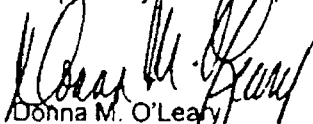
Area served: Statewide

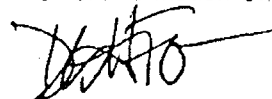
Ninety percent (90%) federal funding for the testing and reporting services requested in this Amendment #13 is pending approval by the Centers for Medicare and Medicaid Services. Seventy-five percent (75%) federal funding for the Provider Revalidation Operations costs of this Agreement has been previously approved through the Centers for Medicare and Medicaid Services.

Source of Funds: Design, Development and Implementation phase: 90% federal funds, 10% general funds; Operations phase: 75% federal funds, 25% general funds. Federal funding source is the Centers for Medicare and Medicaid Services.

In the event that the Federal Funds become no longer available, General Funds will not be requested to support this program.

Respectfully submitted,


Donna M. O'Leary
Chief Information Officer


Deborah H. Fournier
Medicaid Director

Approved by 
Jeffrey A. Meyers
Commissioner

Fiscal Details

Design, Development and Implementation Phase					
State Fiscal Year	Class/Object	Class Title	Current Budget	Increase/Decrease	Revised Budget
2005	034/500099	Contracts for Prog. Svs.	\$25,000,000	\$0	\$25,000,000
2006	034/500099	Contracts for Prog. Svs.	\$1,076,918	\$0	\$1,076,918
2006	102/500731	Contracts for Prog. Svs.	\$76,326	\$0	\$76,326
2012	102/500731	Contracts for Prog. Svs.	\$7,152,125	\$0	\$7,152,125
2013	102/500731	Contracts for Prog. Svs.	\$4,298,885	\$0	\$4,298,885
2014	102/500731	Contracts for Prog. Svs.	\$30,239,095	\$0	\$30,239,095
2015	102/500731	Contracts for Prog. Svs.	\$4,321,110	\$0	\$4,321,110
2016	102/500731	Contracts for Prog. Svs.	\$6,953,485	\$0	\$6,953,485
2017	102/500731	Contracts for Prog. Svs.	\$5,582,018	\$0	\$5,582,018
2018	102/500731	Contracts for Prog. Svs.	\$0	\$324,479	\$324,479
Total Design, Development and Implementation Phase			\$84,699,962	\$324,479	\$85,024,441
Subtotal:			\$84,699,962	\$324,479	\$85,024,441

Operations Phase					
State Fiscal Year	Class/Object	Class Title	Current Budget	Increase/Decrease	Revised Budget
2013	102/500731	Contracts for Prog. Svs.	\$2,084,889	\$0	\$2,084,889
2014	102/500731	Contracts for Prog. Svs.	\$8,544,809	\$0	\$8,544,809
2015	102/500731	Contracts for Prog. Svs.	\$9,164,847	\$0	\$9,164,847
2016	102/500731	Contracts for Prog. Svs.	\$16,000,932	\$0	\$16,000,932
2017	102/500731	Contracts for Prog. Svs.	\$16,329,529	\$0	\$16,329,529
2018	102/500731	Contracts for Prog. Svs.	\$12,618,940	\$180,167	\$12,799,107
Total Operations Phase:			\$64,743,946	\$180,167	\$64,924,113
Subtotal:			\$64,743,946	\$180,167	\$64,924,113
Grand Total:			\$149,443,908	\$504,646	\$149,948,554



STATE OF NEW HAMPSHIRE
DEPARTMENT OF INFORMATION TECHNOLOGY

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Denis Goulet
Commissioner

July 10, 2017

Jeffrey A. Meyers, Commissioner
Department of Health and Human Services
State of New Hampshire
129 Pleasant Street
Concord, NH 03301

Dear Commissioner Meyers:

This letter represents formal notification that the Department of Information Technology (DoIT) has approved your agency's request to enter into a **sole source** contract with Conduent State Healthcare, LLC (formerly known as Xerox State Healthcare, LLC) of Atlanta, GA as described below and referenced as DoIT No. 2005-004M.

The requested action authorizes the Department of Health and Human Services to enter into a **sole source** contract amendment with Conduent State Healthcare to extend the technical and operational resources of the Medicaid Management Information System (MMIS) relating to testing, data reporting and analysis, and provider enrollment revalidation. The services provided by these MMIS resources will improve the integrity of system changes implemented on the MMIS, provide informed support to NH Medicaid providers contacting the NH MMIS Call Center for assistance, and will expedite the delivery of on-demand reports.

The funding amount for this amendment is \$504,646.00, increasing the current contract from \$149,443,908.00 to \$149,948,554.00. The contract shall become effective upon Governor and Council approval through March 31, 2018.

A copy of this letter should accompany the Department of Health and Human Services' submission to the Governor and Executive Council for approval.

Sincerely,

A handwritten signature in black ink, appearing to read "Denis Goulet", written over a horizontal line.

Denis Goulet

DG/kaf
DoIT #2005-004M

cc: Bruce Smith, IT Manager, DoIT



Jeffrey A. Meyers
Commissioner

Donna M. O'Leary
Chief Information Officer

STATE OF NEW HAMPSHIRE
DEPARTMENT OF HEALTH AND HUMAN SERVICES
OFFICE OF INFORMATION SERVICES

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November 9, 2016

Her Excellency, Governor Margaret Wood Hassan
and the Honorable Council
State House
Concord, New Hampshire 03301

REQUESTED ACTION

Authorize the Department of Health and Human Services, Office of Information Services, to enter into a **sole source**, amendment (Amendment 12) to an existing contract (Purchase Order #1028843) with Xerox State Healthcare, LLC (Vendor #174951) at 9040 Roswell Road, Suite 700, Atlanta, GA, 30350, to develop and operate the State's Medicaid Management Information System by increasing the price limitation by \$1,776,575 from \$147,667,333 to a new amount not to exceed \$149,443,908, effective upon the approval of the Governor and Executive Council through March 31, 2018. This amendment expands the existing scope of services. The source of funds for the increase is 90% Federal Funds and 10% General Funds.

The Governor and Executive Council approved the original contract on December 7, 2005 (Late Item #C), Amendment 1 on December 11, 2007 (Item#59), Amendment 2 on June 17, 2009 (Item#92), and Amendment 3 on June 23, 2010 (Item#97, Amendment 4 on March 7, 2012 (Item#22A), Amendment 5 on December 19, 2012 (Item#27A), Amendment 6 on March 26, 2014 (Late Item A), Amendment 7 on June 18, 2014 (Item#61A), Amendment 8 on May 27, 2015 (Item#16), Amendment 9 on June 24, 2015 (Item#9), Amendment 10 on December 16, 2015 (Late Item#A1) and Amendment 11 on June 29, 2016 (Item#8).

Funds are available in the following accounts in SFY 2017 and are anticipated to be available in SFY 2018 upon the availability and continued appropriation of funds in the future operating budget with the ability to adjust encumbrances between State Fiscal Years without further approval of the Governor and Executive Council through the Budget Office, if needed and justified.

Language in Amendment 12 makes clear that no Design, Development, and Implementation (DDI) and Post-DDI services will commence or continue after SFY 2017, unless and until an Amendment, encumbering funds for the SFY 2010-2019 biennium has been approved by the Governor and Executive Council.

05-95-95-954010-5952 HEALTH AND SOCIAL SERVICES, DEPT OF HEALTH AND HUMAN SERVICES, HHS:COMMISSIONER, OFFICE OF INFORMATION SERVICES, OFFICE OF INFORMATION SERVICES

21A mac

Design, Development and Implementation Phase

<u>State Fiscal Year</u>	<u>Class/ Object</u>	<u>Class Title</u>	<u>Current Budget</u>	<u>Increase/ Decrease</u>	<u>Revised Budget</u>
2005	034/500099	Capital Projects	\$25,000,000	\$0	\$25,000,000
2006	034/500099	Capital Projects	\$1,076,918	\$0	\$1,076,918
2006	102/500731	Contracts for Program Services	\$76,326	\$0	\$76,326

Design, Development and Implementation Phase Continued

<u>State Fiscal Year</u>	<u>Class/ Object</u>	<u>Class Title</u>	<u>Current Budget</u>	<u>Increase/ Decrease</u>	<u>Revised Budget</u>
2012	102/500731	Contracts for Program Services	\$7,152,125	\$0	\$7,152,125
2013	102/500731	Contracts for Program Services	\$4,298,885	\$0	\$4,298,885
2014	102/500731	Contracts for Program Services	\$30,239,095	\$0	\$30,239,095
2015	102/500731	Contracts for Program Services	\$4,321,110	\$0	\$4,321,110
2016	102/500731	Contracts for Program Services	\$6,953,485	\$0	\$6,953,485
2017	102/500731	Contracts for Program Services	\$3,420,568	\$2,161,450	\$5,582,018
Total Design, Development and Implementation Phase			\$82,538,512	\$2,161,450	\$84,699,962

Operations Phase

<u>State Fiscal Year</u>	<u>Class/ Object</u>	<u>Class Title</u>	<u>Current Budget</u>	<u>Increase/ Decrease</u>	<u>Revised Budget</u>
2013	102/500731	Contracts for Program Services	\$2,084,889	\$0	\$2,084,889
2014	102/500731	Contracts for Program Services	\$8,544,809	\$0	\$8,544,809
2015	102/500731	Contracts for Program Services	\$9,164,847		\$9,164,847
2016	102/500731	Contracts for Program Services	\$16,000,932	\$0	\$16,000,932
2017	102/500731	Contracts for Program Services	\$16,714,404	-\$384,875	\$16,329,529
2018	102/500731	Contracts for Program Services	\$12,618,940	\$0	\$12,618,940
Total Operations Phase			\$65,128,821	-\$384,875	\$64,743,946

Total	\$147,667,333	\$1,776,575	\$149,443,908
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EXPLANATION

This is a **sole source** amendment that will expand the development of seven (7) components of the State's Medicaid Management Information System (MMIS). Components that are planned for expansion include: T-MSIS, the Premium Assistance Program (PAP), Enhanced Provider Screening, International Classification of Diseases (ICD-10), Acuity Rate Setting Nursing Facility Change of Ownership for Partial Year Cost Reporting, Provider Revalidation, and Medicaid Information Technology Architecture (MITA).

A sole source amendment is requested, because these changes are integral to MMIS core processing, and Xerox State Healthcare, LLC is the only company that can complete the expanded development of the state's Medicaid Management Information System to address these changes. The Centers for Medicare and Medicaid Services (CMS) has certified the State's Medicaid Management Information System, developed by Xerox State Healthcare, LLC, effective April 2013. Certification provides enhanced seventy five percent federal funding for operations resulting in \$12.5 million in revenue annually.

Expanded development of the Medicaid Management Information System components in this amendment are detailed below:

1. T-MSIS

- a. Background: Provides federally required statistical analysis and reporting on New Hampshire's Medicaid payments.
- b. Expanded Development: T-MSIS Pre-Operational Readiness Testing (PORT) and Operational Readiness Testing (ORT) testing were more complicated to execute and required more time than anticipated to complete. T-MSIS is a challenging project that involves the implementation of a new NH MMIS T-MSIS solution as well as the creation and implementation of a new federal T-MSIS data system. Each of the testing phases involves the creation of State T-MSIS data extracts, transmitting the files to the federal system, the federal system receiving and handling NH files and files from all other states, the federal system creating and sending response files back to NH, and the NH solution being able to receive and handle the inbound response files. Changes are occurring on both new systems to resolve issues identified during testing, and as the federal system evolves, the NH solution must be adapted to meet revised specifications.

2. Premium Assistance Program

- a. Background: The NH Health Enterprise Medicaid Management Information System (MMIS) requires enhancements in order to implement the next phases of two major State initiatives, the NH Health Protection Program (NH HPP) and Medicaid Care Management (MCM).
- b. Expanded Development: Under Amendment 12, there are a number of additional system enhancements to support Medicaid Care Management and the Premium Assistance Program (PAP). The PAP related enhancements will facilitate the processing of the Year Two 2017 enrollment changes and will improve the processing 834 enrollment transactions for the Qualified Health Plans. Additional staffing support is necessary for State User Acceptance Testing (UAT).

3. Enhanced Provider Screening

- a. Background: The Affordable Care Act (ACA) Section 6028 requires states to validate all new providers using comprehensive database checks that include checking all applicable state licensing credentials. Further the regulations require states to collect SSN and Dates of Birth for all affiliated parties (owners, officers and directors) and validate the identities at the time of enrollment or revalidation (for existing enrollments). Rules also require risk scoring the providers and perform enhanced database checks for higher risk scores. The rules also mandate minimum monthly monitoring of all providers and affiliated parties for any change in sanction and eligibility status.

6. Provider Revalidation

- a. **Background:** The NH Medicaid Program is federally required to notify and revalidate the enrollment of all active NH Medicaid providers at least every five years. The State Medicaid Agency (SMA) must conduct a full screening. Revalidation screening must be carried out in a manner appropriate to the provider's risk level in accordance with federal regulations.
- b. **Enhancement:** To address these federal requirements, system changes must be made to the MMIS to support the provider revalidation process. New online automated processes, changes to existing processes, and changes to forms to support a new manual process must be designed, developed, and implemented to accomplish the federal requirements.

7. Medicaid Information Technology Architecture (MITA)

- a. **Background:** The New Hampshire Department of Health and Human Services (NH DHHS), as the single state Medicaid agency, is federally required to complete a MITA State Self-Assessment (SS-A) in compliance with 42 CFR 433. The State is competitively procuring a vendor to conduct an assessment of the NH Medicaid enterprise, including the NH MMIS, consistent with the MITA Framework 3.0. The primary objective is to develop a Five Year Strategic Plan for improving MITA business and information architecture maturity levels across the Medicaid Enterprise (the "MITA Roadmap") Technical support from Xerox is required to support the activities of the MITA SS-A.
- b. **Enhancement:** MITA Technical support activities include participating in assessment meetings, reviewing materials generated from the assessment for accuracy and or contribution, and providing technical support to assist the MITA SS-A vendor while the assessment of the MMIS and its architecture is in progress.

Amendment 12 also contains language that permits an amendment, limited to transferring funds between budget line items and between budgets within the price limitation, to be made by written agreement of both parties without obtaining the approval of the Governor and Executive Council.

Ninety percent (90%) federal funding for the Design, Development and Implementation phase in this Amendment 12 is pending approval by the Centers for Medicare and Medicaid Services. Seventy-five percent (75%) federal funding of the Operations costs of this Agreement has been previously approved through the Centers for Medicare and Medicaid Services' certification of the New Hampshire's Medicaid Management Information System developed by Xerox State Healthcare, LLC.

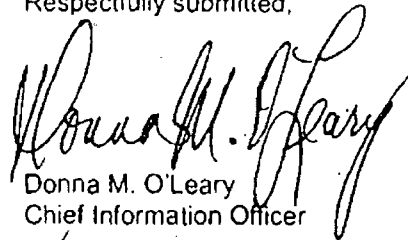
Source of Funds: Design, Development and Implementation phase: 90% federal funds, 10% general funds; Operations phase: 75% federal funds, 25% general funds.

Area served: Statewide.

Her Excellency, Governor Margaret Wood Hassan
and the Honorable Council
November 9, 2016
Page 6 of 6

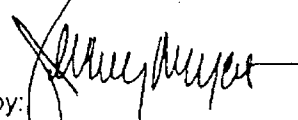
In the event that the Federal Funds become no longer available, General Funds will not be requested to support this program.

Respectfully submitted,



Donna M. O'Leary
Chief Information Officer

Approved by:



Jeffrey A. Meyers
Commissioner



8 18

STATE OF NEW HAMPSHIRE
DEPARTMENT OF HEALTH AND HUMAN SERVICES
OFFICE OF INFORMATION SERVICES

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Jeffrey A. Meyers
 Commissioner

Donna M. O'Leary
 Chief Information
 Officer

May 25, 2016

Her Excellency, Governor Margaret Wood Hassan
 and the Honorable Council
 State House
 Concord, New Hampshire 03301

75% FF
 25% GF

REQUESTED ACTION

Authorize the Department of Health and Human Services, Office of Information Services, to enter into a **sole source**, amendment (Amendment 11) to an existing contract (Purchase Order #1028843) with Xerox State Healthcare, LLC (Vendor #174951) at 9040 Roswell Road, Suite 700, Atlanta, GA, 30350, to develop and operate the State's Medicaid Management Information System by increasing the price limitation by \$1,464,250 from \$146,203,083 to a new amount not to exceed \$147,667,333, effective upon the approval of the Governor and Executive Council through March 31, 2018. This amendment expands the existing scope of services.

The Governor and Executive Council approved the original contract on December 7, 2005 (Late Item #C), Amendment 1 on December 11, 2007 (Item#59), Amendment 2 on June 17, 2009 (Item#92), and Amendment 3 on June 23, 2010 (Item#97, Amendment 4 on March 7, 2012 (Item#22A), Amendment 5 on December 19, 2012 (Item#27A), Amendment 6 on March 26, 2014 (Late Item A), Amendment 7 on June 18, 2014 (Item#61A), Amendment 8 on May 27, 2015 (Item#16), Amendment 9 on June 24, 2015 (Item#9), and Amendment 10 on December 16, 2015 (Late Item#A1).

Funds are available in SFY 2016 through SFY 2017 and are anticipated to be available in SFY 2018 upon the availability and continued appropriation of funds in future operating budgets with authority to adjust amounts between State Fiscal Years if needed and justified.

05-95-95-954010-5952 HEALTH AND SOCIAL SERVICES, DEPT OF HEALTH AND HUMAN SERVICES, HHS:COMMISSIONER, OFFICE OF INFORMATION SERVICES, OFFICE OF INFORMATION SERVICES

Design, Development and Implementation Phase

<u>State Fiscal</u>	<u>Class Object</u>	<u>Class Title</u>	<u>Current Modified</u>	<u>Increase/</u>	<u>Revised</u>
<u>Year</u>			<u>Budget</u>	<u>(Decrease)</u>	<u>Modified Budget</u>
SFY 2005	034/500099	Capital Projects	\$25,000,000	\$0	\$25,000,000
SFY 2006	034/500099	Capital Projects	\$1,076,918	\$0	\$1,076,918

Design, Development and Implementation Phase

<u>State Fiscal</u> <u>Year</u>	<u>Class Object</u>	<u>Class Title</u>	<u>Current Modified</u> <u>Budget</u>	<u>Increase/</u> <u>(Decrease)</u>	<u>Revised</u> <u>Modified Budget</u>
SFY 2006	102/500731	Contracts for Program Services	\$76,326	\$0	\$76,326
SFY 2012	102/500731	Contracts for Program Services	\$7,152,125	\$0	\$7,152,125
SFY 2013	102/500731	Contracts for Program Services	\$4,298,885	\$0	\$4,298,885
SFY 2014	102/500731	Contracts for Program Services	\$30,239,095	\$0	\$30,239,095
SFY 2015	102/500731	Contracts for Program Services	\$4,321,110	\$0	\$4,321,110
SFY 2016	102/500731	Contracts for Program Services	\$6,953,485	\$0	\$6,953,485
SFY 2017	102/500731	Contracts for Program Services	\$1,956,318	\$1,464,250	\$3,420,568
Total Design, Development and Implementation Phase			\$81,074,262	\$1,464,250	\$82,538,512

Operations Phase

<u>State Fiscal</u> <u>Year</u>	<u>Class Object</u>	<u>Class Title</u>	<u>Current Modified</u> <u>Budget</u>	<u>Increase/</u> <u>(Decrease)</u>	<u>Revised</u> <u>Modified Budget</u>
SFY 2014	102/500731	Contracts for Program Services	2084889	0	2084889
SFY 2014	102/500731	Contracts for Program Services	\$8,544,809	\$0	8544809
SFY 2015	102/500731	Contracts for Program Services	\$9,164,847	\$0	9164847
SFY 2016	102/500731	Contracts for Program Services	\$16,000,932	\$0	16000932
SFY 2017	102/500731	Contracts for Program Services	\$16,714,404	\$0	16714404
SFY 2018	102/500731	Contracts for Program Services	\$12,618,940	\$0	12618940
Total Operations Phase			\$65,128,821	\$0	\$65,128,821
TOTAL			\$146,203,083	\$1,464,250	\$147,667,333

EXPLANATION

This is a **sole source** amendment that will expand the development of three (3) components of the State's Medicaid Management Information System (MMIS). The first component is the Transformed Medicaid Statistical Information System (T-MSIS) that provides federally required statistical analysis and reporting on New Hampshire's Medicaid payments. The second component is Medicaid Care Management (MCM) that supports member benefit plan enrollment in managed care plans and issues capitated payments to Managed Care Organizations. The third component is the Premium Assistance Program (PAP) that incorporates system processes in support of the New Hampshire Health Protection Program into the Medicaid Management Information System.

A sole source amendment is requested, because these changes are integral to MMIS core processing, and Xerox State Healthcare, LLC is the only company that can complete the expanded development of the state's Medicaid Management Information System to address these changes. Further, the Center's for Medicare and Medicaid Services (CMS) has certified the State's Medicaid Management Information System, developed by Xerox State Healthcare, LLC, effective April 2013.

Certification provides enhanced seventy five percent federal funding for operations resulting in \$12.5 million in revenue annually.

Expanded development of the Medicaid Management Information System components in this amendment are detailed below:

1. Transformed Medicaid Statistical Information System (T-MSIS):

This component of New Hampshire's Medicaid Management Information System is federally required and was originally designed to meet specifications from the Centers for Medicare and Medicaid Services' T-MSIS version 1.2. In January 2016, the Centers for Medicare and Medicaid Services required New Hampshire to enhance its T-MSIS solution to meet the new federal requirements of T-MSIS version 2.0. The migration to version 2.0 is planned to occur in two phases:

- a. The first phase includes those changes that are required to pass through the Operational Readiness Testing (ORT) Gate Review with the Centers for Medicare and Medicaid Services.
- b. The second phase involves further refinement of error file processing and business rule enhancements that will occur in the months immediately following receipt of ORT approval, and concurrent the start-up of Catch-Up File processing.

2. Medicaid Care Management (MCM):

- a. The MCM-related change improves processing of maternity and newborn payments to Managed Care Organizations (MCO).

3. Premium Assistance Program (PAP):

- a. Enhancements to the Medicaid Management Information System financial cycle reporting to include payments processed through the new 820 premium payment transaction process. Additional changes are required to enhance the 271 eligibility inquiry response transaction and the automated voice response system to report newborn benefit plan enrollments in response to member eligibility inquiries.
- b. Implementation of the Non-Emergency Medical Transportation (NEMT) initiative that provides for non-emergency medical transportation service coverage to members enrolled in the Medicaid fee for service benefit plan or members enrolled in Qualified Health Plans (QHP) under the Premium Assistance Program. Amendment 11 includes reformulated requirements for the NEMT system solution. These expanded requirements have resulted from the

collaboration of the Department of Health and Human Services with the Centers for Medicare and Medicaid Services to acquire requisite federal approvals. Under this Amendment 11, the Medicaid Management Information System enhancements to support the implementation of NEMT and their associated costs have been reconfigured and realigned to address the system changes required to support the most current approach to implementing NEMT.

The NEMT enhancement, under this Amendment 11 addresses the requirements to enroll eligible members in a new NEMT benefit plan, to issue the 834 enrollment transaction to the NEMT contractor, to process a capitated per member per month payment, to issue the payment using the 820 payment transaction, to adapt fund code and financial cycle criteria to associate the payments to the appropriate funding source, to stop fee for service claims processing of NEMT related claims, to receive and process NEMT encounter claim transactions, to implement new reports and update existing federal and state reports, and to fully test the solution prior to deploying it to production.


Ninety percent (90%) federal funding for the Design, Development and Implementation phase in this Amendment 11 is pending approval by the Centers for Medicare and Medicaid Services. Seventy-five percent (75%) federal funding of the Operations costs of this agreement has been previously approved through the Centers for Medicare and Medicaid Services' certification of the New Hampshire's' Medicaid Management Information System developed by Xerox State Healthcare, LLC.

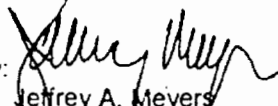
Source of Funds: Design, Development and Implementation phase: 90% federal funds, 10% general funds; Operations phase: 75% federal funds, 25% general funds.

Area served: Statewide.

In the event that the Federal Funds become no longer available, General Funds will not be requested to support this program.

Respectfully submitted,


Donna M. O'Leary
Chief Information Officer

Approved by: 
Jeffrey A. Meyers
Commissioner

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STATE OF NEW HAMPSHIRE
DEPARTMENT OF HEALTH AND HUMAN SERVICES
OFFICE OF INFORMATION SERVICES

Nicholas A. Toumpas
Commissioner

Steven J. Kelleher
Acting Chief
Information
Officer/Director

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December 4, 2015

Her Excellency, Governor Margaret Wood Hassan
and the Honorable Council
State House
Concord, New Hampshire 03301

Sole Source

REQUESTED ACTION

Authorize the Department of Health and Human Services (DHHS), Office of Information Services, to enter into a **sole source** amendment (Amendment 10) to an existing contract (Purchase Order # 1028843) with Xerox State Healthcare, LLC (Vendor #174951) at 9040 Roswell Road, Suite 700, Allanta, GA, 30350, to develop and operate the State's Medicaid Management Information System by increasing the price limitation by \$1,162,790 from \$145,040,293 to a new amount not to exceed \$146,203,083, effective upon the approval of the Governor and Executive Council through March 31, 2018. This amendment expands the existing scope of services. *83.5% Federal / 17.5% General Funds*

The Governor and Executive Council approved the original contract on December 7, 2005 (Late Item #C), Amendment 1 on December 11, 2007 (Item #59), Amendment 2 on June 17, 2009 (Item #92), and Amendment 3 on June 23, 2010 (Item#97), Amendment 4 on March 7, 2012 (Item#22A), Amendment 5 on December 19, 2012 (Item#27A), Amendment 6 on March 26, 2014 (Late Item A), Amendment 7 on June 18, 2014 (Item#61A), Amendment 8 on May 27, 2015 (Item#16), and Amendment 9 on June 24, 2015 (Item#9).

Funds are available in State Fiscal Years 2016 and 2017 and are anticipated to be available in State Fiscal Year 2018 upon the availability and continued appropriation of funds in future operating budgets with authority to adjust amounts between State Fiscal Years if needed and justified.

05-95-95-954010-5952 HEALTH AND SOCIAL SERVICES, DEPT OF HEALTH AND HUMAN SERVICES, HHS: COMMISSIONER, OFFICE OF INFORMATION SERVICES, OFFICE OF INFORMATION SERVICES

Design, Development and Implementation

State	Current	Increase/	Revised
Fiscal Year	Budget	(Decrease)	Budget
Class Object	Class Title		
2005 034/500099	Capital Projects	\$25,000,000	\$25,000,000
2006 034/500099	Capital Projects	\$1,076,918	\$1,076,918
2006 102/500731	Contracts for Program Services	\$76,326	\$76,326
2012 102/500731	Contracts for Program Services	\$7,152,125	\$7,152,125
2013 102/500731	Contracts for Program Services	\$4,298,885	\$4,298,885
2014 102/500731	Contracts for Program Services	\$30,239,095	\$30,239,095

Design, Development and Implementation continued

State			Current	Increase/	Revised
Fiscal Year	Class Object	Class Title	Budget	(Decrease)	Budget
2015	102/500731	Contracts for Program Services	\$4,321,110	\$0	\$4,321,110
2016	102/500731	Contracts for Program Services	\$7,884,885	(\$931,400)	\$6,953,485
2017	102/500731	Contracts for Program Services	\$0	\$1,956,318	\$1,956,318
Total Design, Development and Implementation Phase			\$80,049,344	\$1,024,918	\$81,074,262

Operations

State			Current	Increase/	Revised
Fiscal Year	Class Object	Class Title	Budget	(Decrease)	Budget
2013	102/500731	Contracts for Program Services	\$2,084,889	\$0	\$2,084,889
2014	102/500731	Contracts for Program Services	\$8,544,809	\$0	\$8,544,809
2015	102/500731	Contracts for Program Services	\$9,164,847	\$0	\$9,164,847
2016	102/500731	Contracts for Program Services	\$16,000,932	\$0	\$16,000,932
2017	102/500731	Contracts for Program Services	\$16,576,532	\$137,872	\$16,714,404
2018	102/500731	Contracts for Program Services	\$12,618,940	\$0	\$12,618,940
Total Operations			\$64,990,949	\$137,872	\$65,128,821
Grand Total			\$145,040,293	\$1,162,790	\$146,203,083

EXPLANATION

This is a sole source amendment that adds an optional three-year extension to the Operations Phase, eliminates several enhancements that were included in previous contract amendments and reduces the cost of another, and provides for additional enhancements to the New Hampshire Medicaid Management Information System (MMIS).

Additional Option Years

The State's three-year base contract with Xerox for Operations Phase services was scheduled to end on March 31, 2016. In accordance with the contract, however, DHHS has exercised its option to extend the contract for two additional years. The contract is now scheduled to terminate on March 31, 2018.

In order to leverage the tremendous investment made by the State in the new MMIS, DHHS wishes to amend the contract by adding three additional option years, which if exercised would extend the contract through March 31, 2021. Exercise of the optional extension would result in a maximum term of eight operational years (April 1, 2013 through March 31, 2021). Any such extension would be subject to DHHS and Xerox reaching agreement on the scope of work and price for the additional years.

The alternative is to initiate a project to procure a vendor to take over the NH MMIS effective March 31, 2018. Given the time required to obtain federal funding for an MMIS procurement, conduct such a procurement and negotiate a contract, and possibly manage the transition of the MMIS to a new vendor, DHHS would need to embark on such a project immediately. After careful consideration, the State believes that the option to extend the current contract beyond the five operational years originally defined is the most prudent course from a

financial and programmatic standpoint. This approach is also recognition that the new Health Enterprise MMIS has passed a stringent certification review, has proved adaptable to a wide variety of program initiatives, and has demonstrated the capacity to support the NH Medicaid Program for many years to come.

Changes to Previous Enhancements

Previous contract amendments included several enhancements that were initiated to meet federal or State requirements but which have not yet been implemented due to other pressing priorities. In the years since these enhancements were initiated, changes in the Medicaid program and DHHS priorities have rendered some of them less urgent, and budget constraints have led to their cancelation or delay.

- *Outpatient Prospective Payment System (OPPS) (Appendix A.5):* Originally included in Amendment 2, the OPPS project was intended to align the State's Medicaid reimbursement methodology for hospital payment costs more closely with Medicare. This amendment pre-dated the move to Medicaid Care Management and while the analytical work was completed and paid for, DHHS elected not to implement the associated system changes. Amendment 10 officially cancels those remaining tasks.
- *Enhanced Analytics (Appendix A.6):* Also part of Amendment 2, this enhancement was intended to expand on the framework of the MMIS reporting solution to provide more complex analytical capabilities than those required by the original Request for Proposals. Although DHHS remains interested in improving its analytics tools, the solution envisioned this enhancement is no longer considered sufficient. In addition, canceling this enhancement gives DHHS the option to procure a solution from a specialized analytics vendor.
- *Enhanced Provider Screening (Appendix A.9):* This enhancement, included in Amendment 5, was initiated to meet new provider enrollment requirements established by the Affordable Care Act. DHHS worked with Xerox on a modified design and schedule for this enhancement that resulted in reducing its overall cost to the State.
- *Electronic Health Record (EHR) Provider Incentive Program (Appendix A.9):* DHHS worked with the University of New Hampshire to implement an interim solution for this program, which helps providers to pay for the implementation and operation of EHR systems, while the permanent solution was being developed by Xerox as part of Amendment 5. However, the interim solution proved sufficient to meet the program's ongoing needs, enabling DHHS to cancel this enhancement.
- *Hospice Claims Processing (Appendix A.9):* Amendment 5 included an enhancement to enable the MMIS to systematically process hospice claims, replacing the manual workload currently in place. Given the relatively low volume of these claims, however, DHHS has elected to continue the current approach and redirect its limited budget dollars to critical enhancements related to the New Hampshire Health Protection Program (NHHPP).
- *Family Planning Claims Processing (Appendix A.9):* Also part of Amendment 5, this enhancement was similar to the hospice enhancement described above – replacing a manual process with automated processing. However, the volume of these claims has

declined and is expected to continue to do so because many enrollees in the Family Planning program are now eligible for NHHPP. DHHS therefore has elected to cancel this enhancement.

These changes result in a \$3,678,659 net cost reduction, which DHHS is using to fund enhancements of higher priority while remaining under budget.

Enhancements

Amendment 10 includes seven contract modifications to improve the security of data maintained by the system, to improve the efficiency of program operations, and meet federal MMIS certification requirements:

- Log-in Security Enhancements – implements recommendations made by CMS during the MMIS certification review.
- Database Access for Designated State Users – allows DoIT users who have been authorized to access the MMIS tables directly to do so in a secure manner.
- 2D Barcode and OCR Enhancement – implements barcode enhancements within the MMIS Contact Management module to capture additional information, eliminating manual indexing for certain documents and minimizing errors and modifies the Optical Character Recognition (OCR) software used to capture paper claims data to address new federal requirements.
- Resource Utilization Grouper (RUG) IV – modernizes the process used to establish Nursing Facility rates.
- New MMIS Certification Requirements – addresses unanticipated changes to the certification process that were initiated by CMS and increased the scope of work.
- DMZ Infrastructure Setup – requires Xerox to migrate to the new MOVEit Central and MOVEit DMZ releases from Ipswitch, the software vendor, enhancing the security of file exchanges between the MMIS and other DHHS trading partners.
- Extended Software Maintenance – obligates vendors to support the software versions currently incorporated into the MMIS through the end of the base contract (March 31, 2018).

These enhancements are included in the new Appendix A.16. In addition, changes in the scope and schedule of several previously approved enhancements have been incorporated into a revised Appendix A.12 and a revised Appendix A.15.

Ninety percent (90%) federal funding for the Design, Development and Implementation costs in this Amendment 10 is pending approval by the Centers for Medicare and Medicaid Services. Seventy-five percent (75%) federal funding of the Operations costs of this agreement is pending certification of the New Hampshire MMIS by CMS.

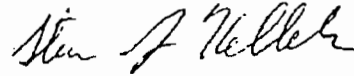
Source of Funds: Design, Development and Implementation phase: 90% federal funds, 10% general funds; Operations phase: 75% federal funds, 25% general funds.

Area served: Statewide.

Her Excellency, Governor Margaret Wood Hassan
and the Honorable Council
December 4, 2015
Page 5

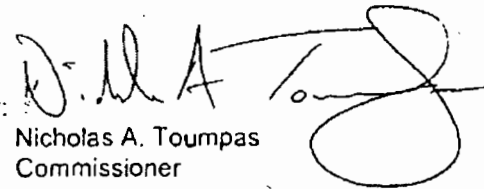
In the event that the Federal Funds become no longer available, General Funds will not be requested to support this program.

Respectfully submitted,



Steven J. Kelleher
Interim Chief Information Officer/Director

Approved by:



Nicholas A. Toumpas
Commissioner



STATE OF NEW HAMPSHIRE
 DEPARTMENT OF HEALTH AND HUMAN SERVICES
 OFFICE OF INFORMATION SERVICES

Nicholas A. Toumpas
 Commissioner

William L. Baggeroer
 Chief Information
 Officer/Director

129 PLEASANT STREET, CONCORD, NH 03301-3857
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June 4, 2015

Her Excellency, Governor Margaret Wood Hassan
 and the Honorable Council
 State House
 Concord, New Hampshire 03301

Sole Source

*Est: 78.9% Federal
 21.1% General*

REQUESTED ACTION

Authorize the Department of Health and Human Services, Office of Information Services, to enter into a **sole source** amendment (Amendment 9) to an existing contract (Purchase Order #1028843) with Xerox State Healthcare, LLC (Vendor #174951) 9040 Roswell Road, Suite 700, Atlanta, GA, 30350, to develop and operate the State's Medicaid Management Information System by increasing the price limitation by \$25,261,365, from \$119,778,928 to \$145,040,293, effective upon the approval of the Governor and Executive Council through March 31, 2018. This amendment expands the existing scope of services.

The Governor and Executive Council approved the original contract on December 7, 2005 (Late Item #C), Amendment 1 on December 11, 2007 (Item #59), Amendment 2 on June 17, 2009 (Item #92), Amendment 3 on June 23, 2010 (Item#97), Amendment 4 on March 7, 2012 (Item#22A), Amendment 5 on December 19, 2012 (Item#27A), Amendment 6 on March 26, 2014 (Late Item A), Amendment 7 on June 18, 2014 (Item#61A), and Amendment 8 on May 27, 2015 (Item#16).

No State Fiscal Year 2015 funds are required for this amendment; funds are anticipated to be available in State Fiscal Years 2016, 2017 and 2018 upon the availability and continued appropriation of funds in future operating budgets with authority to adjust amounts between State Fiscal Years if needed and justified.

05-95-95-954010-5952 HEALTH AND SOCIAL SERVICES, DEPT OF HEALTH AND HUMAN SERVICES, HHS: COMMISSIONER, OFFICE OF INFORMATION SERVICES, OFFICE OF INFORMATION SERVICES

Design, Development and Implementation

State Fiscal Year	Class Object	Class Title	Current Budget	Increase/ (Decrease)	Revised Budget
2005	034/500099	Capital Projects	\$25,000,000	\$0	\$25,000,000
2006	034/500099	Capital Projects	\$1,076,918	\$0	\$1,076,918
2006	102/500731	Contracts for Program Services	\$76,326	\$0	\$76,326
2012	102/500731	Contracts for Program Services	\$7,152,125	\$0	\$7,152,125
2013	102/500731	Contracts for Program Services	\$4,298,885	\$0	\$4,298,885
2014	102/500731	Contracts for Program Services	\$30,239,095	\$0	\$30,239,095
2015	102/500731	Contracts for Program Services	\$4,321,110	\$0	\$4,321,110
2016	102/500731	Contracts for Program Services	\$1,283,808	\$6,601,077	\$7,884,885
Total Design, Development and Implementation Phase			\$73,448,267	\$6,601,077	\$80,049,344

Operations			Current	Increase/	Revised
State			Budget	(Decrease)	Budget
<u>Fiscal Year</u>	<u>Class Object</u>	<u>Class Title</u>			
2013	102/500731	Contracts for Program Services	\$2,084,889	\$0	\$2,084,889
2014	102/500731	Contracts for Program Services	\$8,544,809	\$0	\$8,544,809
2015	102/500731	Contracts for Program Services	\$9,164,847	\$0	\$9,164,847
2016	102/500731	Contracts for Program Services	\$9,328,007	\$6,672,925	\$16,000,932
2017	102/500731	Contracts for Program Services	\$9,770,148	\$6,806,384	\$16,576,532
2018	102/500731	Contracts for Program Services	\$7,437,961	\$5,180,979	\$12,618,940
Total Operations			\$46,330,661	\$18,660,288	\$64,990,949
Grand Total			\$119,778,928	\$25,261,365	\$145,040,293

EXPLANATION

This is a **sole source** amendment that provides for the enhancement of the New Hampshire Medicaid Management Information System (MMIS) to support the NH Health Protection Program (NH HPP) and Medicaid Care Management (MCM); increases the payments for ongoing operations so they are more closely aligned with the Contractor's audited costs; and improves accountability by strengthening the contract's provisions for performance measurement, liquidated damages, and turnover of MMIS source code.

Enhancements

NH HPP is New Hampshire's innovative approach to providing health care coverage to uninsured citizens under the Affordable Care Act. It began with the implementation of a temporary Bridge program in September 2014, under which clients meeting eligibility requirements enrolled with one of the Medicaid MCOs and received services under an Alternative Benefit Plan (ABP). Starting on January 1, 2016, the Bridge program will be replaced by the Premium Assistance Program (PAP), under which existing and new NH HPP eligibles will enroll in a Qualified Health Plan (QHP) offered by a Department of Insurance-approved carrier. The State is paying the premiums for these enrollees, requiring the MMIS to support many new processes and interfaces.

MCM Step 1 was implemented on December 1, 2013, when most Medicaid clients began receiving health care services via a Managed Care Organization (MCO) contracted with the State. For Step 1, long-term care services were carved out and clients dually eligible for Medicaid and Medicare could voluntarily select an MCO but were not required to enroll in MCM. For Step 2, long-term care services delivered via the Choices for Independence (CFI) waiver program will be added to the list of services delivered by the MCM MCOs, and dual eligibles will be mandatorily enrolled in MCM.

In addition to the changes associated specifically with NH HPP and MCM Step 2, Amendment 9 requires that the MMIS be enhanced to receive and store additional eligibility and enrollment data and to support 834 Enrollment and 820 Premium Payment transactions. These changes will benefit both NH HPP and MCM. Another significant enhancement under this amendment is the addition of a third MCM MCO to join the two currently contracted with the State.

The fixed cost of these enhancements is \$5,616,077. The amendment establishes an additional \$985,000 in contingency funds to allow for the flexibility to adapt to changes in specifications and new specifications that might emerge during development of the enhancements, for a total of \$6,601,077. The State is not obligated to expend any of the contingency funds.

Operational Cost Increase

The original price for operating and maintaining the MMIS was established in 2005, eight years before the MMIS began operations. The price was based on the anticipated cost of operating an existing legacy system that was to be transferred from another state. DHHS and the Contractor agreed substitute the solution originally proposed with a more advanced solution, as allowed by Section 3.1.3 of the Contract, that would provide greater accessibility and configurability while meeting emerging CMS requirements. However, the operations price remained unchanged.

Within a year after the implementation, the Contractor informed DHHS that the cost of operating the new system was substantially higher than had been proposed for the original legacy solution. The Contractor requested an "equitable adjustment" to increase operations payments to a level consistent with cost of running the system.

DHHS requested justification of the payment increase in the form of documented costs presented in the same format as the original 2005 cost proposal. This enabled DHHS staff to conduct an "apples to apples" comparison of the proposed and actual cost of operating the new MMIS. DHHS determined that the Contractor's costs were in fact significantly higher than proposed, in large part due to the increased cost of data processing, hardware, software, ongoing maintenance, and technical labor for the new solution.

The annual increase in operations and maintenance payments requested by the Contractor and accepted by DHHS represents 81.2% of the annual cost difference documented during the audit. The increase will be effective July 1, 2015; the Contractor has agreed that costs incurred prior to that date cannot be recovered.

The cost of this increase for the nine remaining months of the base contract, through March 31, 2016, is \$4,979,795. The cost of the increase for the two option years is \$13,680,493; the State has not yet exercised either of the option years and Amendment 9 does not obligate the State to do so.

Accountability

To ensure that the State receives full value for the increase in operations payments under this amendment, DHHS staff conducted a review of every performance measure and liquidated damages provision in the contract and original Request for Proposal (RFP). The Contractor agreed to additional liquidated damages provisions and to new and more stringent performance measures. The Contractor also agreed to replace the previous requirement to provide MMIS source code to a third party escrow agent with a new requirement to turn the source directly over to the Department of Information Technology, and to provide a replacement set of source code every six months.

Her Excellency, Governor Margaret Wood Hassan
and the Honorable Council

June 4, 2015

Page 4

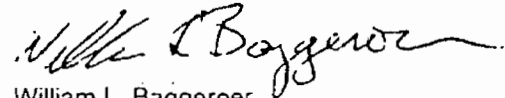
Ninety percent (90%) federal funding for the Design, Development and Implementation costs in this Amendment 9 is pending approval by the Centers for Medicare and Medicaid Services. Seventy-five percent (75%) federal funding of the Operations costs of this agreement is pending certification of the New Hampshire MMIS by CMS.

Source of Funds: Design, Development and Implementation phase: 90% federal funds, 10% general funds; Operations phase: 50% federal funds, 50% general funds (prior to federal certification) and 75% federal funds, 25% general funds (pending MMIS certification).

Area served: Statewide.

In the event that the Federal Funds become no longer available, General Funds will not be requested to support this program.

Respectfully submitted,



William L. Baggeroer
Chief Information Officer/Director

Approved by:



Nicholas A. Toumpas
Commissioner

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STATE OF NEW HAMPSHIRE
 DEPARTMENT OF HEALTH AND HUMAN SERVICES
 MAY 05 '15 09:57 AM
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Nicholas A. Toumpas
 Commissioner

William L. Baggeroer
 Chief Information
 Officer/Director

April 22, 2015

Her Excellency, Governor Margaret Wood Hassan
 and the Honorable Council
 State House
 Concord, New Hampshire 03301

Site Source
 83 to Federal
 17 to General

REQUESTED ACTION

Authorize the Department of Health and Human Services, Office of Information Services, to enter into a **sole source** amendment (Amendment 8) to an existing contract (Purchase Order #1028843) with Xerox State Healthcare, LLC (Vendor #174951) 9040 Roswell Road, Suite 700, Atlanta, GA, 30350, to develop and operate the State's Medicaid Management Information System by increasing the price limitation by \$2,453,808, from \$117,325,120 to \$119,778,928, effective upon the approval of the Governor and Executive Council through March 31, 2018. This amendment expands the existing scope of services.

The Governor and Executive Council approved the original contract on December 7, 2005 (Late Item #C), Amendment 1 on December 11, 2007 (Item #59), Amendment 2 on June 17, 2009 (Item #92), Amendment 3 on June 23, 2010 (Item#97), Amendment 4 on March 7, 2012 (Item#22A), Amendment 5 on December 19, 2012 (Item#27A), Amendment 6 on March 26, 2014 (Late Item A), and Amendment 7 on June 18, 2014 (Item#61A).

Funds are available in State Fiscal Year 2015 and are anticipated to be available in State Fiscal Years 2016, 2017 and 2018 upon the availability and continued appropriation of funds in future operating budgets with authority to adjust amounts between State Fiscal Years if needed and justified.

05-95-95-954010-5952 HEALTH AND SOCIAL SERVICES, DEPT OF HEALTH AND HUMAN SERVICES, HHS: COMMISSIONER, OFFICE OF INFORMATION SERVICES, OFFICE OF INFORMATION SERVICES

Design, Development and Implementation

State Fiscal Year	Class Object	Class Title	Current Budget	Increase/ (Decrease)	Revised Budget
2005	034/500099	Capital Projects	\$25,000,000	\$0	\$25,000,000
2006	034/500099	Capital Projects	\$1,076,918	\$0	\$1,076,918
2006	102/500731	Contracts for Program Services	\$76,326	\$0	\$76,326
2012	102/500731	Contracts for Program Services	\$7,152,125	\$0	\$7,152,125
2013	102/500731	Contracts for Program Services	\$4,298,885	\$0	\$4,298,885
2014	102/500731	Contracts for Program Services	\$30,239,095	\$0	\$30,239,095
2015	102/500731	Contracts for Program Services	\$4,321,110	\$0	\$4,321,110
2016	102/500731	Contracts for Program Services	\$0	\$1,283,808	\$1,283,808
Total Design, Development and Implementation Phase			\$72,164,459	\$1,283,808	\$73,448,267

Operations			Current	Increase/	Revised
State			Budget	(Decrease)	Budget
<u>Fiscal Year</u>	<u>Class Object</u>	<u>Class Title</u>			
2013	102/500731	Contracts for Program Services	\$2,084,889	\$0	\$2,084,889
2014	102/500731	Contracts for Program Services	\$8,544,809	\$0	\$8,544,809
2015	102/500731	Contracts for Program Services	\$9,164,847	\$0	\$9,164,847
2016	102/500731	Contracts for Program Services	\$9,198,007	\$130,000	\$9,328,007
2017	102/500731	Contracts for Program Services	\$9,250,148	\$520,000	\$9,770,148
2018	102/500731	Contracts for Program Services	\$6,917,961	\$520,000	\$7,437,961
Total Operations			\$45,160,661	\$1,170,000	\$46,330,661
Grand Total			\$117,325,120	\$2,453,808	\$119,778,928

EXPLANATION

This is a **sole source** amendment that provides for the enhancement of the New Hampshire Medicaid Management Information System (MMIS). As the developer of the New Hampshire MMIS, Xerox/ACS is most knowledgeable about its system architecture, integrated software products, and the internal design of the system framework, and is best suited to develop these enhancements.

The primary purpose of this requested action (Amendment 8) is to expand the scope of work for the T-MSIS (Transformed Medicaid Statistical Information System) project, an enhancement required by the Centers for Medicare and Medicaid Services (CMS) that was approved by the Governor and Executive Council in conjunction with Xerox Amendment 6. The increased scope is primarily due to the unanticipated complexity of the MMIS changes that are required to meet CMS requirements. (For example, the number of new computer batch jobs has increased from 40 to more than 120.) Amendment 8 also requires Xerox to submit T-MSIS "catch-up" files for each calendar month back to January 2014. The "catch-up" process will begin in June 2015.

In addition to the T-MSIS change, Amendment 8 increases the scope of the Health Insurance Portability and Accountability Act (HIPAA) Operating Rules enhancement, which was also approved by the Governor and Executive Council as part of Xerox Amendment 6. Xerox will be responsible for obtaining certification of New Hampshire's implementation of the HIPAA Operating Rules by the Committee on Operating Rules for Electronic Data Interchange (CORE). In accordance with the Affordable Care Act, certification is required by December 31, 2015.

The role of the Medicaid Management Information System implementation contractor was described in the State's Implementation Advanced Planning Document for the New Hampshire Medicaid Management Information System Project, which was approved by the federal Centers for Medicare and Medicaid Services in May 2004. A Request For Proposal was issued in September 2004. Notification of the Request For Proposal publication was issued using standard Department of Information Technology procedures. The Medicaid Management Information System Request For Proposal 2005-004 was issued on September 14, 2004, and published on the Department of Administrative Services web site. ACS State Healthcare, LLC,

Her Excellency, Governor Margaret Wood Hassan
and the Honorable Council

April 22, 2015

Page 3

(now Xerox State Healthcare,) was selected as the Medicaid Management Information System contractor through a competitive bid process.

Should the Governor and Executive Council determine not to approve this Request, the Department of Health and Human Services could face a loss of federal funding from CMS due to not complying with federal regulations required for the implementation of T-MSIS and the HIPAA Operating Rules. In addition, CMS has proposed a penalty of \$1 per covered life per day that a health plan such as New Hampshire Medicaid fails to submit documentation of its HIPAA Operating Rules certification, with a maximum penalty of \$20 per covered life. Thus, failure to achieve CORE certification by the December 31, 2015 deadline could result in penalties of \$3.5 million or more.

Ninety percent (90%) federal funding for the Design, Development and Implementation costs in this Amendment 8 is pending approval by the Centers for Medicare and Medicaid Services. Seventy-five percent (75%) federal funding of the Operations costs of this agreement is pending certification of the New Hampshire MMIS by CMS.

Source of Funds: Design, Development and Implementation phase: 90% federal funds, 10% general funds; Operations phase: 50% federal funds, 50% general funds (prior to federal certification) and 75% federal funds, 25% general funds (pending MMIS certification).

Area served: Statewide.

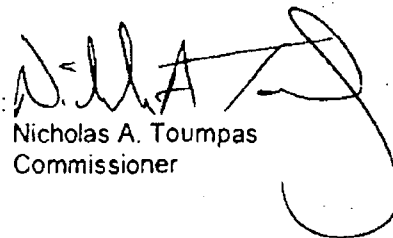
In the event that the Federal Funds become no longer available, General Funds will not be requested to support this program.

Respectfully submitted,



William L. Baggeroer
Chief Information Officer/Director

Approved by:



Nicholas A. Toumpas
Commissioner

61A MJT



STATE OF NEW HAMPSHIRE
DEPARTMENT OF HEALTH AND HUMAN SERVICES
OFFICE OF INFORMATION SERVICES

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Nicholas A. Toumpas
Commissioner

William L. Baggeroer
Chief Information
Officer/Director

June 11, 2014

Her Excellency, Governor Margaret Wood Hassan
and the Honorable Council
State House
Concord, New Hampshire 03301

736 Federal funds
176 General funds

REQUESTED ACTION

SOLE SOURCE

Authorize the Department of Health and Human Services, Office of Information Services, to enter into a **sole source**, amendment (Amendment 7) to an existing contract (Purchase Order #1028843) with Xerox State Healthcare, LLC (Vendor #174951) 9040 Roswell Road, Suite 700, Atlanta, GA, 30350, to develop and operate the State's Medicaid Management Information System by increasing the price limitation by \$6,799,609 from \$110,525,511 to \$117,325,120, effective upon the approval of the Governor and Executive Council, with no change to the end date of March 31, 2018. This amendment expands the existing scope of services.

The Governor and Executive Council approved the original contract on December 7, 2005 (Late Item #C), Amendment 1 on December 11, 2007 (Item #59), Amendment 2 on June 17, 2009 (Item #92), and Amendment 3 on June 23, 2010 (Item #97), Amendment 4 on March 7, 2012 (Item#22A), Amendment 5 on December 19, 2012 (Item#27A) and Amendment 6 on March 26, 2014 (Late Item A).

Funds are available in State Fiscal Years 2014 and 2015 and are anticipated to be available in State Fiscal Years 2016, 2017 and 2018 upon the availability and continued appropriation of funds in future operating budgets with authority to adjust amounts between State Fiscal Years, if needed and justified.

05-95-95-954010-5952 HEALTH AND SOCIAL SERVICES, DEPT OF HEALTH AND HUMAN SERVICES, HHS: COMMISSIONER, OFFICE OF INFORMATION SERVICES, OFFICE OF INFORMATION SERVICES

Design, Development and Implementation Phase

State			Current	Increase/	Revised
<u>Fiscal Year</u>	<u>Class Object</u>	<u>Class Title</u>	<u>Budget</u>	<u>(Decrease)</u>	<u>Budget</u>
2005	034/500099	Capital Projects	\$25,000,000	\$0	\$25,000,000
2006	034/500099	Capital Projects	\$1,076,918	\$0	\$1,076,918
2006	102/500731	Contracts for Program Services	\$76,326	\$0	\$76,326
2012	102/500731	Contracts for Program Services	\$7,152,125	\$0	\$7,152,125
2013	102/500731	Contracts for Program Services	\$4,298,885	\$0	\$4,298,885
2014	102/500731	Contracts for Program Services	\$26,444,473	\$3,794,622	\$30,239,095
2015	102/500731	Contracts for Program Services	\$4,321,110	\$0	\$4,321,110
Total Design, Development and Implementation Phase			\$68,369,837	\$3,794,622	\$72,164,459

Operations Phase

State			Current	Increase/	Revised
<u>Fiscal Year</u>	<u>Class Object</u>	<u>Class Title</u>	<u>Budget</u>	<u>(Decrease)</u>	<u>Budget</u>
2013	102/500731	Contracts for Program Services	\$2,084,889	\$0	\$2,084,889
2014	102/500731	Contracts for Program Services	\$8,400,725	\$144,084	\$8,544,809
2015	102/500731	Contracts for Program Services	\$8,530,209	\$634,638	\$9,164,847
2016	102/500731	Contracts for Program Services	\$8,388,456	\$809,551	\$9,198,007
2017	102/500731	Contracts for Program Services	\$8,440,597	\$809,551	\$9,250,148
2018	102/500731	Contracts for Program Services	\$6,310,798	\$607,163	\$6,917,961
Total Operations Phase			\$42,155,674	\$3,004,987	\$45,160,661

Grand Total \$110,525,511 \$6,799,609 \$117,325,120

EXPLANATION

This is a sole source amendment that provides for the uninterrupted continuation of essential system development, implementation and operation services by the contractor in support of the New Hampshire Medicaid Management Information System's Design, Development and Implementation effort. This work has been progressing steadily. Given the intricacies of the multi-tiered New Hampshire Medicaid Management Information System solution, Xerox is most knowledgeable about the system architecture, integrated software products, and the internal design of the Medicaid Management Information System framework and is best suited to continue its implementation. The original agreement was competitively bid and the original bid list is attached.

The purpose of this requested action (Amendment 7) is to implement enhancements to the Medicaid Management Information System required for the implementation of the New Hampshire Health Protection Program. In addition, Amendment 7 will provide additional hardware and software required due to the New Hampshire Health Protection Program to support the Health Insurance Portability and Accountability Act Operating Rules and the ICD-10 Medical Coding enhancements that were originally included in Xerox Amendment 6. This amendment also provides for additional testing for the ICD-10 Medical Coding implementation.

This Amendment 7 provides for the following:

- New Hampshire Health Projection Program: enhancements to the Medicaid Management Information system are needed to meet state and/or federal requirements. Implementation of the program requires new member categories of eligibility and new benefit coverage based on State benchmarked Essential Health Benefits (EHB). These benefits must provide coverage equivalent to a widely provided commercial health plan with services in each of ten categories. Because some of these services are not currently covered by the New Hampshire State Plan, the Medicaid Management Information System must support the enrollment of new provider types who would be providing these new services and must process claims for those services, and issue payment. In addition, new interfaces, changes to existing interfaces, new reports and changes to existing reports are required.
- Health Insurance Portability and Accountability Act Operating Rules: Additional software and licenses are needed to fully implement the Edifecs (a health care information technology company) solution which requires a specific operating platform not currently in production.
- ICD-110 Medical Coding On April 1, 2014 Bill 4302 (Protecting Access to Medicare Act of 2014) was signed stating that any Health Insurance Portability and Accountability Act covered entity will continue to use ICD-9 through September 30, 2015. The United States Department of Health and Human Services Secretary adopted the extension of ICD-10 until October 1, 2015. In accordance with the Centers for Medicare and Medicaid Services and industry guidance, New Hampshire intends to continue full support of our current development and deployment strategy for ICD-10. However, we will extend the internal testing schedule by 4 weeks in SIT, QA and UAT over our initial estimates to allow for additional validation of the changes made. Two phases of end to end Trading Partner Testing will be offered to the New Hampshire community. Phase one of Trading Partner Testing is estimated to begin on October 6, 2015 through December 31, 2014 and phase two of trading partner testing will be from April 1, 2015 through August 1, 2015 in order to work with our providers in a smooth transition to the new code sets. Upon trading partner testing completion, Xerox will perform a full regression of ICD-10 with the most recent MMIS deployment to validate the ICD-10 changes are not impacted.

The role of the Medicaid Management Information System implementation contractor was described in the State's Implementation Advanced Planning Document for the New Hampshire Medicaid Management Information System Project, which was approved by the federal Centers for Medicare and Medicaid Services in May 2004. A Request for Proposals was issued in September 2004. Notification of the Request for Proposals publication was issued using standard Department of Information Technology procedures. The Medicaid Management Information System Request for Proposals 2005-004 was issued on September 14, 2004, and published on the Department of Administrative Services website. ACS State Healthcare, LLC, (now Xerox State

Healthcare,) was selected as the Medicaid Management Information System contractor through a competitive bid process.

Should the Governor and Executive Council determine not to approve this request, the Department of Health and Human Services could face a loss of federal funding from the Centers for Medicare and Medicaid Services due to not complying with federal regulations required for the implementation of the New Hampshire Health Protection Program, Health Insurance Portability and Accountability Act Operating Rules and ICD 10 Medical Coding. In addition, the Department of Health and Human Services will not be able to meet state requirements for implementation of the New Hampshire Health Protection Program.

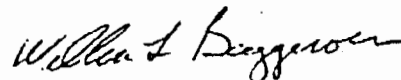
Ninety percent (90%) federal funding for the Design, Development and Implementation efforts in this Amendment 7 is pending approval by the Centers for Medicare and Medicaid Services. Seventy-five percent (75%) federal funding of the Operations phase of this agreement is pending certification of the New Hampshire Medicaid Management Information System by the Centers for Medicare and Medicaid Services.

Source of Funds: Design, Development and Implementation phase: 90% federal funds, 10% general funds; Operations phase: 50% federal funds, 50% general funds (prior to federal certification) and 75% federal funds, 25% general funds (pending federal certification).

Area served: Statewide.

In the event that the Federal Funds become no longer available, General Funds will not be requested to support this program.

Respectfully submitted,



William L. Baggeroer
Chief Information
Officer/Director

Approved by:



Nicholas A. Toumpas
Commissioner



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STATE OF NEW HAMPSHIRE
DEPARTMENT OF HEALTH AND HUMAN SERVICES
OFFICE OF INFORMATION SERVICES

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Nicholas A. Toumpas
Commissioner

William L. Baggeroer
Chief Information
Officer/Director

March 21, 2014

SOLE SOURCE

Her Excellency, Governor Margaret Wood Hassan
and the Honorable Council
State House
Concord, New Hampshire 03301

89% Federal funds
11% General funds

REQUESTED ACTION

Authorize the Department of Health and Human Services, Office of Information Services, to enter into a sole source, amendment (Amendment 6) to an existing contract (Purchase Order # 700073) with Xerox State Healthcare, LLC (Vendor #177830) at 9040 Roswell Road, Suite 700, Atlanta, GA, 30350, to develop and operate the State's Medicaid Management Information System by increasing the price limitation by \$18,806,210 from \$91,719,301 to a new amount not to exceed \$110,525,511 effective upon the approval of the Governor and Executive Council through March 31, 2018. This amendment expands the existing scope of services. The Governor and Executive Council approved the original contract on December 7, 2005 (Late Item #C), Amendment 1 on December 11, 2007 (Item #59), Amendment 2 on June 17, 2009 (Item #92), and Amendment 3 on June 23, 2010 (Item#97), Amendment 4 on March 7, 2012 (Item#22A) and Amendment 5 on December 19, 2012 (Item#27A).

Due to the time sensitive nature of this contract, Care Management Account # 7948000 is being used for this contract. A transfer of funds request is being prepared for submission to Fiscal and Governor and Council approval in April to accept and expend additional funds in Account # 59520000. At which time, a request will be sent to Bureau of Accounts to move the encumbrance of this contract from Account # 7948000 to 5942000.

Funds are available in State Fiscal Years 2014 and 2015 and are anticipated to be available in SFY 2016 through SFY 2018 upon the availability and continued appropriation of funds in future operating budgets with authority to adjust amounts between State Fiscal Years if needed and justified.

05-95-95-954010-5952 HEALTH AND SOCIAL SERVICES, DEPT OF HEALTH AND HUMAN SERVICES, HHS:COMMISSIONER, OFFICE OF INFORMATION SERVICES, OFFICE OF INFORMATION SERVICES

Design, Development and Implementation

State Fiscal Year	Class/Object	Class Title	Current Budget	Increase/ Decrease	Modified Budget
2005	034/500099	Capital Projects	\$25,000,000	\$0	\$25,000,000
2006	034/500099	Capital Projects	\$1,076,918	\$0	\$1,076,918
2006	102/500731	Contract for Program Services	\$76,326	\$0	\$76,326
2012	102/500731	Contract for Program Services	\$7,152,125	\$0	\$7,152,125
2013	102/500731	Contract for Program Services	\$4,298,885	\$0	\$4,298,885
2014	102/500731	Contract for Program Services	\$13,260,351	\$0	\$13,260,351
2015	102/500731	Contract for Program Services	\$0	\$4,321,110	\$4,321,110
Sub Total: Design, Development and Implementation			\$50,864,605	\$4,321,110	\$55,185,715

Operations Funding

State			Current	Increase/	Modified
<u>Fiscal Year</u>	<u>Class/Object</u>	<u>Class Title</u>	<u>Budget</u>	<u>Decrease</u>	<u>Budget</u>
2013	102/500731	Contract for Program Services	\$2,084,889	\$0	\$2,084,889
2014	102/500731	Contract for Program Services	\$8,319,368	\$0	\$8,319,368
2015	102/500731	Contract for Program Services	\$8,205,011	\$325,198	\$8,530,209
2016	102/500731	Contract for Program Services	\$8,063,214	\$325,242	\$8,388,456
2017	102/500731	Contract for Program Services	\$8,115,351	\$325,246	\$8,440,597
2018	102/500731	Contract for Program Services	\$6,066,863	\$243,935	\$6,310,798
Sub Total: Operations Phase			\$40,854,696	\$1,219,621	\$42,074,317

05-95-47-470010-7948 HEALTH AND SOCIAL SERVICES, DEPT OF HEALTH AND HUMAN SERVICES, OFFICE OF MEDICAID & BUSINESS POLICY, OFFICE OF MEDICAID & BUSINESS POLICY AND MEDICAID CARE MANAGEMENT

Amendment 6: Design, Development and Implementation

State			Current	Increase/	Modified
<u>Fiscal Year</u>	<u>Class/Object</u>	<u>Class Title</u>	<u>Budget</u>	<u>Decrease</u>	<u>Budget</u>
2014	102/500731	Contract for Program Services	\$0	\$13,184,122	\$13,184,122
Sub Total: Amendment 6			\$0	\$13,184,122	\$13,184,122

Design, Development and Implementation

Total Design, Development and Implementation Phase **\$50,864,605** **\$17,505,232** **\$68,369,837**

Amendment 6 Operations

State			Current	Increase/	Modified
<u>Fiscal Year</u>	<u>Class/Object</u>	<u>Class Title</u>	<u>Budget</u>	<u>Decrease</u>	<u>Budget</u>
2014	102/500731	Contract for Program Services	\$0	\$81,357	\$81,357
Sub Total: Amendment 6 Operations			\$0	\$81,357	\$81,357

Total Operations Phase **\$40,854,696** **\$1,300,978** **\$42,155,674**

Grand Total **\$91,719,301** **\$18,806,210** **\$110,525,511**

EXPLANATION

This is a sole source amendment that provides for uninterrupted continuation of essential system development and implementation services by the contractor in support of the New Hampshire Medicaid Management Information System's Design, Development and Implementation effort that has been progressing steadily. Given the intricacies of the multi-tiered New Hampshire Medicaid Management Information System solution, Xerox/ACS is most knowledgeable about the system architecture, integrated software products, and the internal design of the Medicaid Management Information System framework and is best suited to continue its implementation.

Because of the nature of the new enhancements, their broad impact across the Medicaid Management Information System, and the need to integrate and implement the federally mandated changes into the overall framework of the new Medicaid Management Information System, while striving to implement the new Medicaid Management Information System by the go live date, Xerox possesses the requisite knowledge base required to incorporate these changes most efficiently and effectively.

The role of the Medicaid Management Information System implementation contractor was described in the State's Implementation Advanced Planning Document for the New Hampshire Medicaid Management Information System Project, which was approved by the federal Centers for Medicare and Medicaid Services in May 2004. A Request For Proposal was issued in September 2004. Notification of the Request For Proposal publication was issued using standard Department of Information Technology procedures. The Medicaid Management Information System Request For Proposal 2005-004 was issued on September 14, 2004, and published on the Department of Administrative Services web site. ACS State Healthcare, LLC, (now Xerox State Healthcare,) was selected as the Medicaid Management Information System contractor through a competitive bid process.

The purpose of this requested action (Amendment 6) is to design, develop and implement three federally required enhancements to the Medicaid Management Information Systems: 1. T-MSIS (Medicaid Statistical Information System), 2. Health Insurance Portability and Accountability Act Operating Rules and 3. ICD-10 Medical Codes. The duration of the Xerox State Healthcare, LLC contract is unchanged from Amendment 5. Details on these enhancements are provided below:

1. T-MSIS (Medicaid Statistical Information System): Section 4735 of the Balanced Budget Act of 1997 included a statutory requirement for states to submit claims data, enrollee encounter data, and supporting information to the Centers for Medicare and Medicaid Services (CMS). Section 6504 of the Affordable Care Act strengthened this provision by requiring states to include data elements federally required for program integrity, program oversight, and administration. New Hampshire is required by the federal Centers for Medicare and Medicaid Services (CMS) to implement the new Transformed Medicaid Statistical Information System (T-MSIS) data extract process by July 1, 2014. CMS is requiring States to implement T-MSIS in order to receive more comprehensive, complete, and timely Medicaid and CHIP-related data from States. CMS seeks to establish a new standardized process for states to submit and for CMS to receive the data in an administratively and technically efficient manner, and to help reduce the burden on states of having to support multiple CMS data requests. CMS expects that states will be able to sunset the present MSIS submissions with a consolidated, synchronized, and standardized T-MSIS data submission.
2. Health Insurance Portability and Accountability Act Operating Rules: The New Hampshire Health Enterprise Medicaid Management Information System must be enhanced to be compliant with the Operating Rules standard as required under the Administrative Simplification provisions in Section 1104 of the Patient Protection and Affordable Care Act (ACA) of 2010 and the Health Insurance Portability and Accountability Act (HIPAA) Operating Rules. New requirements for administrative transactions were established to improve the utility of existing HIPAA transactions and to reduce administrative burdens. The New Hampshire Department of Health and Human Services' Medicaid Program, as a healthcare payer and a covered entity under Health Insurance Portability and Accountability Act, is obligated to be compliant with the Health Insurance Portability and Accountability Act Operating Rules standard in its processing of Health Insurance Portability and Accountability Act-standard electronic data interchange transactions. These transactions include but are not limited to eligibility inquiry and response (270/271), claims (837), claims status inquiry and response (276/277), and claims payment/remittance advice (835). Further, under the requirements of the Operating Rules standard, the New Hampshire Department of Health and Human Services is required to file a statement with the federal Department of Health and Human Services attesting to NH Medicaid's compliance with the Operating Rules standard. Significant financial penalties could be imposed for failure to comply.

March 21, 2014

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3. ICD-10 Medical Codes: The compliance date for implementation of ICD-10-CM/PCS is October 1, 2014, for all Health Insurance Portability and Accountability Act (HIPAA) covered entities. ICD-10-CM/PCS will enhance accurate payment for services rendered and help evaluate medical processes and outcomes. ICD-10 diagnosis codes must be used for all health care services provided in the United States (U.S.) and ICD-10 procedure codes must be used for all hospital inpatient procedures. On and after October 1, 2014 providers are required to submit ICD-10 compliant transactions for all outpatient services and inpatient discharges with dates of service 10/01/2014 and thereafter. Any claims submitted after 10/01/2014 for dates of services and discharges prior to October 1, 2014 must be submitted with ICD-9 compliant transactions.

Should the Governor and Executive Council determine to not approve this Request, the Department of Health and Human Services could face a loss of federal funding from the Centers for Medicare and Medicaid Services due to the failure of implementing T-MSIS (Medicaid Statistical Information System) enhancements. Financial penalties could also result from failure to implement the Health Insurance Portability and Accountability Act Operating Rules. In addition, failure to implement ICD-10 Medical Code enhancements could result in Medicaid Claims not processing starting October 1, 2014 and the loss of additional federal funds from the Centers for Medicare and Medicaid Services.

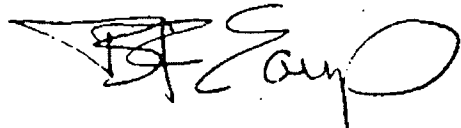
Ninety percent (90%) federal funding for the Design, Development and Implementation phase in this Amendment 6 is pending approval by the Centers for Medicare and Medicaid Services. Seventy-five percent (75%) federal funding of the Operations phase of this agreement is pending certification of the New Hampshire Medicaid Management Information System by the Centers for Medicare and Medicaid Services.

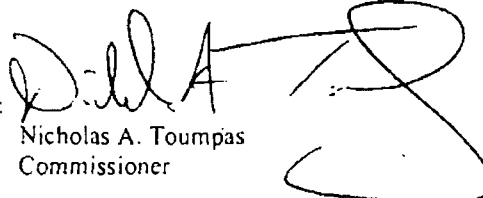
Source of Funds: Design, Development and Implementation phase: 90% federal funds, 10% general funds; Operations phase: 50% federal funds, 50% general funds (prior to federal certification) and 75% federal funds, 25% general funds (pending federal certification).

Area served: Statewide.

In the event that the Federal Funds become no longer available, General Funds will not be requested to support this program.

Respectfully submitted,


for
William L. Baggeroer
Chief Information Officer/Director

Approved by: 
Nicholas A. Toumpas
Commissioner



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STATE OF NEW HAMPSHIRE
DEPARTMENT OF HEALTH AND HUMAN SERVICES
OFFICE OF INFORMATION SERVICES

Nicholas A. Toumpas
 Commissioner

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William L. Baggroer
 Chief Information
 Officer/Director

December 13, 2012

His Excellency, Governor John H. Lynch
 and the Honorable Executive Council
 State House
 Concord, N.H. 03301

SOLE SOURCE

REQUESTED ACTION

Authorize the Department of Health and Human Services, Office of Information Services, to enter into a **sole source**, amendment (Amendment 5) to an existing contract (Purchase Order # 700073) with Xerox State Healthcare, LLC (Vendor #177830) at 9040 Roswell Road, Suite 700, Atlanta, GA, 30350, to develop and operate the State's new Medicaid Management Information System by increasing the price limitation by \$15,765,290 from \$75,954,011 to a new amount not to exceed \$91,719,301 and extending the completion date from December 31, 2017 to March 31, 2018, effective upon the approval of the Governor and Executive Council. This amendment expands the existing scope of services. The Governor and Executive Council approved the original contract on December 7, 2005 (Late Item #C), Amendment 1 on December 11, 2007 (Item #59), Amendment 2 on June 17, 2009 (Item #92), and Amendment 3 on June 23, 2010 (Item#97) and Amendment 4 on March 7, 2012 (Item#22A).

Funds are available in SFY 2013 and are anticipated to be available in SFY 2014 through SFY 2018 upon the availability and continued appropriation of funds in future operating budgets with authority to adjust amounts between State Fiscal Years if needed and justified.

FUNDING: DESIGN 90% FED 10% GEN / OPERATIONAL 50% FED 50% GEN

05-95-95-954010-5952 HEALTH AND SOCIAL SERVICES, DEPT OF HEALTH AND HUMAN SERVICES, HHS:COMMISSIONER, OFFICE OF INFORMATION SERVICES, OFFICE OF INFORMATION SERVICES

Design, Development and Implementation Phase

<u>State Fiscal Year</u>	<u>Class Object</u>	<u>Class Title</u>	<u>Current Modified Budget</u>	<u>Increase/ (Decrease)</u>	<u>Revised Modified Budget</u>
SFY 2005	034/500099	Capital Projects	\$ 25,000,000.00	\$ -	\$25,000,000.00
SFY 2006	034/500099	Capital Projects	\$ 1,076,918.00	\$ -	\$ 1,076,918.00
		Contracts for Program			
SFY 2006	102/500731	Services	\$ 76,326.00	\$ -	\$ 76,326.00

Design, Development and Implementation Phase Continued

<u>State Fiscal</u> <u>Year</u>	<u>Class Object</u>	<u>Class Title</u>	<u>Current Modified</u> <u>Budget</u>	<u>Increase/</u> <u>(Decrease)</u>	<u>Revised</u> <u>Modified Budget</u>
SFY 2012	102/500731	Contracts for Program Services	\$ 7,152,125.00	\$ -	\$ 7,152,125.00
SFY 2013	102/500731	Contracts for Program Services	\$ -	\$ -	\$ -
SFY 2014	102/500731	Contracts for Program Services	\$ -	\$ 10,213,114.00	\$ 10,213,114.00
Total Design, Development and Implementation Phase			\$ 33,305,369.00	\$ 10,213,114.00	\$ 43,518,483.00

Operations Phase

<u>State Fiscal</u> <u>Year</u>	<u>Class Object</u>	<u>Class Title</u>	<u>Current Modified</u> <u>Budget</u>	<u>Increase/</u> <u>(Decrease)</u>	<u>Revised</u> <u>Modified Budget</u>
SFY 2009	102/500731	Contracts for Program Services	\$0.00	\$0.00	\$0.00
SFY 2010	102/500731	Contracts for Program Services	\$0.00	\$0.00	\$0.00
SFY 2011	102/500731	Contracts for Program Services	\$0.00	\$0.00	\$0.00
SFY 2012	102/500731	Contracts for Program Services	\$0.00	\$0.00	\$0.00
SFY 2013	102/500731	Contracts for Program Services	\$3,341,317.00	(\$3,341,317.00)	\$0.00
SFY 2014	102/500731	Contracts for Program Services	\$7,540,155.00	\$779,258.00	\$8,319,413.00
SFY 2015	102/500731	Contracts for Program Services	\$7,378,957.00	\$826,009.00	\$8,204,966.00
SFY 2016	102/500731	Contracts for Program Services	\$7,518,165.00	\$545,049.00	\$8,063,214.00
SFY 2017	102/500731	Contracts for Program Services	\$7,477,238.00	\$638,113.00	\$8,115,351.00
SFY 2018	102/500731	Contracts for Program Services	\$4,260,684.00	\$1,806,179.00	\$6,066,863.00
Total Operations Phase			\$37,516,516.00	\$1,253,291.00	\$38,769,807.00
TOTAL			\$75,954,011.00	\$11,466,405.00	\$87,420,416.00

05-95-95-956010-6147 HEALTH AND SOCIAL SERVICES, DEPT OF HEALTH AND
 HUMAN SVC, HHIS: COMMISSIONER, OFF MEDICAID & BUSINESS POLICY,
 PROVIDER PAYMENTS

Operations Phase

<u>State Fiscal</u> <u>Year</u>	<u>Class Object</u>	<u>Class Title</u>	<u>Current Modified</u> <u>Budget</u>	<u>Increase/</u> <u>(Decrease)</u>	<u>Revised</u> <u>Modified Budget</u>
SFY 2013	101/500729	Medical Providers	\$0.00	4,298,885.00	4,298,885.00
Total			\$0.00	\$4,298,885.00	\$4,298,885.00
Grand Total			\$75,954,011.00	\$15,765,290.00	\$91,719,301.00

EXPLANATION

This is a sole source amendment that provides for uninterrupted continuation of essential system development and implementation services by the contractor in support of the New Hampshire Medicaid Management Information System's Design, Development and Implementation effort that has been progressing steadily. Given the intricacies of the multi-tiered New Hampshire Medicaid Management Information System solution, Xerox/ACS is most knowledgeable about the system architecture, integrated software products, and the internal design of the Medicaid Management Information System framework and is best suited to continue its implementation.

Because of the nature of the new enhancements, their broad impact across the Medicaid Management Information System, and the need to integrate and implement the care management related changes into the overall framework of the new Medicaid Management Information System, while striving to implement the new Medicaid Management Information System by the go live date, Xerox possesses the requisite knowledge base required to incorporate these changes most efficiently and effectively.

The role of the Medicaid Management Information System implementation contractor was described in the State's Implementation Advanced Planning Document for the New Hampshire Medicaid Management Information System Project, which was approved by the federal Centers for Medicare and Medicaid Services in May 2004. A Request For Proposal was issued in September 2004. Notification of the Request For Proposal publication was issued using standard Department of Information Technology procedures. The Medicaid Management Information System Request For Proposal 2005-004 was issued on September 14, 2004, and published on the Department of Administrative Services web site. ACS State Healthcare, LLC, (now Xerox State Healthcare,) was selected as the Medicaid Management Information System contractor through a competitive bid process.

His Excellency, Governor John H. Lynch
and the Honorable Executive Council
December 13, 2012
Page 4

The purpose of this requested action (Amendment 5) is to extend the period of the contract by three months to March 31, 2018, and to expand on the scope of services from prior Amendments to design, develop, test and implement additional technical system enhancements to the new Medicaid Management Information System. The additional enhancements include functionality for the Care Management Program, Medicaid Hospice Benefit, Family Planning Benefit, Enhanced Provider Screening, and the Electronic Health Record Provider Incentive Program. Details are documented in Appendix A.9. In addition, this requested action includes the Health Insurance Portability and Accountability Act Operational Rules Assessment required in order to achieve compliance with federal law, Section 1104 of the Administrative Simplification provisions of the Patient Protection and Affordable Care Act. Details are documented in Appendix A.10. Furthermore the scope of services is expanded to include the development and implementation of a number of software change requests and the inclusion of testing resources to support the State's testing efforts between January 1, 2013 and March 31, 2013. Details are documented in Appendix A.11.

The cost for the design, development, and implementation of the scope of effort approved under Amendment 4 remains the same. This amendment (Amendment 5) includes additional system modifications to the Medicaid Management Information System that increase the cost of the Design, Development and Implementation phase by \$12,427,110 and increase ongoing operations costs by a total Operations increase of \$3,338,180, thereby increasing the total contract amount by \$15,765,290.

This amendment will extend the time allowed for the Design, Development and Implementation phase of the project as had been previously been established by Amendment 4 and result in a projected new system go-live date of April 1, 2013, which is three months later than had previously been established. Accordingly, this action defers the start up of the three-year operations phase without increasing the overall duration of the operations phase established with the original Contract, and extends the completion date of the Contract from December 31, 2017 to March 31, 2018.

This Amendment 5 provides additional protection and safeguards to the State by adding performance standards to the schedule of Liquidated Damages, Appendix A.3. These protections include:

- If on March 15, 2013 (the Go-Live Decision Date), the NH MMIS does not satisfy the MMIS Go-Live System Readiness Criteria to permit the Xerox MMIS Enterprise to go into Production (become the State's operating MMIS system) on or before April 1, 2013, and if the NH MMIS does not perform in Production compliant with the MMIS Go-Live Readiness Criteria and the MMIS Critical Functional Requirements, from the MMIS Go-Live Date through the 15 days following the MMIS Go-Live Date, liquidated damages may be assessed against Xerox in the amount of \$5,506,791.
- If the NH MMIS does not perform in production compliant with the the MMIS Critical Functional Requirements for the period of April 16, 2013 through June

30, 2013, liquidated damages may be assessed against Xerox in the amount of \$2,753,395.50.

- If after Go-Live, online access to the NH MMIS through the Web is not available from 6:00 a.m. to 6:00 p.m., local time, 7 days a week with downtime not to exceed 5% each month for the period April 1, 2013 through June 30, 2013, excluding scheduled down-time, and if, outside of these hours online access to the NH MMIS is not available with downtime not to exceed 10%, liquidated damages may be assessed against Xerox in the amount of \$2,753,395.50.

Explanation of Changes to Schedule

The original contract included a 24-month Design, Development and Implementation phase, a three-year base operations phase, and an optional provision for the Department of Health and Human Services to extend the operations phase for an additional two-year period. This option was outlined in the Governor and Council letter approved on December 7, 2005, Late Item C.

Through Amendment 1, the Department of Health and Human Services requested to extend the Design, Development and Implementation phase for a 12-month period, and this request was approved on December 11, 2007, Item #59.

Amendment 2 requested an 18-month extension to the Design, Development and Implementation phase, which was approved on June 17, 2009, Item #92 to complete the design, development, and testing phases of the project. The system design under Amendment 2 was expanded to incorporate system change request and new functionality essential to support the New Hampshire Medicaid Program. The testing phase was also expanded to allow for a more extensive and structured system integration test phase.

Through Amendment 3 the Department of Health and Human Services requested to extend the Design, Development and Implementation phase for a 15-month period, and this request was approved on June 23, 2010, Item #97.

Amendment 4 requested a 15-month extension to the project's Design, Development and Implementation phase from October 1, 2011 through to December 31, 2012, and extended the contract completion date to December 31, 2017. It was approved on March 7, 2012, Item #22A. The additional time requested under Amendment 4 was necessary to design, construct, test and implement 5010 processing enhancements mandated by the federal Health Insurance Portability and Accountability Act and to allow for more comprehensive testing of the new Medicaid Management Information System.

This Amendment 5 extends the duration of the project's Design, Development and Implementation Phase from December 31, 2012 to March 31, 2013 to provide for additional testing (including staff augmentation of the State's testing resources) and readiness for the Medicaid Management Information System. It also supports the analysis, design, development

testing and implementation of enhancements including Care Management, Medicaid Hospice Benefit, Family Planning Benefit, Enhanced Provider Screening, and the Electronic Health Record Provider Incentive Program and several other software modifications. This requested action also includes services to complete a Health Insurance Portability and Accountability Act Operational Rules Assessment that is necessary to determine the impact and system changes required to achieve compliance with Section 1104 of the Administrative Simplification provisions of the Patient Protection and Affordable Care Act. The amendment extends the completion date of the contract from December 31, 2017 to March 31, 2018.

Adjustments to the Xerox State Healthcare, LLC contract duration, by phase, are outlined in the following table.

Xerox Contract Duration Adjustment					
Original Contract	Amendment 1	Amendment 2	Amendment 3	Amendment 4	Amendment 5
Phase/Year	Phase/Year	Phase/Year	Phase/Year	Phase/Year	Phase/Year
12/7/05 – 1/1/08	12/7/05 – 1/1/09	12/7/05 – 6/30/10	12/7/05 – 9/30/11	12/7/05 – 12/31/12	12/7/05 – 3/31/13
Operations Phase	Operations Phase	Operations Phase	Operations Phase	Operations Phase	Operations Phase
Year 1	Year 1	Year 1	Year 1	Year 1	Year 1
1/2/08 – 1/1/09	1/2/09 – 1/1/10	7/1/10 – 6/30/11	10/1/11 – 9/30/12	1/1/13 – 12/31/13	4/1/13 – 3/31/14
Year 2	Year 2	Year 2	Year 2	Year 2	Year 2
1/2/09 – 1/1/10	1/2/10 – 1/1/11	07/1/11 – 6/30/12	10/1/12 – 9/30/13	1/1/14 – 12/31/14	4/1/14 – 3/31/15
Year 3	Year 3	Year 3	Year 3	Year 3	Year 3
1/2/10 – 1/1/11	1/2/11 – 1/1/12	7/1/12 – 6/30/13	10/1/13 – 9/30/14	1/1/15 – 12/31/15	4/1/15 – 3/31/16
Operations Extension	Operations Extension	Operations Extension	Operations Extension	Operations Extension	Operations Extension
Year 1	Year 1	Year 1	Year 1	Year 1	Year 1
1/2/11 – 1/1/12	1/2/12 – 1/1/13	07/1/13 – 6/30/14	10/1/14 – 9/30/15	1/1/16 – 12/31/16	4/1/16 – 3/31/17
Year 2	Year 2	Year 2	Year 2	Year 2	Year 2
1/2/12 – 1/1/13	1/2/13 – 1/1/14	7/1/14 – 6/30/15	10/1/15 – 9/30/16	1/1/17 – 12/31/17	4/1/17 – 3/31/18

The "*" indicates an optional extension period, built into the original contract, which may be exercised at the discretion of the Department.

Explanation of Changes to Cost

Amendment 1 was a no-cost time extension to the original contract.

The price increases of Amendment 2 were driven by the need to expand the scope of the Design, Development and Implementation effort and operations services to include system change requests that were not included in the original Medicaid Management Information System Request for Proposal, to implement an outpatient prospective payment reimbursement methodology, and to implement enhanced reporting analytics as needed by the Department of Health and Human Services. Under Amendment 2, Design, Development and Implementation costs were increased by \$5,132,126 to cover the system change requests, the new Outpatient Prospective Payment System, and enhanced analytical capabilities of the Medicaid Management Information System reporting repository. Operations costs were increased by \$923,997 to cover expanded services needed to maintain the enhanced reporting repository.

Amendment 3 was a no-cost time extension.

Amendment 4 increased costs by \$7,152,125 for the Design, Development and Implementation Phase and \$1,885,000 during the Operational Phase driven by the need to enhance the system to handle Health Insurance Portability and Protection Act 5010 transaction capabilities.

Amendment 5 increases costs by \$12,427,110 for the Design, Development and Implementation Phase and an additional \$3,338,180 over the next five years of the Operational Phase. These cost increases are associated with the analysis, design testing and implementation of federally and state mandated Medicaid enhancements, including Care Management, Medicaid Hospice Benefit, Family Planning Benefit, Enhanced Provider Screening, Electronic Health Record Provider Incentive Program, several additional change requests, staff augmentation of State testing resources and Health Insurance Portability and Accountability Act Operational Rules Assessment required to achieve compliance with Section 1104 of the Administrative Simplification provisions of the Patient Protection and Affordable Care Act.

There have been no increases in costs for the original scope of the Design, Development and Implementation phase of the project. The pricing remains consistent with what was agreed to in the original Contract. All cost increases to date have been driven by the need to modify the system to provide processing capabilities above and beyond those required under the original system design.

ADDITIONAL BACKGROUND

The Medicaid Management Information System, including its Medicaid claims adjudication and payment functions, is a critical system for the Department of Health and Human Services. The Medicaid Management Information System processes over \$900 million in payments to over 5,000 actively billing and enrolled New Hampshire Medicaid providers annually, for services provided to eligible recipients under the New Hampshire Medicaid program. It is the Department of Health and Human Services primary system for administering and managing costs for the New Hampshire Medicaid program.

It is critically important that the new Medicaid Management Information System is able to perform all of its required functions, and to perform them with integrity. The new Medicaid Management Information System must be secure, stable, accurate, and efficient. It must be able to store eligibility data for the current annual New Hampshire Medicaid population of approximately 130,000, enrolled provider data for approximately 19,000 providers, and 7 years of claims payment history. It must be able to receive over 6 million paper and electronic claims from providers, process those claims against the available data, execute applicable edits, and determine the appropriate payment. The Medicaid Management Information System must be able to generate reliable reports, avoid costs where other insurance for a member exists, and to identify potentially fraudulent provider billing practices for further investigation.

The development and implementation and testing of a Medicaid Management Information System remains a very arduous undertaking. The contractor has taken appropriate action to mitigate the schedule slippage realized to date, including implementing process improvements, increasing the number of system developers, and restructuring the oversight and composition of developer teams. Despite these actions being taken, the system development and testing effort requires more time. It is, however, nearing completion.

The complexity of the system cannot be overstated. The potential for adverse impacts to the Department of Health and Human Services and to the Provider community at large is very real if the Medicaid Management Information System is released sooner than it is ready. The Department of Health and Human Services will not "go-live" until the system, through comprehensive testing, is determined to be a reliable, production ready, and quality solution.

Significant progress continues to be realized on the New Hampshire Medicaid Management Information System Project. The most significant and promising achievement was that on December 17, 2011 Phase I of the project supporting Provider Re-Enrollment went live. The web portal for the new Medicaid Management Information System is accessible from the Internet at www.nhmmis.nh.gov. Since its implementation on December 17, 2011, the system's performance has been stable, all functions continue to be operational, and no critical issues have arisen. Providers have been receptive to using the new system and have expressed their perspective that it is easy for them to use. The Xerox/ACS Provider Call Center in Concord was fully staffed and ready for the start up of operations prior to the Phase I go-live. Xerox/ACS field representatives have traveled to provider offices to assist providers with completing

His Excellency, Governor John H. Lynch
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December 13, 2012
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enrollment applications, and call center agents have been assisting providers over the phone. The success of the Phase I Provider Re-Enrollment implementation validates the approach taken to date to ensure thoroughness of the testing effort, readiness for operations, and the decision not to release the system until it is ready.

End-to-end testing will continue and allows for verification that sequential and concurrent processes work with each other, that processes are executed and completed within available time windows, and that they produce intended results. Expanding requirements analysis, design, construction and the end-to-end cycle testing to include Care Management program changes to the system requires more time but enhances the State's ability to verify that the integrated processing of the new Medicaid Management Information System is sound and reliable.

This Amendment 5 projects the implementation of the core Medicaid Management Information System on or before April 1, 2013. The Provider Re-Enrollment component of the Medicaid Management Information System was implemented successfully in December 2011. The go-live date for the new Medicaid Management Information System will be coordinated with the New Hampshire Medicaid provider community, interfacing entities, Hewlett-Packard Development Company and the legacy Medicaid Management Information System, and the State business units it impacts.

The Contractor, Xerox/ACS, has confirmed its corporate commitment to the delivery of the New Hampshire Medicaid Management Information System that meets or exceeds the requirements of the New Hampshire Medicaid Management Information System Request For Proposal, and to the delivery of a high quality solution. Xerox/ACS commits to all of its obligations under the contract. The Department of Health and Human Services believes that the potential future benefits to be achieved once this system is operational will far outweigh the challenges that must be managed during its design and implementation.

Other related items include approval to release the Department of Health and Human Services Medicaid Management Information System Request For Proposal Number 2005-004 to procure vendor services to design, install, operate and maintain a customized Medicaid Management Information System as specified; approval of Amendments 1, 2, 3, 4, 5 and 6 (pending) to Cognosante's (formerly FOX Systems, Inc.) Medicaid Management Information System Quality Assurance service contract; approval of Amendments 15, 16, 17 and 18 to the Hewlett Packard Development Corporation, Enterprise Services (formerly EDS) contract for the continued maintenance, operations, and modifications in support of the existing legacy Medicaid Management Information System; approval for the Medicaid Management Information Service interface contract and Amendments 1, 2, 3 and 4 with Deloitte Consulting LLP; and approval of the original contract and Amendments A, B, C, D, E, F and G (pending) with Truven Health Analytics (formerly Thomson Reuters (Healthcare) Inc. and formerly The Medstat Group).

A Request For Proposal was issued in September 2004. Notification of the Request For Proposal publication was issued using standard Department of Information Technology procedures. The Medicaid Management Information System Request For Proposal 2005-004 was issued on September 14, 2004, and published on the Department of Administrative Services web site. Xerox/ACS State Healthcare, LLC, was selected as the Medicaid Management Information System contractor through a competitive bid process.

In January 2005, the Department of Health and Human Services received four (4) proposals in response to the Request For Proposal. The proposals included a technical proposal and a separate cost proposal. A team of six individuals from the Department of Health and Human Services and the Department of Information Technology thoroughly reviewed and evaluated the four proposals and scored them based upon the criteria set forth in the Request For Proposal, first based on their technical merits and then on their cost proposals. The evaluation included formal oral presentations by all bidders in April 2005. The proposals were evaluated based upon three criteria: the merits of the proposed solution, the vendor's qualifications, and the cost. Xerox/ACS received the highest score on each of these three criteria and the highest score overall. Xerox/ACS proposed a state of the art solution that was determined to be the best solution for meeting the functional, technical, and operational Medicaid Management Information System-related requirement of the Request For Proposal, and submitted the lowest cost bid. Based on these factors, Xerox/ACS was selected as the winning bidder to receive the contract award.

The Medicaid Management Information System project is guided by the parameters defined in the Department of Health and Human Services' Medicaid Management Information System Reprocurement Project's Implementation Advanced Planning Document. Upon determination that the Design, Development and Implementation phase of the Medicaid Management Information System required additional time for completion, the Department of Health and Human Services and Xerox/ACS executives and key program leaders met with Regional Directors from the federal Centers for Medicare and Medicaid Services to review the project status and future strategy. The Centers for Medicare and Medicaid Services concurred with the Department of Health and Human Services on the direction of the project and verbally extended continued support.

The Department of Health and Human Services is now preparing Amendment 8 to the Implementation Advanced Planning Document and a new separate Planning Advanced Planning Document for the HIPAA Operating Rules Assessment. Both documents will be formally reviewed by the federal Centers for Medicare and Medicaid Services. The Advanced Planning Documents will address the need to extend the project timeline consistent with the dates provided in this contract Amendment 5. A copy of the contract amendment will be submitted to the Centers for Medicare and Medicaid Services along with the Advanced Planning Documents. The Department of Health and Human Services fully anticipates that the Centers for Medicare and Medicaid Services will approve the Advanced Planning Documents, thereby approving Federal Financial Participation for the continuation of contractor services to support the

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Medicaid Management Information System implementation timeline at the percentages identified earlier in this cover letter.

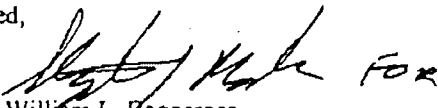
Ninety percent (90%) federal funding for the Design, Development and Implementation phase in this Amendment 5 is pending approval by the Centers for Medicare and Medicaid Services. Seventy-five percent (75%) federal funding of the Operations phase of this agreement is pending certification of the New Hampshire Medicaid Management Information System by the Centers for Medicare and Medicaid Services.

Source of Funds: Design, Development and Implementation phase: 90% federal funds, 10% general funds; Operations phase: 50% federal funds, 50% general funds (prior to federal certification) and 75% federal funds, 25% general funds (pending federal certification).

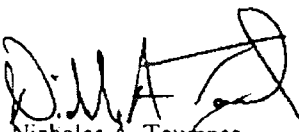
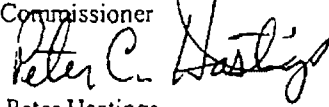
Area served: Statewide.

In the event that the Federal Funds become no longer available, General Funds will not be requested to support this program.

Respectfully submitted,


William L. Baggeroer
Chief Information
Officer/Director

Approved by:


Nicholas A. Toumpas
Commissioner

Peter Hastings
Acting Commissioner
Department of Information
Technology



STATE OF NEW HAMPSHIRE
 DEPARTMENT OF HEALTH AND HUMAN SERVICES
 OFFICE OF INFORMATION SERVICES

Nicholas A. Toumpas
 Commissioner

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William L. Baggeroo
 Chief Information Officer

February 22, 2012

His Excellency, Governor John H. Lynch
 and the Honorable Executive Council
 State House
 Concord, N.H. 03301

APPROVED BY _____

DATE 3/7/12

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ITEM # 22A

REQUESTED ACTION

Authorize the Department of Health and Human Services, Office of Information Services, to enter into a sole source, amendment (Amendment 4) to an existing contract (Purchase Order # 700073) with ACS State Healthcare, LLC (Vendor #177830) at 9040 Roswell Road, Suite 700, Atlanta, GA, 30350, to extend the duration of the Design, Development and Implementation phase of the New Hampshire Medicaid Management Information System project and extend the contract termination date from September 30, 2016 to December 31, 2017, and increase the price limitation by \$9,037,125 from \$66,916,886 to a new amount not to exceed \$75,954,011, effective upon the approval of the Governor and Executive Council. The Governor and Executive Council approved the original contract on December 7, 2005 (Late Item #C), Amendment 1 on December 11, 2007 (Item #59), Amendment 2 on June 17, 2009 (Item #92), and Amendment 3 on June 23, 2010 (Item#97).

Funds are available in SFY 2012 as follows and are anticipated to be available in SFY 2013 through SFY 2018 upon the availability and continued appropriation of funds in future operating budgets with authority to adjust amounts between State Fiscal Years if needed and justified.

05-95-95-954010-5952 HEALTH AND SOCIAL SERVICES, DEPT OF HEALTH AND HUMAN SERVICES, HHS:COMMISSIONER, OFFICE OF INFORMATION SERVICES, OFFICE OF INFORMATION SERVICES

Design, Development and Implementation Phase

State Fiscal Year	Class Object	Class Title	Current Modified Budget	Increase/ (Decrease)	Revised Modified Budget
SFY 2005	034/500099	Capital Projects	\$25,000,000.00	\$0.00	\$25,000,000.00
SFY 2006	034/500099	Capital Projects	\$1,076,918.00	\$0.00	\$1,076,918.00
SFY 2006	102/500731	Contracts for Program Services	\$76,326.00	\$0.00	\$76,326.00
SFY 2010	102/500731	Contracts for Program Services	\$5,132,126.00	\$0.00	\$5,132,126.00
SFY 2012	102/500731	Contracts for Program Services	\$0.00	\$7,152,125.00	\$7,152,125.00
Total Design, Development and Implementation Phase			\$31,285,370.00	\$7,152,125.00	\$38,437,495.00

Operations Phase

<u>State Fiscal</u> <u>Year</u>	<u>Class Object</u>	<u>Class Title</u>	<u>Current Modified</u> <u>Budget</u>	<u>Increase/</u> <u>(Decrease)</u>	<u>Revised</u> <u>Modified Budget</u>
SFY 2009	102/500731	Contracts for Program Services	\$0.00	\$0.00	\$0.00
SFY 2010	102/500731	Contracts for Program Services	\$0.00	\$0.00	\$0.00
SFY 2011	102/500731	Contracts for Program Services	\$0.00	\$0.00	\$0.00
SFY 2012	102/500731	Contracts for Program Services	\$5,399,150.00	-\$5,399,150.00	\$0.00
SFY 2013	102/500731	Contracts for Program Services	\$7,198,217.00	-\$3,856,900.00	\$3,341,317.00
SFY 2014	102/500731	Contracts for Program Services	\$7,042,256.00	\$497,899.00	\$7,540,155.00
SFY 2015	102/500731	Contracts for Program Services	\$7,106,363.00	\$272,594.00	\$7,378,957.00
SFY 2016	102/500731	Contracts for Program Services	\$7,110,470.00	\$407,695.00	\$7,518,165.00
SFY 2017	102/500731	Contracts for Program Services	\$1,775,060.00	\$5,702,178.00	\$7,477,238.00
SFY 2018	102/500731	Contracts for Program Services	\$0.00	\$4,260,684.00	\$4,260,684.00
Total Operations Phase			<u>\$35,631,516.00</u>	<u>\$1,885,000.00</u>	<u>\$37,516,516.00</u>
TOTAL			\$66,916,886.00	\$9,037,125.00	\$75,954,011.00

EXPLANATION

The purpose of this requested action is to expand the scope of services to design, develop, test and implement technical system enhancements to the new Medicaid Management Information System to make the system able to receive, present, translate, internally process, and return electronic transactions in a Health Insurance Portability and Accountability Act -compliant "5010" format in order to achieve compliance with federal requirements mandated under the Health Insurance Portability and Accountability Act and 45 CFR 162, and to extend the duration of the New Hampshire Medicaid Management Information Services contract with ACS State Healthcare, LLC, for an additional 15 months. The design, remediation, and testing of these extensive changes increase the cost of the Design, Development and Implementation phase by \$7,152,125 and increase ongoing operations costs by \$377,000 annually for a total Operations increase of \$1,885,000, thereby increasing the total contract amount by \$9,037,125. This Amendment 4 to the contract seeks to extend the Design, Development and Implementation phase of the project beyond the September 30, 2011 implementation date established with Amendment 3, through to a projected new system go-live date of on or before December 31, 2012. Accordingly, this action defers the start up of the three-year operations phase without increasing the overall duration of the operations phase established with the original Contract, and extends the completion date of the Contract from September 30, 2016 to December 31, 2017.

The original contract included a 24-month Design, Development and Implementation phase, a three-year base operations phase, and an optional provision for the Department of Health and Human Services to extend the operations phase for an additional two-year period. This option was outlined in the Governor and Council letter approved on December 12, 2005. Through Amendment 1, the Department of Health and Human Services requested to extend the Design, Development and Implementation phase for a 12-month period, and this request was approved on December 12, 2007. Amendment 2 requested an additional 18-month extension to the Design, Development and Implementation phase, which was approved on June 2009, to complete the design, development, and testing phases of the project. The system design under Amendment 2 was expanded to incorporate system change request and new functionality essential to support the New Hampshire Medicaid Program. The testing phase was also expanded to allow for a more extensive and structured system integration

Design, Development, and Implementation phase for a 15-month period, and this request was approved on June 23, 2010.

This sole source Contract Amendment 4 requests an additional 15-month extension to the project's Design, Development, and Implementation phase from October 1, 2011 through to December 31, 2012. The additional time requested under this Amendment is necessary to complete the design, construction, testing, and implementation of the federally mandated changes to the Health Insurance Portability and Accountability Act transaction and code sets. These federal requirements are documented in 45 CFR Part 162 and are to be operational when the Medicaid Management Information System is implemented. Additional time is also requested to allow for more comprehensive testing and for the resolution of issues identified during testing, to allow for thorough testing and validation of 98 data interfaces with other entities, and to allow for more extensive validation and refinement of data conversion routines. The implementation of a new Medicaid Management Information System is a very challenging and complicated endeavor. The additional time requested under this Amendment will provide for 5010 processing capabilities, more thorough system testing, and enhance the delivery of a comprehensive and quality solution for New Hampshire.

Adjustments to the ACS State Healthcare, LLC Contract duration by phase are outlined in the following table.

ACS State Healthcare, LLC Contract Duration by Phase				
Original Contract Phase	Amendment 1 Phase	Amendment 2 Phase	Amendment 3 Phase	Amendment 4 Phase
DDI Phase 12/7/05 - 01/1/2008	DDI Phase 12/7/05 - 01/01/2009	DDI Phase 12/7/05 - 06/30/2010	DDI Phase 12/7/05 - 09/30/2011	DDI Phase 12/7/05 - 12/31/2012
Operations Phase Year 1 1/2/2008 - 1/1/2009	Operations Phase Year 1 1/2/2009 - 1/1/2010	Operations Phase Year 1 07/1/2010-06/30/2011	Operations Phase Year 1 10/1/2011 - 09/30/2012	Operations Phase Year 1 1/1/2013 - 12/31/2013
Operations Phase Year 2 1/2/2009 - 1/1/2010	Operations Phase Year 2 1/2/2010 - 1/1/2011	Operations Phase Year 2 07/1/2011 - 06/30/2012	Operations Phase Year 2 10/1/2012 - 09/30/2013	Operations Phase Year 2 1/1/2014 - 12/31/2014
Operations Phase Year 3 1/2/2010 - 1/1/2011	Operations Phase Year 3 1/2/2011 - 1/1/2012	Operations Phase Year 3 07/1/2012 - 06/30/2013	Operations Phase Year 3 10/1/2013 - 09/30/2014	Operations Phase Year 3 1/1/2015 - 12/31/2015
Operations Extension Year 1* 1/2/2011 - 1/1/2012	Operations Extension Year 1* 1/2/2012 - 1/1/2013	Operations Extension Year 1* 07/1/2013 - 06/30/2014	Operations Extension Year 1* 10/1/2014 - 09/30/2015	Operations Extension Year 1* 1/1/2016 - 12/31/2016

* The "*" indicates an optional extension period, built into the original contract, which may be exercised at DIIIS' discretion

Operations Extension Year 2* 1/2/2012 - 1/1/2013	Operations Extension Year 2* 1/2/2013 - 1/1/2014	Operations Extension Year 2* 07/1/2014 - 06/30/2015	Operations Extension Year 2* 10/1/2015 - 09/30/2016	Operations Extension Year 2* 1/1/2017 - 12/31/2017
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The first set of Health Insurance Portability and Accountability Act transaction standards mandated use of "American National Standards Institute Electronic Data Interchange X12 Version 4010. On January 16, 2009, the final rule 45 CFR 162, "Health Insurance Reform; Modifications to the Health Insurance Portability and Accountability Act Electronic Transaction Standards" was issued and mandated upgrading from 4010 versions of the original HIPAA standards to version 5010. These changes must be implemented in active Medicaid Management Information Systems by January 1, 2012.

The additional costs requested through this Amendment 4 are necessary to enhance the new Medicaid Management Information Service to be fully 5010 compliant and to cover ongoing software licensing costs through the years of ongoing operations. The magnitude of the change to the new Medicaid Management Information System is significant in order to make it fully compliant. The new Medicaid Management Information System must be able to receive, store, process, translate, and return data in electronic transactions in the prescribed 5010 format. Failure for the new Medicaid Management Information System to be 5010 compliant at go-live would make the Department of Health and Human Services subject to federally determined financial penalties on a per transaction basis.

Amendment 1 was a no-cost time extension to the original Contract. The price increases of Amendment 2 were driven by the need to expand the scope of the Design, Development, and Implementation effort and operations services to include system change requests that were not included in the original Medicaid Management Information System Request for Proposal, to implement an outpatient prospective payment reimbursement methodology, and to implement enhanced reporting analytics as needed by the Department of Health and Human Services. Under Amendment 2, Design, Development, and Implementation costs were increased by \$5,132,126 to cover the system change requests, the new Outpatient Prospective Payment System, and enhanced analytical capabilities of the Medicaid Management Information System reporting repository. Operation costs were increased by \$923,997 to cover expanded services needed to maintain the enhanced reporting repository. Amendment 3 was a no-cost time extension. Excluding the aforementioned expansion services under Amendment 2, there have been no increases in costs for the original Design, Development, and Implementation phase of the project. The pricing remains consistent with what was agreed to in the original Contract.

The following table outlines the price adjustments to the original Contract by phase for each Amendment. The increases for Amendment 4 are \$7,152,152 for the Design, Development, and Implementation Phase and \$377,000 per year during the operational phases.

			\$6,056,122		\$10,971,616
DDI Phase	\$26,153,244	\$26,153,244	\$31,285,370	\$31,285,370	\$38,437,495
Operations Year 1	\$4,764,400	\$4,764,400	\$7,225,001	\$7,225,001	\$7,602,001
Operations Year 2	\$7,049,369	\$7,049,369	\$7,163,155	\$7,163,155	\$7,540,155
Operations Year 3	\$6,889,407	\$6,889,407	\$7,001,957	\$7,001,957	\$7,378,957
Operations Extension Year 1*	\$6,869,131	\$6,869,131	\$7,141,165	\$7,141,165	\$7,518,165
Operations Extension Year 2	\$6,855,345	\$6,855,345	\$7,100,238	\$7,100,238	\$7,477,238
Operations Phase	\$34,707,519	\$34,707,519	\$35,631,516	\$35,631,516	\$37,516,516
Total Contract	\$60,860,763	\$60,860,763	\$66,916,886	\$66,916,886	\$75,954,011

The system changes required to meet the Health Insurance Portability and Accountability Act 5010 requirement are extensive. The intricacies of 5010 are integral to the core processing of the new Medicaid Management Information System. The changes required by the 5010 upgrade impact all of the electronic data interchange transactions that are exchanged between the New Hampshire Medicaid Management Information System and New Hampshire Medicaid providers and all of the system components that process and store the data that is received and sent through these transactions. The changes require upgrades to core hardware and software components, including the translator that must be adapted to support the receipt, translation, processing, storage, and output of data in a different file record format and that includes an expanded set of data elements for each of the transactions.

The Health Insurance Portability and Accountability Act 5010 required changes impact core functional services of the new Medicaid Management Information Systems. They impact providers' access to member Medicaid eligibility data so that providers can confirm if a member is eligible on a given date of service; they modify the format for how dental, medical, professional, and institutional claims can be submitted electronically and they expand the type and amount of data that can be included on every claim. The Health Insurance Portability and Accountability Act 5010 changes how the Medicaid Management Information System must return a provider's electronic remittance advice and how a new transaction must be implemented to inform providers of any of their claims that have been suspended for further review. The Health Insurance Portability and Accountability Act 5010 changes require the implementation of a new electronic transaction for the New Hampshire Medicaid Management Information System to receive electronic service authorization requests from providers. The Health Insurance Portability and Accountability Act 5010 modifies how providers must submit and how the Medicaid Management Information System must process transactions for inquiries on claim status.

External provider-facing screen functionality needs to be changed to support Claims Entry, Claims Status, Member Eligibility verification, and Service Authorizations to allow the revised content of the data transaction set to be entered, validated, and stored within the system. Changes to internal screens are needed to

enable State and fiscal agent staff to take appropriate action on data submitted by providers. System processes need to be enhanced to take in new data elements, adjudicate them, and return appropriate results. Instructions to Providers, reports, and letters that are impacted by the changes in the data content also will be modified. The Health Insurance Portability and Accountability Act 5010 also drives the need for changes to a number of data interfaces, including those interfaces between the pharmacy benefit management system and the new Medicaid Management Information System.

The extent of the development effort required to implement 5010 significantly impacts the downstream Medicaid Management Information System testing strategy and its execution. The breadth of the 5010 changes across the system necessitates that many system functions previously tested and validated during system integration testing must be retested in their entirety to ensure that 5010 related changes have not adversely impacted system processing capabilities or their integrity.

Significant progress continues to be realized on the New Hampshire Medicaid Management Information System Project. The most significant and promising achievement was that on December 2011 Phase 1 of the project supporting Provider Re-Enrollment went live. The web portal for the new Medicaid Management Information System is accessible from the internet at www.nhmmis.nh.gov. Since its implementation on December 17, 2011, the system's performance has been stable, all functions continue to be operational, and no critical issues have arisen. Providers have been receptive to using the new system and have expressed their perspective that it is easy for them to use. The ACS Provider Call Center in Concord was fully staffed and ready for the start up of operations prior to the Phase I go-live. ACS field representatives have traveled to provider offices to assist providers with completing enrollment applications, and call center agents have been assisting providers over the phone. The success of the Phase I Provider Re-Enrollment implementation validates the approach taken to date to ensure thoroughness of the testing effort, readiness for operations, and the decision not to release the system until it is ready.

The development and implementation and testing of a Medicaid Management Information System remains a very arduous undertaking. The Contractor has taken appropriate action to mitigate the schedule slippage realized to date, including implementing process improvements, increasing the number of system developers, and restructuring the oversight and composition of developer teams. Despite these actions being taken and with the addition of the Health Insurance Portability and Accountability Act 5010 changes, the system development effort requires more time. Pursuant to the Request for Proposal, the new Medicaid Management Information System must incorporate the latest reliable technologies, including the integration of numerous commercial off-the-shelf products into its design. Despite reasonable efforts taken to mitigate schedule slippage, the design and development phases of the project have exceeded planned expectations and need more time. They are, however, nearing completion.

The Medicaid Management Information System, including its Medicaid claims adjudication and payment functions, is a mission critical system for the Department of Health and Human Services. The Medicaid Management Information System processes over \$900 million in payments to over 5,000 actively billing and enrolled New Hampshire Medicaid providers annually, for services provided to eligible recipients under the New Hampshire Medicaid program. It is the Department of Health and Human Services' primary system for administering and managing costs for the New Hampshire Medicaid program.

It is critically important that the new Medicaid Management Information System is able to perform all of its required functions, and to perform them with integrity. The new Medicaid Management Information System must be secure, stable, accurate, and efficient. It must be able to store eligibility data for the current annual New

Hampshire Medicaid population of approximately 120,000, enrolled provider data for approximately 19,000 providers, and 7 years of claims payment history. It must be able to receive over 6 million paper and electronic claims from providers, process those claims against the available data, execute applicable edits, and determine the appropriate payment. The Medicaid Management Information System must be able to generate reliable reports, avoid costs where other insurance for a member exists, and to identify potentially fraudulent provider billing practices for further investigation.

The complexity of the system cannot be overstated. The potential for devastating and adverse impacts to the Department of Health and Human Services and to the Provider community at large is very real if the Medicaid Management Information System is released sooner than it is ready. The Department of Health and Human Services will not "go-live" until the system, through comprehensive testing, is determined to be a reliable, production ready, and quality solution.

Another factor contributing to the need for additional time under this Amendment is that extensive historical data must be converted into the new Medicaid Management Information System. Converted historical data forms the framework upon which new data generated by the new Medicaid Management Information System will be layered. Poorly converted data has been the demise of many Medicaid Management Information System implementations. It can jeopardize the ability of claims adjudication to look back at historical data to determine if a claim should be paid or how much the claim should pay. The time extension requested under this Amendment will allow for more time to execute, test, and validate data conversion and load programs. Because modifications to the legacy Medicaid Management Information System continue to be requested and implemented by the Department of Health and Human Services, there are changes to data structures that result from these modifications, and those changes need to be incorporated into the data conversion routines for the new Medicaid Management Information System. This additional time will allow the new Medicaid Management Information System to keep pace with changes originating from the legacy Medicaid Management Information System, and allow for greater opportunity to identify and correct data conversion issues before executing the final conversion to production.

End-to-end testing will continue and allows for verification that sequential and concurrent processes work with each other, that processes are executed and completed within available time windows, and that they produce intended results. Expanding the end-to-end cycle testing to include the Health Insurance Portability and Accountability Act 5010 changes to the system requires more time but enhances the State's ability to verify that the integrated processing of the new Medicaid Management Information System is sound and reliable.

Amendment 4 to the ACS Contract addresses the need for the Department of Health and Human Services to extend the Design, Development, and Implementation timeline for the New Hampshire Medicaid Management Information System project through to December 31, 2012. It is the Department of Health and Human Services' intention to implement the new Medicaid Management Information System as soon as it is ready to go live and as close to July 1, 2012 as possible. This Amendment 4 stipulates an implementation of the new Medicaid Management Information System "on or before January 1, 2013", thereby allowing for an implementation earlier than January 1st if, based on testing results, it is determined that the system is ready to go-live.

In summary, the additional time requested under Amendment 4 will allow for the following:

- Additional time to complete the system design, development, and testing of the changes required to comply with the Health Insurance Portability and Accountability Act 5010 mandate. This

SFY	Type	G&C Date/ Item Number
2005	Initial Agreement	12/07/05Late Item # C
2008	Amendment 1	12/11/07Item #59
2009	Amendment 2	6/17/09Item # 92
2010	Amendment 3	6/23/10Item # 97

Other related items include approval to release the Department of Health and Human Services Medicaid Management Information System Request For Proposal Number 2005-004 to procure vendor services to design, install, operate, and maintain a customized Medicaid Management Information System as specified; approval of Amendments 1, 2, 3, 4, and 5 (pending) to Cognosante's (formerly FOX Systems, Inc.) Medicaid Management Information System Quality Assurance service Contract; approval of Amendments 15, 16, and 17 to the Hewlett Packard Development Corporation, Enterprise Services (formerly EDS) Contract for the continued maintenance, operations, and modifications in support of the existing legacy Medicaid Management Information System; approval for the Medicaid Management Information Service interface Contract and Amendments 1, 2, and 3 with Deloitte Consulting LLP; and approval of the original Contract and Amendments A, B, C, D, E, and F (pending) with Thomson Reuters (Healthcare) Inc. (formerly The Medstat Group).

Alternatives and Benefits

This is a sole source Contract Amendment that extends the end of the Development, Design, and Implementation phase from September 30, 2011 to December 31, 2012 and that extends the Contract termination date from September 30, 2016 to December 31, 2017. This Amendment provides for uninterrupted continuation of essential system development and implementation services by the Contractor in support of the New Hampshire Medicaid Management Information System' Design, Development, and Implementation effort that has been progressing steadily. Given the intricacies of the multi-tiered New Hampshire Medicaid Management Information System solution, ACS is most knowledgeable about the system architecture, integrated software products, and the internal design of the Medicaid Management Information System framework and is best suited to continue its implementation. Because of the nature of the 5010 changes, their broad impact across the Medicaid Management Information System, and the need to integrate and implement the 5010 related changes into the overall framework of the new Medicaid Management Information System while striving to implement the new Medicaid Management Information System as soon as possible, ACS possesses the requisite knowledge base required to incorporate these changes most efficiently and effectively. The Health Insurance Portability and Accountability Act 5010 solution being implemented in New Hampshire is leveraging the approach being used in other ACS States. It incorporates the use of EDIFECs' proven 3rd party software solution for 5010.

The changes required to address 45 CFR Part 162 – Changes to Electronic Data Transaction Standards (5010) are described in the States' Implementation Advanced Planning Document for the 5010 Project and was approved by the federal Centers for Medicare and Medicaid Services in August 2011.

The role of the Medicaid Management Information System implementation Contractor was described in the State's Implementation Advanced Planning Document for the New Hampshire Medicaid Management Information System Project, which was approved by the federal Centers for Medicare and Medicaid Services in May 2004. A Request For Proposal was issued in September 2004. Notification of the Request For Proposal publication was issued using standard Department of Information Technology procedures. The Medicaid Management Information System Request For Proposal 2005-004 was issued on September 14, 2004, and published on the Department of Administrative Services web site. ACS State Healthcare, LLC, was selected as the Medicaid Management Information System contractor through a competitive bid process.

In January 2005, the Department of Health and Human Services received four (4) proposals in response to the Request For Proposal. The proposals included a technical proposal and a separate cost proposal. A team of six individuals from the Department of Health and Human Services and the Department of Information Technology thoroughly reviewed and evaluated the four proposals and scored them based upon the criteria set forth in the Request For Proposal, first based on their technical merits and then on their cost proposals. The evaluation included formal oral presentations by all bidders in April 2005. The proposals were evaluated based upon three criteria: the merits of the proposed solution, the vendor's qualifications, and the cost. ACS received the highest score on each of these three criteria and the highest score overall. ACS proposed a state of the art solution that was determined to be the best solution for meeting the functional, technical, and operational Medicaid Management Information System-related requirement of the Request For Proposal, and submitted the lowest-cost bid. Based on these factors, ACS was selected as the winning Bidder to receive the Contract award.

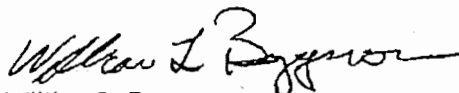
The Medicaid Management Information System project is guided by the parameters defined in the Department of Health and Human Services' Medicaid Management Information System Reprocurement Project's Implementation Advanced Planning Document. Upon determination that the Design, Development, and Implementation phase of the Medicaid Management Information System required additional time for completion, the Department of Health and Human Services and ACS executives and key program leaders met with Regional Directors from the federal Centers for Medicare and Medicaid Services to review the project status and future strategy. The Centers for Medicare and Medicaid Services concurred with the Department of Health and Human Services on the direction of the project and verbally extended continued support. The Department of Health and Human Services is now preparing Amendment 7 to the Implementation Advanced Planning Document, which will be formally reviewed by the Centers for Medicare and Medicaid Services. Amendment 7 to the Implementation Advanced Planning Document will address the need to extend the project timeline consistent with the dates provided in this Amendment. A copy of the Contract will be submitted to the Centers for Medicare and Medicaid Services along with the Implementation Advanced Planning Document Amendment 7 for review. The Department of Health and Human Services fully anticipates that the Centers for Medicare and Medicaid Services will approve the Department of Health and Human Services' requested changes to the Implementation Advanced Planning Document and Medicaid Management Information System project, thereby approving Federal Financial Participation for the continuation of ACS Contractor services to support the extended Medicaid Management Information System implementation timeline at the percentages identified on page 6.

Source of Funds:	DDI phase: 90% federal funds, 10% general funds. Operations phase: 75% federal funds, 25% general funds.
Geographic area to be served:	Statewide.

In the event that the Federal Funds become no longer available, General Funds will not be requested to support this program.

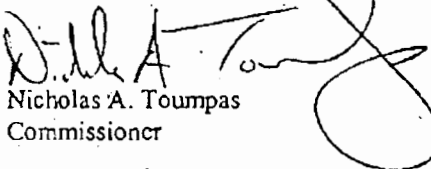
His Excellency, Governor John H. Lynch
and the Honorable Executive Council
February 22, 2012
Page 11

Respectfully submitted,



William L. Baggeroer
Chief Information Officer.

Approved by:



Nicholas A. Toumpas
Commissioner



S. Williams Rogers
Commissioner
Department of Information Technology

To Admin Svcs
6-9-10 for 6/23/10



STATE OF NEW HAMPSHIRE
DEPARTMENT OF HEALTH AND HUMAN SERVICES
OFFICE OF MEDICAID BUSINESS AND POLICY

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Nicholas A. Toumpas
Commissioner

Kathleen A. Dunn
Director

June 2, 2010

APPROVED BY _____
DATE: 6/23/10
PAGE: 13
ITEM #: 97

His Excellency, Governor John H. Lynch
and the Honorable Executive Council
State House
Concord, N.H. 03301

REQUESTED ACTION

Authorize the Department of Health and Human Services (DHHS), Office of Medicaid Business and Policy (OMBP), to enter into a sole source, no-cost, amendment (Amendment 3) to an existing contract (Purchase Order # 700073) with ACS State Healthcare, LLC (ACS) (Vendor #177830) at 9040 Roswell Road, Suite 700, Atlanta, GA, 30350, to extend the duration of the Design, Development and Implementation (DDI) phase of the New Hampshire Medicaid Management Information System (MMIS) project and extend the contract termination date from June 30, 2015 to September 30, 2016, effective upon the approval of the Governor and Executive Council. The Governor and Executive Council approved the original contract on December 7, 2005 (Late Item #C), Amendment 1 on December 11, 2007 (Item #59), and Amendment 2 on June 17, 2009 (Item #92).

Funds are available in SFY 2011 as follows and are anticipated to be available in SFY 2012 through SFY 2017 upon the availability and continued appropriation of funds in future operating budgets with authority to adjust amounts between State Fiscal Years if needed and justified.

05-95-95-956010-6134 HEALTH AND SOCIAL SERVICES, DEPT OF HEALTH AND HUMAN SERVICES,
HHS:COMMISSIONER, OFF MEDICAID & BUSINESS POLICY, MEDICAID CLAIMS MANAGEMENT SYS

DDI Phase

<u>State Fiscal</u> <u>Year</u>	<u>Class Object</u>	<u>Class Title</u>	<u>Current Modified</u> <u>Budget</u>	<u>Increase/</u> <u>(Decrease)</u>	<u>Revised</u> <u>Modified Budget</u>
SFY 2005	034/500099	Capital Projects	\$25,000,000.00	\$0.00	\$25,000,000.00
SFY 2006	034/500099	Capital Projects	\$1,076,918.00	\$0.00	\$1,076,918.00
SFY 2006	102/500731	Contracts for Program Services	\$76,326.00	\$0.00	\$76,326.00
SFY 2010	102/500731	Contracts for Program Services	\$5,132,126.00	\$0.00	\$5,132,126.00
Total DDI Phase			<u>\$31,285,370.00</u>	<u>\$0.00</u>	<u>\$31,285,370.00</u>

Operations Phase

<u>State Fiscal</u> <u>Year</u>	<u>Class Object</u>	<u>Class Title</u>	<u>Current Modified</u> <u>Budget</u>	<u>Increase/</u> <u>(Decrease)</u>	<u>Revised</u> <u>Modified Budget</u>
SFY 2009	102/500731	Contracts for Program Services	\$0.00	\$0.00	\$0.00
SFY 2010	102/500731	Contracts for Program Services	\$0.00	\$0.00	\$0.00
SFY 2011	102/500731	Contracts for Program Services	\$7,225,001.00	(\$7,225,001.00)	\$0.00
SFY 2012	102/500731	Contracts for Program Services	\$7,163,155.00	(\$1,764,005.00)	\$5,399,150.00
SFY 2013	102/500731	Contracts for Program Services	\$7,001,957.00	\$196,260.00	\$7,198,217.00
SFY 2014	102/500731	Contracts for Program Services	\$7,141,165.00	(\$98,909.00)	\$7,042,256.00
SFY 2015	102/500731	Contracts for Program Services	\$7,100,238.00	\$6,125.00	\$7,106,363.00
SFY 2016	102/500731	Contracts for Program Services	\$0.00	\$7,110,470.00	\$7,110,470.00
SFY 2017	102/500731	Contracts for Program Services	\$0.00	\$1,775,060.00	\$1,775,060.00
Total Operations Phase			<u>\$35,631,516.00</u>	\$0.00	<u>\$35,631,516.00</u>
TOTAL			\$66,916,886.00	\$0.00	\$66,916,886.00

EXPLANATION

The purpose of this requested action is to extend the duration of the NH MMIS contract with ACS State Healthcare, LLC, for an additional 15 months with no change to the scope of services and at no additional cost over the Amendment 2 contract price, which was approved by the Governor and Executive Council on June 17, 2009. More specifically, this Amendment 3 to the contract seeks to extend the DDI phase of the project beyond the July 1, 2010 implementation date established with Amendment 2, through to a projected new system go-live date on or before October 1, 2011. Accordingly, this action defers the start up of the three-year operations phase without increasing the overall duration of the operations phase established with the original Contract, and extends the completion date of the Contract from June 30, 2015 to September 30, 2016.

The original contract included a 24-month DDI phase, a three-year base operations phase, and an optional provision for the DHHS to extend the operations phase for an additional two-year period. This option was outlined in the Governor and Council letter approved on December 7, 2005. Through Amendment 1, the DHHS requested to extend the DDI phase for a 12-month period, and this request was approved on December 11, 2007. Amendment 2 requested an additional 18-month extension to the DDI phase, which was approved on June 17, 2009, to complete the design, development, and testing phases of the project. The system design under Amendment 2 was expanded to incorporate system change request and new functionality essential to support the NH Medicaid Program. The testing phase was also expanded to allow for a more extensive and structured system integration test phase. Although a provision to extend the DDI phase was not included in the original contract, the additional time requested through these Amendments has been needed because the design and development phases have continued to require more time than originally planned.

This sole source contract, Amendment 3, requests an additional 15-month extension to the project's DDI phase. The additional time requested under this amendment is necessary to complete the final design and construction of the system, to allow more time for the resolution of issues identified during testing, to allow for an expansion of the testing phase to include comprehensive "end-to-end" process testing, and to allow for more extensive validation and refinement of data conversion routines. The implementation of a new MMIS is a very challenging and complicated endeavor. The additional time requested under this amendment will provide for

more thorough system testing and enhance the delivery of a comprehensive and quality solution for New Hampshire.

Adjustments to the ACS contract duration by phase are outlined in the following table.

ACS Contract Duration Adjustment			
Original Contract Phase/Year	Amendment 1 Phase/Year	Amendment 2 Phase/Year	Amendment 3 Phase/Year
DDI Phase 12/7/05 - 01/1/2008	DDI Phase 12/7/05 - 01/01/2009	DDI Phase 12/7/05 - 06/30/2010	DDI Phase 12/7/05 - 09/30/2011
Operations Phase Year 1 1/2/2008 - 1/1/2009	Operations Phase Year 1 1/2/2009 - 1/1/2010	Operations Phase Year 1 07/1/2010-06/30/2011	Operations Phase Year 1 10/1/2011 - 09/30/2012
Operations Phase Year 2 1/2/2009 - 1/1/2010	Operations Phase Year 2 1/2/2010 - 1/1/2011	Operations Phase Year 2 07/1/2011 - 06/30/2012	Operations Phase Year 2 10/1/2012 -09/30/2013
Operations Phase Year 3 1/2/2010 -1/1/2011	Operations Phase Year 3 1/2/2011 - 1/1/2012	Operations Phase Year 3 07/1/2012 - 06/30/2013	Operations Phase Year 3 10/1/2013 - 09/30/2014
Operations Extension Year 1* ¹ 1/2/2011 - 1/1/2012	Operations Extension Year 1* 1/2/2012 - 1/1/2013	Operations Extension Year 1* 07/1/2013 - 06/30/2014	Operations Extension Year 1* 10/1/2014 - 09/30/2015
Operations Extension Year 2* 1/2/2012 - 1/1/2013	Operations Extension Year 2* 1/2/2013 - 1/1/2014	Operations Extension Year 2* 07/1/2014 - 06/30/2015	Operations Extension Year 2* 10/1/2015 - 09/30/2016

No additional costs are requested through this Amendment 3. Amendment 1 was also a no-cost time extension to the original contract. The price increases of Amendment 2 were driven by the need to expand the scope of the DDI effort and operations services to include system change requests, to implement an outpatient prospective payment reimbursement methodology, and to implement enhanced reporting analytics as needed by the DHHS. Under Amendment 2, DDI costs were increased by \$5,132,126 to cover the system change requests, the new Outpatient Prospective Payment System (OPPS), and enhanced analytical capabilities of the MMIS reporting repository. Operations costs were increased by \$923,997 to cover expanded services needed to maintain the enhanced reporting repository. Excluding the aforementioned expansion services under Amendment 2, there have been no increases in costs for the DDI phase of the project. The pricing remains consistent with what was agreed to in the original Contract.

The following table outlines the price adjustments to the original Contract by phase for each amendment. There are no additional costs requested under this Amendment 3.

¹ The "*" indicates an optional extension period, built into the original contract, which may be exercised at DHHS' discretion.

ACS Contract Price Adjustment				
	Original Contract	Amendment 1 No Cost Extension	Amendment 2 Contract Increase \$6,056,123	Amendment 3 No Cost Extension
DDI Phase	\$26,153,244	\$26,153,244	\$31,285,370	\$31,285,370
Operations Year 1	\$4,764,400	\$4,764,400	\$7,225,001	\$7,225,001
Operations Year 2	\$7,049,369	\$7,049,369	\$7,163,155	\$7,163,155
Operations Year 3	\$6,889,407	\$6,889,407	\$7,001,957	\$7,001,957
Operations Extension Year 1*	\$6,869,131	\$6,869,131	\$7,141,165	\$7,141,165
Operations Extension Year 2	\$6,855,345	\$6,855,345	\$7,100,238	\$7,100,238
Operations Phase	\$34,707,519	\$34,707,519	\$35,631,516	\$35,631,516
Total Contract	\$60,860,763	\$60,860,763	\$66,916,886	\$66,916,886

Significant progress continues to be realized on the NH MMIS Project, but the development and implementation of an MMIS is a very arduous undertaking. The contractor has taken appropriate action to mitigate the schedule slippage realized to date, including implementing process improvements, increasing the number of system developers, and restructuring the oversight and composition of developer teams. Despite these actions being taken, the system development effort still requires more time. Consistent with the Request for Proposal (RFP) the new MMIS is required to incorporate the latest reliable technologies, including the integration of numerous commercial off-the-shelf (COTS) products into its design. The solution also includes the implementation of new functionality to support NH-specific processes, such as determining and applying acuity-based rates for nursing home care. Despite reasonable efforts taken to mitigate schedule slippage, the design and development phases of the project have exceeded planned expectations and need more time. They are, however, nearing completion.

The MMIS, including its Medicaid claims adjudication and payment functions, is a mission critical system for the DHHS. The MMIS processes over \$850 million in payments to over 5,000 actively billing and enrolled NH Medicaid providers annually, for services provided to eligible recipients under the NH Medicaid program. It is the DHHS' primary system for administering and managing costs for the NH Medicaid program.

It is critically important that the new MMIS is able to perform all of its required functions and to perform them with integrity. The new MMIS must be secure, stable, accurate, and efficient. It must be able to store eligibility data for the current annual population of approximately 130,000, benefit coverage data, enrolled provider data for approximately 19,000 providers, and claims payment history. It must be able to receive over 6 million paper and electronic claims annually from providers, process those claims against the available data, execute applicable edits, and determine the appropriate payment. The MMIS must be able to generate reliable

reports, avoid costs where other insurance for a member exists, and to identify potentially fraudulent provider billing practices for further investigation.

The complexity of the system cannot be overstated. The potential for devastating and adverse impacts to the DHHS and to the provider community at large is very real if the MMIS is released prematurely. The DHHS will not "go-live" until the system, through comprehensive testing, is determined to be a reliable, production ready, and quality solution.

A second factor contributing to the need for additional time under this amendment is that extensive historical data must be converted into the new MMIS. Converted historical data forms the framework upon which new data generated by the new MMIS will be layered. Poorly converted data has been the demise of many MMIS implementations. It can jeopardize the ability of claims adjudication to look back at historical data to determine if a claim should be paid and there are many other implications. The time extension requested under this amendment will allow for more time to execute, test and validate data conversion and load programs. Because modifications to the legacy MMIS continue to be requested and implemented by the DHHS, there are changes to data structures that result from these modifications, and those changes need to be incorporated into the data conversion routines for the new MMIS. This additional time will allow the new MMIS to keep pace with changes originating from the legacy MMIS, and allow for greater opportunity to identify and correct data conversion issues before executing the final conversion to production.

A third factor contributing to the request for additional time is an expansion of the system testing effort to include comprehensive cycles of "end-to-end" process testing. The overall testing effort already includes functional, integration, user acceptance, and operational readiness test execution. Although end-to-end testing was previously contemplated and incorporated into other test phases, under this amendment, end-to-end testing will be expanded and be very structured. It will provide for the coordinated execution of multiple iterations of all MMIS processes from the beginning to the end of each cycle for daily, weekly, monthly, quarterly, semi-annual, and annual processing cycles.

End-to-end testing will allow for verification that sequential and concurrent processes work with each other, that processes are executed and completed within available time windows, and that they produce intended results. Expanding the end-to-end cycle testing of the system requires more time but enhances the State's ability to verify that the integrated processing of the new MMIS is sound and reliable.

Amendment 3 to the ACS contract addresses the need for the DHHS to extend the DDI timeline for the NH MMIS project at no additional cost through to September 30, 2011. This Amendment 3 stipulates an implementation of the new MMIS "on or before October 1, 2011", thereby allowing for an implementation earlier than October 1st if, based on testing results, it is determined that the system is ready to go live.

In summary, the additional time requested under Amendment 3 will allow for the following:

- Additional time to complete the system design and development effort, including time to identify and implement appropriate solutions for defects and other problems identified during testing;
- Additional time to re-execute data conversion routines, to review balancing and reconciliation reports, to analyze and resolve errors, to fine-tune performance, and most critically, to keep pace with, adjust and retest conversion routines as necessary to incorporate changes resulting from system modifications implemented in the legacy MMIS; and

His Excellency, Governor John H. Lynch

and the Honorable Executive Council

June 2, 2010

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- An expansion of the overall testing plan to provide for the execution of more extensive "end-to-end" testing, during which all system processes will be executed multiple times in a coordinated manner to replicate daily, weekly, monthly, quarterly, and annual cycle processing.

This Amendment 3 requires an implementation of the core MMIS on or before October 1, 2011. The Provider Re-Enrollment component of the MMIS will be released six months in advance of the core MMIS. This Amendment allows for the possibility of implementing the core MMIS in the months preceding October if, after testing, the State and ACS determine that the system is ready to be released and that operational readiness has been achieved. The actual go-live date for the MMIS will be coordinated with the NH Medicaid provider community, interfacing entities, and State business units it impacts.

The DHHS and ACS teams continue to work effectively and collaboratively to resolve issues, to devise practical solutions to challenges, and to coordinate a strategic approach to meeting all of the project demands for a DDI go-live by October 1, 2011. The implementation of the enhanced reporting repository and OPSS enhancements will occur before March 31, 2012.

The Contractor, ACS, has confirmed its corporate commitment to the delivery of the NH MMIS that meets or exceeds the requirements of the NH MMIS RFP, and to the delivery of a high quality solution. ACS commits to all of its obligations under the contract. The DHHS believes that the potential future benefits to be achieved once this system is operational will far outweigh the challenges that must be managed during its design and implementation.

This is a sole source contract amendment that extends the end of the DDI phase from June 30, 2010 to September 30, 2011. This amendment provides for uninterrupted continuation of essential system development and implementation services by the Contractor in support of the NH MMIS' DDI effort that has been progressing steadily over the past 56 months. Given the intricacies of the integrated NH MMIS solution, ACS is most knowledgeable about the internal design of the MMIS framework and is best suited to continue its implementation.

The role of the MMIS implementation Contractor was described in the State's Implementation Advanced Planning Document (IAPD) for the NH MMIS Project, which was approved by the federal Centers for Medicare and Medicaid Services (CMS) in May 2004. An RFP was issued in September 2004. Notification of the RFP publication was issued using standard Department of Information Technology (DoIT) procedures. The MMIS RFP 2005-004 was issued on September 14, 2004, and published on the Department of Administrative Services web site. ACS State Healthcare was selected as the MMIS contractor through a competitive bid process.

In January 2005, the DHHS received four (4) proposals in response to the RFP. (Please see attached bidders list). The proposals included a technical proposal and a separate cost proposal. A team of six individuals from DHHS and the DoIT thoroughly reviewed and evaluated the four proposals and scored them based upon the criteria set forth in the RFP, first based on their technical merits and then on their cost proposals. The evaluation included formal oral presentations by all bidders in April 2005. The proposals were evaluated based upon three criteria: the merits of the proposed solution, the vendor's qualifications, and the cost. ACS received the highest score on each of these three criteria and the highest score overall. ACS proposed a state of the art solution that was determined to be the best solution for meeting the functional, technical, and operational MMIS-related requirement of the RFP, and submitted the lowest cost bid. Based on these factors, ACS was selected as the winning bidder to receive the contract award.

6-1-04



STATE OF NEW HAMPSHIRE
DEPARTMENT OF HEALTH AND HUMAN SERVICES
OFFICE OF MEDICAID BUSINESS AND POLICY

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Nicholas A. Toumpas
Commissioner

Kathleen A. Dunn
Director

April 30, 2009

His Excellency, Governor John H. Lynch
and the Honorable Executive Council
State House
Concord, NH 03301

APPROVED BY _____
DATE 6/17/09
PAGE 13
ITEM # 92

REQUESTED ACTION

Authorize the Department of Health and Human Services (DHHS), Office of Medicaid Business and Policy (OMBP), to enter into an amendment (Amendment 2) to an existing contract (Contract #151495) with ACS State Healthcare, LLC (ACS) (Vendor #127326) at 9040 Roswell Road, Suite 700, Atlanta, GA, 30350, by increasing the price limitation by \$6,056,123 from \$60,860,763 to \$66,916,886 to expand the scope of the design, development, and implementation (DDI) of the New Hampshire Medicaid Management Information System (MMIS), including enhancing and changing system functionality, increasing operations to support the new functionality, and extending the contract termination date from January 1, 2014, to June 30, 2015, and, effective upon the date of Governor and Executive Council approval through to June 30, 2015. The Governor and Executive Council approved the original contract on December 7, 2005, (Late Item #C) and Amendment 1 on December 11, 2007, (Item #59).

Funds to support this agreement are available in SFY 2009 and anticipated to be available in SFY 2010 through SFY 2015 upon the availability and continued appropriation of funds in future operating budgets with authority to adjust amounts between State Fiscal Years if needed and justified.

SFY	Account Number	Account Title	Current Modified Budget	Increase / (Decrease) Amount	Revised Modified Budget
DDI Expenses					
2005	030-095-0145-034-0099	MMIS Reprocurement	\$25,000,000	\$0	\$25,000,000
2006	030-095-0145-034-0099	HHS Infotech	\$1,076,918	\$0	\$1,076,918
2006	010-095-6126-097	Medicaid Contracts	\$76,326	\$0	\$76,326
2010	010-095-6134-102-0731	Contracts for Program Services	\$0	\$5,132,126	\$5,132,126
DDI Subtotal			\$26,153,244	\$5,132,126	\$31,285,370

SFY	Account Number	Account Title	Current Modified Budget	Increase / (Decrease) Amount	Revised Modified Budget
Operations Expenses					
2009	010-095-6134-102-0731	Contracts for Program Services	\$4,764,400	(\$4,764,400)	\$0
2010	010-095-6134-102-0731	Contracts for Program Services	\$7,049,369	(\$7,049,369)	\$0
2011	010-095-6134-102-0731	Contracts for Program Services	\$6,889,407	\$335,594	\$7,225,001
2012	010-095-6134-102-0731	Contracts for Program Services	\$6,869,131	\$294,024	\$7,163,155
2013	010-095-6134-102-0731	Contracts for Program Services	\$6,855,345	\$146,612	\$7,001,957
2014	010-095-6134-102-0731	Contracts for Program Services	\$2,279,867	\$4,861,298	\$7,141,165
2015	010-095-6134-102-0731	Contracts for Program Services	\$0	\$7,100,238	\$7,100,238
Operations Subtotal			\$34,707,519	\$923,997	\$35,631,516
Total			\$60,860,763	\$6,056,123	\$66,916,886

EXPLANATION

The purpose of this requested action is to extend the duration of the NH MMIS Implementation contract with ACS for an additional 18 months and to expand the scope of services at an additional cost of \$6,056,123 over the cost of the original contract, which was approved by the Governor and Executive Council on December 7, 2005. More specifically, this Amendment 2 to the contract seeks to retroactively extend the Design, Development, and Implementation (DDI) Phase of the project beyond the January 1, 2009, implementation date established with Amendment 1, through to a projected new system go-live date on or before June 30, 2010. Accordingly, this action defers the start up of the three-year operations phase without increasing the overall duration of the Operations Phase established with the original Contract.

The original contract included a 24-month DDI Phase, a three-year base Operations Phase, and an optional provision for the Department to extend the Operations Phase for an additional two-year period. This option was outlined in the Governor and Council letter approved on December 7, 2005. Through Amendment 1, rather than exercising the option to extend the Operations Phase, the Department requested to extend the DDI Phase for a 12-month period, and this request was approved on December 11, 2007. This sole source contract amendment, Amendment 2, requests an additional 18-month extension to the DDI Phase. Although a provision to extend the DDI Phase was not included in the original contract, the additional time requested through this Amendment is needed because the design and development phases have required more time than originally planned. Additionally, this extension is necessary to incorporate system change requests and new functionality essential to support the NH Medicaid Program into the MMIS, to develop and thoroughly test the MMIS' intricate Medicaid claims processing and payment processes, and to ensure operational readiness of the new MMIS system prior to go-live. Adjustments to the ACS Contract duration by phase are outlined in the following table.

ACS Contract Duration Adjustment		
Original Contract Phase/Year	Amendment 1 Phase/Year	Amendment 2 Phase/Year
DDI Phase (12/7/05 - 01/1/2008)	DDI Phase (12/7/05 - 01/01/09)	DDI Phase (12/7/05 - 06/30/2010)
Operations Phase Year 1 (1/2/2008 - 1/1/2009)	Operations Phase Year 1 (1/2/2009 - 1/1/2010)	Operations Phase Year 1 (07/1/2010 - 06/30/2011)
Operations Phase Year 2 (1/2/2009 - 1/1/2010)	Operations Phase Year 2 (1/2/2010 - 1/1/2011)	Operations Phase Year 2 (07/1/2011 - 06/30/2012)
Operations Phase Year 3 (1/2/2010 - 1/1/2011)	Operations Phase Year 3 (1/2/2011 - 1/1/2012)	Operations Phase Year 3 (07/1/2012 - 06/30/2013)
Operations Extension Year 1* (1/2/2011 - 1/1/2012)	Operations Extension Year 1* (1/2/2012 - 1/1/2013)	Operations Extension Year 1* (07/1/2013 - 06/30/2014)
Operations Extension Year 2* (1/2/2012 - 1/1/2013)	Operations Extension Year 2* (1/2/2013 - 1/1/2014)	Operations Extension Year 2* (07/1/2014 - 06/30/2015)

Relative to the price increase of Amendment 2, the \$6,056,123 increased cost is strictly associated with those items that expand the scope of the DDI effort and the expanded operations services necessary to maintain the enhanced reporting repository once it is implemented. Of the total increase, \$5,132,126 covers the implementation of system change requests essential to the Medicaid Program, a new outpatient prospective payment system, and enhanced analytical capabilities of the MMIS reporting repository. The remaining \$923,997 represents an increase to operational costs across the base and optional operations periods for expanded services to maintain the enhanced reporting repository. There is no increase in costs for components defined in the original contract for the DDI and Operations Phases. These costs are retained at the price agreed to in the original Contract. Amendment 1 was a no-cost extension. The following table outlines the price adjustments to the original Contract by phase.

	ACS Contract Price Adjustment			
	Original Contract	Amendment 1 Total	Amendment 2 Increase	Amendment 2 Total
DDI Phase	\$26,153,244	\$26,153,244	\$5,132,126	\$31,285,370
Operations Phase Year 1	\$7,146,599	\$7,146,599	\$78,402	\$7,225,001
Operations Phase Year 2	\$7,000,755	\$7,000,755	\$162,400	\$7,163,155
Operations Phase Year 3	\$6,833,733	\$6,833,733	\$168,224	\$7,001,957
Operations Extension Year 1	\$6,886,829	\$6,886,829	\$254,336	\$7,141,165
Operations	\$6,839,603	\$6,839,603	\$260,635	\$7,100,238

The "" indicates an optional extension period, built into the original contract, which may be exercised at DHHS' discretion.

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and the Honorable Executive Council

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Extension Year 2				
Operations Phase	\$34,707,519	\$34,707,519	\$923,997	\$35,631,516
Total Contract	\$60,860,763	\$60,860,763	\$6,056,123	\$66,916,886

To reiterate, Amendment 2 to the ACS contract addresses five essential needs for the Department as follows:

- To extend the DDI timeline for the NH MMIS project through to June 30, 2010, allowing for an implementation of the new MMIS on or before July 1, 2010;
- To incorporate system changes to the MMIS that adjust for changes to requirements and to the NH Medicaid program that have evolved since the MMIS Request For Proposal (RFP) was released in 2004;
- To expand the functionality of the MMIS to include a hospital Outpatient Prospective Payment System (OPPS) capability;
- To expand the MMIS reporting repository to include enhanced analytics and decision-support capabilities and to expand ongoing systems operations support to include maintenance of the enhanced reporting repository functionality; and
- To allow for the development and implementation of the OPPS and analytical capabilities by March 1, 2011.

Significant progress has been realized on the MMIS Project, but the development and implementation of an MMIS is a huge undertaking. The Department's first need, to extend the timeline of the NH DDI phase, is not unusual considering the magnitude and complexity of the effort. Given all of the functional components of the NH MMIS, completion of the Detailed System Design (DSD) took up to six months longer than estimated to complete. Since the DSD would provide the framework for the development, testing, and implementation phases that would follow, it was essential to the State that the DSD accurately, sufficiently, and clearly document how the NH MMIS design would appear and function to meet NH's business requirements. Although the design phase took longer than originally planned to complete, the end result was a comprehensively documented design, upon which developers would build the system, testers would create test scenarios, and operational procedures would be developed.

ACS and the State teams took steps to mitigate the risks of schedule slippage realized during the design by initiating construction tasks earlier for those functional areas for which final design had been approved by the State and by commencing data set-up tasks concurrent with finalizing the DSD. By July of 2009, system construction and test phase planning activities were well underway.

By October, there were indications that although much progress had been achieved, the system construction effort was going to require more time than originally was planned. ACS responded to the situation by infusing a significant number of additional technical resources into the development pool, restructuring the distribution of work across teams, and strengthening direct oversight over the development teams. Project work plan tasks were readjusted and the schedule was recalibrated to reflect revised effort estimates. Having exhausted all practical opportunities to mitigate against the slippage by overlapping and compressing tasks within

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the work plan, and deliberately not wanting to overly compress or compromise testing of this major system, the task schedule was adjusted and the MMIS project timeline was extended out into the spring of 2010.

This Amendment allows for an implementation of the core MMIS by July 1, 2010. It allows for an implementation of the MMIS in the months preceding July if, after testing, the State and ACS determine that the system is ready to be released and that operational readiness has been achieved. Go-live for the MMIS will be coordinated with the NH Medicaid provider community, interfacing entities, and State business units it impacts.

The comprehensive testing effort for the NH MMIS will include a full cycle of functional testing of the Provider Re-Enrollment (Phase I) functions and the remaining comprehensive system design (Phase II) functions of the MMIS, followed by systems integration (end-to-end process) testing, and then a six-month State user acceptance test. ACS has reinforced its testing team, establishing an experienced testing management team, infusing a significant number of subject matter resources to develop functional and system integration test scripts, and creating a team dedicated to implementing automated testing capabilities.

The State's MMIS Project team and staff from the FOX Quality Assurance team will execute systems integration testing (SIT) with ACS for both Phase I and Phase II of the MMIS. After the SIT test phase has been completed and critical defects resolved, the NH team will engage staff from the Department, interfacing entities, and provider agencies in a structured user acceptance test phase.

The efforts to prepare, execute, and sustain effective oversight of the entire testing effort place a significant demand on the State MMIS Project team. Given the criticality of a thorough, well-orchestrated testing effort to ensure the quality of the MMIS, the Department has acknowledged to ACS that compression of the testing periods or overlapping of testing activity cannot occur to the extent that it compromises the credibility of the overall testing effort, compromises the State team's ability to support a comprehensive test, or in any way decreases the State's user acceptance test period.

The extension period requested through this amendment also covers the Department's second need, the integration of change orders identified by the State during the DSD into the DDI phase. The NH MMIS RFP was released in 2004. Since 2004, DHHS has implemented a number of new programs to improve service delivery to NH Medicaid recipients, to reinforce appropriate service utilization, and to enhance coordination of care. The State also has had to comply with federal program mandates that have been implemented since the release of the NH MMIS RFP. The design of the new MMIS must provide for the tracking of additional data, construction of new interfaces, and creation of new reports in support of these federal programs that include the Medicaid Modernization Act (MMA) for Medicare Part D and the Deficit Reduction Act (DRA).

The change requests include system changes, new interfaces, and reports necessary to support the current business of the Department that were not covered under the original RFP. All change requests covered under this amendment will be implemented for the MMIS go-live.

Additionally, this amendment covers the third and fourth need identified above for two major enhancements to the functionality of the MMIS. These enhancements expand on MMIS' claims processing to incorporate an Outpatient Prospective Payment System (OPPS) for reimbursing hospital claims and build on the reporting repository to provide the Department with complex analytical capability and more easily compiled data to inform its decision making.

The NH Medicaid Program currently employs a retrospective reimbursement methodology to reimburse hospitals for outpatient services delivered to NH's Medicaid recipients. This methodology involves a

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combination of cost reimbursement and fee schedules, interim payments for services at a percentage of charge, and retroactively adjusting payments to reflect settled cost reports. The current methodology is patterned after a system that Medicare replaced with a prospective payment system almost ten years ago. Without a prospective payment reimbursement capability, the Department is hindered in its ability to flexibly manage hospital reimbursement and associated costs.

Implementing an OPSS aligns the State's Medicaid reimbursement methodology for hospital outpatient costs more closely with Medicare. The outpatient prospective methodology more effectively supports the State's effort to improve its management of costs, reduce its vulnerability to the current retrospective reimbursement methodology, and to establish greater predictability and consistency in rate setting for services provided across hospitals. The OPSS must be integrated into the core claims adjudication processes of the MMIS.

The decision support/enhanced analytics enhancement expands on the framework of the MMIS reporting solution to provide more complex analytical capabilities than those covered under the amended MMIS RFP. These new functions significantly improve the efficiency with which the Department will be able to access reliable information about the Medicaid Program from its data, making it better informed in its administrative planning, service delivery, and program management efforts.

Integrating this functionality into the MMIS reporting repository provides the Department with expanded analytical capabilities, run against a single MMIS data source, using a common toolset. It enhances the integrity of reporting by simplify the execution of complex functions and eliminates the potential confusion caused by producing different reports from different systems having different types of data. Lastly, in support of this added functionality, this Amendment also covers the ongoing operational services and maintenance of the expanded reporting repository system.

The Department and ACS teams continue to work effectively and collaboratively to resolve issues, to devise creative solutions to challenges, and to coordinate a strategic approach to meeting all of the project demands for a DDI go-live by July 1, 2010. Work to implement the enhanced reporting repository and OPSS will begin on or before go-live, with their implementation occurring by March 31, 2011.

This is a sole source contract amendment that retroactively extends the end of the DDI Phase from January 1, 2009 through to June 30, 2010. This amendment provides for uninterrupted continuation of essential system development and implementation services by the contractor in fix spacing support of the NH MMIS' DDI effort that has been progressing steadily over the past 36 months. The change requests and enhancements covered under this amendment must be incorporated into the core processing of the MMIS, and as such ACS is best suited to incorporate the changes into the internal MMIS framework.

Throughout the intense schedule of project activity and challenges encountered to-date, the State and ACS have maintained a constructive, positive, and productive working relationship, through which issues are resolved and risks continually mitigated. ACS has confirmed its corporate commitment to the delivery of the NH MMIS that meets or exceeds the requirements of the NH MMIS RFP, and to the delivery of a high quality solution. ACS commits to all of its obligations under the contract. The Department believes that the potential future benefits to be achieved once this system is operational will far outweigh the challenges that must be managed during its design and implementation.

The role of the MMIS Implementation Contractor was described in the State's Implementation Advanced Planning Document (IAPD) for the NH MMIS Project, which was approved by the federal Centers for Medicare

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and Medicaid Services (CMS) in May 2004. An RFP was issued in September 2004. Notification of the RFP publication was issued using standard Office of Technology (DoIT) procedures. The MMIS RFP 2005-004 was issued on September 14, 2004 and published on the Department of Administrative Services web site. ACS was selected as the MMIS contractor through a competitive bid process.

Competitive Bidding

In January 2005, the Department received four (4) proposals in response to the RFP. (Please see attached bidders list). The proposals included a technical proposal and a separate cost proposal. A team of six individuals from DHHS and the DoIT thoroughly reviewed and evaluated the four proposals and scored them based upon the criteria set forth in the RFP, first based on their technical merits, and then on their cost proposals. The evaluation included formal oral presentations by all bidders in April 2005. The proposals were evaluated based upon three criteria: the merits of the proposed solution, the vendor's qualifications, and the cost. ACS received the highest score on each of these three criteria and the highest score overall. ACS proposed a state of the art solution that was determined to be the best solution for meeting the functional, technical, and operational MMIS-related requirement of the RFP, and submitted the lowest cost bid. Based on these factors, ACS was selected as the winning bidder to receive the contract award.

Amendment 6 to the IAPD currently is under CMS' review. DHHS has worked with CMS to answer questions in the context of obtaining IAPD amendment approval and has received word from CMS that its approval will be forthcoming.

Source of Funds:

For the DDI Phase of the contract, the source of funds is 90% federal funds and 10% general funds. For the Operations Phase of the contract, the source of funds is 75% federal funds and 25% state funds.

In the aggregate, the source of funding is 82% federal funds, 18% state funds.

Geographic Area to be Served:

Statewide.

In the event that the Federal Funds become no longer available, General Funds will not be requested to support this program.

Respectfully submitted,

Kathleen A. Dunn

Kathleen A. Dunn, MPH
Medicaid Director

Approved by:

Nicholas A. Tounpas
Nicholas A. Tounpas
Commissioner

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Richard C. Bailey, Jr.
Chief Information Officer



STATE OF NEW HAMPSHIRE
 DEPARTMENT OF HEALTH AND HUMAN SERVICES
 OFFICE OF MEDICAID BUSINESS AND POLICY

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Nicholas A. Toumpas
 Acting Commissioner

Kathleen A. Dunn
 Acting Director

November 13, 2007

His Excellency, Governor John H. Lynch
 and the Honorable Executive Council
 State House
 Concord, N.H. 03301

APPROVED BY _____
 DATE 12/11/07
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 ITEM # 59

REQUESTED ACTION

Authorize the Department of Health and Human Services (DHHS), Office of Medicaid Business and Policy (OMBP), to enter into a no-cost amendment (Amendment 1) to an existing contract (Contract #151495) with ACS State Healthcare, LLC (ACS) (Vendor #127326) at 9040 Roswell Road, Suite 700, Atlanta, GA, 30350 to extend the contract from January 1, 2013 to January 1, 2014 and to extend the completion of the Design, Development, and Implementation Phase by 12 months from January 1, 2008 to January 1, 2009 for the new NH Medicaid Management Information System (MMIS), to be effective upon the approval date of Governor and Executive Council through to January 1, 2014. The Governor and Executive Council approved the original contract on December 7, 2005 (Late Item #C).

Funds to support this agreement are available in the following accounts according to State Fiscal Year, with authority to adjust amounts, if needed and justified, between fiscal years:

SFY	Account Number	Account Title	Current Modified Budget	Increase / (Decrease) Amount	Revised Modified Budget
DDI Expenses					
2005	030-095-0422-090	MMIS Reprocurement	\$25,000,000	\$0	\$25,000,000
2006	030-095-0145-090	HHS Infotech	\$1,076,918	\$0	\$1,076,918
2006	010-095-6126-097	Medicaid Contracts	\$76,326	\$0	\$76,326
DDI Subtotal			\$26,153,244	\$0	\$26,153,244
Operating Expenses					
2008	010-095-6126-098		\$4,764,400	(\$4,764,400)	\$0
2009	010-095-6126-098		\$7,049,369	(\$2,284,969)	\$4,764,400
2010	010-095-6126-098		\$6,889,407	\$159,962	\$7,049,369
2011	010-095-6126-098		\$6,869,131	\$20,276	\$6,889,407
2012	010-095-6126-098		\$6,855,345	\$13,786	\$6,869,131
2013	010-095-6126-098		\$2,279,867	\$4,575,478	\$6,855,345

2014	010-095-6126-098		\$0	\$2,279,867	\$2,279,867
Operations Subtotal			\$34,707,519	\$0	\$34,707,519
Total			\$60,860,763	\$0	\$60,860,763

EXPLANATION

The purpose of this requested action is to extend the duration of the NH MMIS Implementation contract with ACS State Healthcare, LLC. for an additional year, at no additional system development contractor cost, and otherwise to retain the scope of services and costs as were agreed upon in the original contract, which was approved by the Governor and Executive Council on December 7, 2005. More specifically, this Amendment 1 to the contract seeks to extend the Design, Development, and Implementation (DDI) phase of the project beyond the 24-month period established in the original contract through to the projected new system go-live date of January 1, 2009. Accordingly, this action defers the start up of the three-year operations phase for an additional year, with the costs for yearly operations support services remaining the same as were defined in the original contract.

Current Contract Phase/Year	Amendment 1 Phase/Year	Price
DDI Phase (12/7/05 – 01/1/2008)	DDI Phase (12/7/05 – 01/1/2009)	\$26,153,244
Operations Phase Year 1 (1/2/2008 – 1/1/2009)	Operations Phase Year 1 (1/2/2009 – 1/1/2010)	\$7,146,599
Operations Phase Year 2 (1/2/2009 – 1/1/2010)	Operations Phase Year 2 (1/2/2010 – 1/1/2011)	\$7,000,755
Operations Phase Year 3 (1/2/2010 – 1/1/2011)	Operations Phase Year 3 (1/2/2011 – 1/1/2012)	\$6,833,733
Operations Extension Year 1 (1/2/2011 – 1/1/2012)	Operations Extension Year 1 (1/2/2012 – 1/1/2013)	\$6,886,829
Operations Extension Year 2 (1/2/2012 – 1/1/2013)	Operations Extension Year 2 (1/2/2013 – 1/1/2014)	\$6,839,603
Total Contract Price		\$60,860,763

The original contract included an optional provision for the State to extend the Operations Phase for an additional two years. This option was outlined in the Governor and Council letter approved on December 12, 2005. This Amendment 1 requests an extension to the DDI Phase as opposed to the Operations Phase. Although a provision to extend the DDI Phase was not included in the original contract, the additional time is needed to accurately design, develop and test NH's intricate Medicaid pricing policies and business processes and to ensure the integrity of the new MMIS system.

This is a sole source contract amendment. This amendment provides for uninterrupted continuation of essential system implementation services by the contractor in support of the NH MMIS' design, development, and implementation effort that has been progressing steadily over

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the past 24 months. MMIS implementations are notoriously complicated and expansive endeavors, and the NH project has faced its share of challenges. Many challenges encountered were accommodated and resolved, but some could not be mitigated and have led to this request for an additional year extension to the project implementation timeline. Much significant progress has been made to date. As the combined ACS and NH State MMIS project team begins to close out on the detailed system design phase, a solid NH framework has been established that will serve the State and contractor well during the system construction phase, (during which NH specific changes will be constructed), and future testing phases (wherein all functionality will be verified).

Further justification for the sole source amendment and contract extension stems from the intense level of effort invested by State staff in the overall project to date. State staff, those dedicated to the state project team and others who are subject matter experts from various business areas across the department, have invested a significant amount of time in providing information to the contractor during focused sessions, responding to follow-up action items, resolving issues, reviewing and approving contractor deliverables, building constructive interactive relationships with contractor staff, and confirming that the contractor understands NH functional and technical needs for the NH MMIS. System support staff from the DHHS and OIT who support other systems with which the MMIS must interface (e.g. New HEIGHTS, NH Bridges, NECSES, Avatar, etc.) has also been engaged and has dedicated time to refining the overall MMIS design.

The Contractor, during the requirements analysis and design phases, has employed skillful methods for interacting with and making constructive use of State staff time, and through this activity has acquired and demonstrated a thorough, detailed understanding of what the new NH MMIS must support and achieve. The contractor has made its senior corporate executive leadership accessible to the DHHS Commissioner's Office. The Department's senior executive leadership and State project management have worked closely with ACS' corporate and project leadership to establish processes to address and improve upon identified problem areas, such as quality review of final major deliverables, and ACS has been responsive. Throughout the intense schedule of project activity and challenges encountered to-date, the State and ACS have maintained a constructive, positive, and productive working relationship, through which issues are resolved and risks continually must be mitigated.

ACS has confirmed its corporate commitment to the delivery of the NH MMIS that meets or exceeds the requirements of the NH MMIS RFP, and to the delivery of a quality system. The web-based, highly configurable new NH MMIS will meet the Department's needs for a flexible system, that can easily be adapted to keep pace with the evolving needs of the Medicaid program, to better assist the Department in its administration of the program in the years ahead.

This amendment and request for a one year extension does not release the contractor from its obligations under Paragraph 10.1 of the original contract, "to make the State whole for any losses, including financial, arising from the Contractor's failure to deliver a fully operational, approved MMIS by the 24-month anniversary of the Effective Date of this Contract..." The DHHS Commissioner's Office is working with ACS to determine the costs for which ACS is accountable and the means by which ACS will "make the State whole". The Acting Commissioner is also involved in discussions with the Centers for Medicaid and Medicare

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Services (CMS) to acquire federal clarification, given that CMS has prior approval over the budget for the NH MMIS project that was approved at 90 % Federal Financial Participation (FFP).

ACS has confirmed in writing to the Department, its acknowledgement of its contractual obligations with respect to not achieving the start of the operations phase within the 24-month period as was stipulated in Paragraph 10.1 of the contract. ACS has assumed responsibility for the need to extend the project timeline by one year and agrees to this extension at no additional reimbursement to ACS. Contributing factors to the need for the additional year included more time necessary to refine the Requirements Validation final deliverable and a later than planned start up and longer than planned overall duration of the general system design phase, both of which when completed, helped to form a firm foundation for the detailed system design phase that would follow. ACS also has responded by significantly increasing the number of resources supporting the NH project.

The Department contends that the potential future benefits to be achieved once this system is operational will outweigh the challenges that must be managed during its design and implementation. MMIS' are multi-function, complex systems that interface with and exchange data with multiple external systems, and that are subject to a myriad of federal MMIS and State-specific Medicaid program requirements. The focused DDI effort for the MMIS takes place within a dynamically changing policy environment, wherein efforts to control and more effectively manage the Medicaid budget and to sustain services, results in changes in direction or new programs, that require a new level of understanding and alignment of systems processes. MMIS staff must support changes to legacy systems, while staying abreast of new developments that must be handled by the new system going forward. The MMIS must continue to monitor progress against schedule and to balance demands for time with potential risks and benefits.

The MMIS project also must prepare for and accommodate the impacts of other major systems initiatives underway. The implementation of the National Provider Identifier for the legacy MMIS is scheduled for May, 2008 and has implications for data conversion, provider re-enrollment, and testing for the new MMIS. The new MMIS is dependent on the NH First Enterprise Resource Planning project, in that the MMIS weekly provider payment file will be passed to NH First, from which the provider check and EFT payments will be issued. The State and ACS acknowledge these other major systems initiatives, and given their collective potential impact to the provider community, must take these initiatives into account for future planning.

The Department submitted an amendment to the NH MMIS Reprocurement Project Implementation Planning Document (IAPD) to the Centers for Medicare and Medicaid Services requesting CMS' prior approval for the one-year extension to the NH DDI. CMS approved Amendment 4 to the IAPD and the project extension on August 8, 2007.

The role of the MMIS implementation Contractor was described in the State's Implementation Advanced Planning Document for the NH MMIS Project, which was approved by the federal Centers for Medicare and Medicaid Services (CMS) in May 2004. A Request for Proposal (RFP) was issued in September 2004 and ACS State Healthcare was selected as the MMIS contractor through a competitive bid process. Notification of the RFP publication was issued using standard Office of Technology (OIT) procedures. The MMIS RFP 2005-004 was

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and the Honorable Executive Council
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issued on September 14, 2004 and published on the Department of Administrative Services web site.

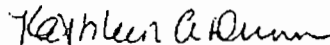
In January 2005, the Department received four (4) proposals in response to the RFP. (Please see attached bidders list). The proposals included a technical proposal and a separate cost proposal. A team of six individuals from DHHS and the Office of Information Technology thoroughly reviewed and evaluated the four proposals and scored them based upon the criteria set forth in the RFP, first based on their technical merits and then on their cost proposals. The evaluation included formal oral presentations by all bidders in April 2005. The proposals were evaluated based upon three criteria: the merits of the proposed solution, the vendor's qualifications, and the cost. ACS received the highest score on each of these three criteria and the highest score overall. ACS proposed a state of the art solution that was determined to be the best solution for meeting the functional, technical, and operational MMIS-related requirement of the RFP, and submitted the lowest cost bid. Based on these factors, ACS was selected as the winning bidder to receive the contract award.

Source of Funds: 90% federal funds, 10% general funds.

Geographic area to be served: Statewide.

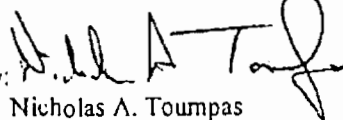
In the event that the Federal Funds become no longer available, General Funds will not be requested to support this program.

Respectfully submitted,

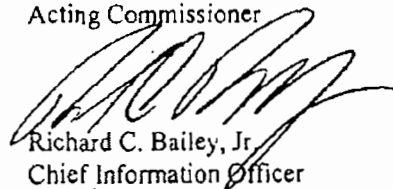


Kathleen A. Dunn
Acting Medicaid Director

Approved by:



Nicholas A. Toumpas
Acting Commissioner



Richard C. Bailey, Jr.
Chief Information Officer



JOHN A. STEPHEN
COMMISSIONER

State of New Hampshire

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APPROVED BY _____
DATE 10/07/05
PAGE _____
ITEM # Late Item C

December 2, 2005

His Excellency, Governor John Lynch
and the Honorable Executive Council
State House
Concord, NH 03301

REQUESTED ACTION

Authorize the Department of Health and Human Services to resubmit the request for approval of the contract with ACS State Healthcare, LLC, as originally proposed in its letter dated October 18, 2005. The original request was denied on a three-no to two-yes vote by Governor and Council on November 2, 2005.

The remainder of the Requested Action, below, remains unchanged from the original request.

Authorize the New Hampshire Department of Health and Human Services (DHHS or Department), Office of Medicaid Business and Policy (OMBP), to enter into an agreement with ACS State Healthcare, LLC (ACS or Vendor), Atlanta, GA (Vendor # tbd) to plan, design, develop, implement, support, maintain and operate a new, updated Medicaid Management Information System (MMIS) which will enhance and improve the State's operation of the Medicaid program. The initial agreement covers a five-year base contract period (two-year Design, Development and Implementation (DDI) Phase, and three-year Operations Phase) for a firm fixed price of \$47,134,331. The Contract further provides for an optional two-year extension of the Operations Phase, which the State may exercise at its discretion by notifying ACS in writing no later than 6 months before the expiration of the base contract period, at a firm fixed price of \$13,726,432. The base contract agreement is scheduled to commence November 2, 2005, or the date of Governor and Council approval, whichever is later, through November 1, 2010.

Table 1: Total Contract Price - DDI and Operations Phases

PHASE/YEAR	PRICE
DDI Phase	\$26,153,244
Operations Phase Year 1 (11/2007 - 11/2008)	\$7,146,599
Operations Phase Year 2 (11/2008 - 11/2009)	\$7,000,755
Operations Phase Year 3 (11/2009 - 11/2010)	\$6,833,733
Optional Extension Year 1 (11/2010 - 11/2011)	\$6,886,829
Optional Extension Year 2 (11/2011 - 11/2012)	\$6,839,603
Total Contract Price:	\$60,860,763

Funds to support this agreement through the current biennium are available in the following accounts according to State Fiscal Year, with authority to adjust amounts, if needed and justified, between fiscal years:

Table 2: Source of Funds

	SFY	ACCOUNT NO.	DESCRIPTION	AMT.
DDI EXPENSES				
	2005-2006	030-095-0422-090	MMIS Reprocurement	\$25,000,000
	2005-2006	030-095-0145-090	HHS Infotech	\$1,076,918
	SFY 2006	010-095-6126-097	Medicaid Contracts	\$76,326
DDI Sub-Total				\$26,153,244
OPERATING EXPENSES	SFY 2007	010-095-6126-098	Medicaid Fiscal Agent Contract	\$4,764,400
	SFY 2008	010-095-6126-098	Medicaid Fiscal Agent Contract	\$7,049,369
	SFY 2009	010-095-6126-098	Medical Fiscal Agent Contract	\$6,889,407
	SFY 2010	010-095-6126-098	Medicaid Fiscal Agent Contract	\$6,869,131
	SFY 2011	010-095-6126-098	Medicaid Fiscal Agent Contract	\$6,855,345
	SFY 2012	010-095-6126-098	Medicaid Fiscal Agent Contract	\$2,279,867
Operations Sub-Total				\$34,707,519
Total Contract Price				\$60,860,763

EXPLANATION

The Department of Health and Human Services seeks to resubmit the request for approval of the proposed agreement with ACS State Healthcare LLC for the replacement of the Medicaid Management Information System. The Department believes that additional facts may assist the Governor and Council in fully evaluating the merits of the Department's proposal, including facts forming the basis for the proposed agreement and the necessity of its approval. The procurement, development and installation of a Medicaid management information system is one of the mostly highly complex tasks a state will ever undertake. It is understandable that decision makers want to proceed with caution to ensure any selection is the right decision and that essential services to clients and providers are not interrupted.

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The proposed agreement with ACS was the result of a federal Centers for Medicare and Medicaid Services (CMS) warning on January 14, 2004 that the current contract would expire on June 30, 2004 and that "failure to initiate timely action to procure a replacement contract could result in the loss of federal financial participation (FFP) for the operation cost of your MMIS." CMS expected the state to submit a plan of action to show active engagement in an open, competitive bid process.

Beginning in January 2004 the Department worked collaboratively with CMS to produce and submit to CMS all of the documentation required for federal approval of the State's MMIS reprocurement and to obtain CMS authorization for 90% federal match for activities associated with the MMIS reprocurement. CMS reviewed in detail and approved in writing, without requiring any substantive changes, each of the following documents submitted by the State:

- The NH MMIS Advanced Implementation Plan and Amendments 1 and 2
- The NH MMIS RFP and the RFP Addendum
- The NH MMIS Contract with ACS State Healthcare, LLC

CMS supported the State's plan to replace the existing MMIS and to acquire the services of an implementation vendor through the competitive bid process. CMS reviewed the NH RFP in detail and approved the RFP for its consistency with the NH MMIS implementation plan. CMS reviewed the Contract between the State and ACS for its consistency with the scope of services required in the RFP and for its consistency with the NH implementation plan.

As part of the contract review and approval process, CMS requested and the Department provided a detailed description of the NH MMIS vendor proposal evaluation process and the final selection results. Federal approval of an MMIS contract is contingent on a determination that the contract was the result of a fair and open procurement. CMS was complimentary to the Department on the high quality of the NH documents received for review and was consistent in its continued approval of the Department's efforts from its approval of the initial strategic plan, through the issuance of the RFP, and up to the final approval of the resulting contract.

New Hampshire responded to the CMS request for action to reprocure its MMIS by forming a team of technical and subject matter experts to prepare an open, competitive bid by issuing a state and federally approved Request for Proposals. The Request For Proposals resulted in four bids. The bids were evaluated first based on the technical merits and then were evaluated on their cost proposals. The evaluation included formal oral presentations by all bidders. The highest scoring bidder with the lowest total cost was selected. CMS approved the contract and it was submitted to Governor and Council for approval. CMS approval letter is enclosed.

The Department also engaged Human Service Administrators from the counties in the MMIS reprocurement process, seeking county input into the development of system requirements for an enhanced automated county billing system. County representatives provided a demonstration of the system currently in use by the counties to the State during the development of the Request for Proposals. Additionally, a county-designated representative participated in a review of the county billing component of all four vendor proposals during the proposal

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evaluation process. Implementation of a new automated county billing and receipts tracking system will provide administrative efficiencies to both county and Department staff and will support more effective billing and payment reconciliation.

During the procurement process, the Department enlisted the assistance of the state Department of Justice to resolve several issues. The state evaluators signed confidentiality and conflict of interest statements to ensure the evaluation was above reproach. The Department kept CMS apprised of the process at every step. The Department hired Fox Systems, Scottsdale, AZ, with Governor and Council approval (December 1, 2004, Late Item E) to perform quality assurance services during the procurement, design and development and installation of the new MMIS. A copy of the Governor and Council letter for Fox Systems is appended to this letter for reference. As was noted on Page 3 of the FOX Governor and Council letter, FOX Systems, as the independent quality assurance contractor, will "monitor that the functional requirements stipulated by the State, and approved by the federal government, are addressed adequately by the implementation contractor during the system design and development, that all aspects of the functional, technical, and operational components of the MMIS are verified and validated, and will monitor the project's progress according to plan." Under the deliverable requirements of the Quality Assurance contract, FOX Systems will produce project status reports. The Department intends to share copies of quarterly reports from FOX with the Executive Council, the counties, and the legislature.

Following the DHHS' selection of ACS as the winning bidder, FOX was provided with the ACS MMIS proposal to commence a review of the proposed solution. FOX has reviewed the ACS response to each of the NH MMIS RFP requirements, reviewing for consistency with the expectations of the DHHS and to identify any requirements requiring further discussions between the DHHS and ACS during requirements validation sessions. FOX produced a preliminary summary of its analysis of the MMIS RFP requirements and the ACS response this week. Feedback received from FOX to date is that the ACS response was comprehensive and the proposed solution is aligned with the expectations of the NH MMIS requirements, as expressed in the RFP. A copy of the FOX preliminary summary is attached to this letter.

The remainder of the Explanation, below, remains unchanged from the original explanation.

The purpose of the above requested action is to engage the services of the Vendor to replace the existing NH MMIS with a new, state-of-the-art system that will be customized to meet all of the State's requirements as well as all federal requirements for a certified MMIS. The new MMIS System will be constructed using new technology that maximizes the use of the Internet and electronic data interchange capability. It will be a table-driven and rules-based system, which will support multi-payor and on-line real-time transaction processing. The vision for the new NH MMIS is that its design and inherent functionality will be agile and robust to accommodate DHHS's enterprise-wide integrated program management and processing needs.

The new New Hampshire MMIS will be a web enabled, enterprise-wide MMIS solution. The flexibility and breadth of functionality will facilitate improved management of services across Medicaid program areas, effect more efficient, unduplicated service planning and payment.

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support the current and evolving business needs of the Department, and provide for improved provider access and communication

The new MMIS will include all of the functionality required for a certified MMIS including the Management Administrative Reporting System (MARS), Surveillance Utilization Review System (SURS), county billing and county receivables management, acuity processing including nursing home cost reporting, decision support and case tracking functionality. Additionally, the Vendor is required to host the MMIS at the Vendor's data center, to operate and maintain the NH MMIS, and to provide fiscal agent services for the Medicaid Program.

The proposed contract contains stringent performance measures to ensure that the Vendor fully performs its obligations under the contract. The contract contains a detailed timeline for delivery of the required deliverables, and provides the State with an opportunity to review and approve all deliverables before any payments are made for those deliverables. The contract contains a holdback provision which allows the State to retain up to 15% of the DDI payments throughout the DDI phase, totaling approximately \$3 million dollars, which is only released when the system is operational. The Vendor is required to post a performance bond equal to 20% of the total DDI cost. Furthermore, the contract contains liquidated damages provisions that allow the State to impose financial penalties if various performance benchmarks are not met. Finally, the contract provides that the Vendor forfeits its operational payments if, after the 24-month DDI Phase the new MMIS is not operational.

BACKGROUND

The MMIS processes Medicaid payments for covered services provided to New Hampshire Medicaid-eligible persons in its fee-for-service programs. The MMIS processed approximately 6.5 million claims, in excess of \$770 million in State Fiscal Year 2003 (SFY03). In addition, the MMIS performs various review, audit, and reporting functions to assess and evaluate the provision of Medicaid services and associated payments.

In January of 2004 the Centers for Medicare and Medicaid Services (CMS), the federal agency responsible for administering the Medicaid program, informed the State of New Hampshire that the existing contract with EDS Corporation to operate the MMIS was overdue for reprocurement, that CMS would not authorize another extension of the existing contract, and that the State risked losing federal funding of the Medicaid program unless the State reprocured the contract via competitive bidding.

The State of New Hampshire worked collaboratively with CMS to draft a request for proposals (RFP), which would meet all requisite federal approvals and would allow the State of New Hampshire to solicit proposals from qualified and experienced vendors to implement a state of the art, multi-payer, rules-driven, on-line and real-time, Health Insurance Portability and Accountability Act (HIPAA) compliant MMIS. The RFP was issued on September 14, 2004.

On January 10, 2005 the Department received a total of four bids on the project. The following vendors submitted proposals:

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- ACS State Healthcare, LLC;
- EDS Information Services, LLC;
- First Health Services Corporation; and
- Unisys Corporation

A team of six individuals from DHHS and the Office of Information Technology (OIT) thoroughly reviewed and evaluated the four proposals, and scored them based upon the criteria set forth in the RFP. According to the requirements of the RFP, each of the vendors submitted a technical proposal and a separate cost proposal. The evaluation team reviewed each of the four technical proposals prior to reviewing any of the cost proposals.

All four vendors were invited and participated in oral presentations during the first two weeks of April 2005. Vendor orals included a system overview and demonstrations, discussion with the vendor, and allowed the members of the State evaluation team to interact with the proposed solution. Subject matter experts were invited to attend the system demonstrations and to participate in the interactive sessions.

A deficiency was identified during the review of the Unisys proposal and was confirmed during vendor orals. After legal consultation with the Attorney General's Office, the deficiency was determined to be material in nature, and therefore, the Unisys proposal was disqualified from further review in accordance with the RFP.

The proposals were evaluated based upon three criteria: the merits of the proposed solution; the vendor's qualifications; and the cost. ACS had the highest score on each of the three criteria, and the highest score overall.

Attachment 1: Vendor Selection Matrix presents the final outcomes of the MMIS RFP proposed evaluation process. Please refer to Attachment 1.

SOURCE OF FUNDS

The financing of this project relies extensively on federal funds. The State has taken every measure to ensure that all federal funds are maximized. For the DDI Phase, the source of funds is anticipated to be 80% federal dollars and 20% general funds dollars. For the Operations Phase of the contract, the source of funds is expected to be 75% federal funds and 25% general funds dollars.

In the aggregate, the source of funding is:

Federal Funds – 78%
General Funds – 22%
Other Funds – 0%

Area served: Statewide.

includes additional time to identify and implement appropriate solutions for defects and other problems identified during testing;

- Additional time to re-execute data conversion routines, to review balancing and reconciliation reports, to analyze and resolve errors, to fine-tune performance, and most critically, to keep pace with, adjust, and retest conversion routines as necessary to incorporate changes resulting from system modifications implemented in the legacy Medicaid Management Information System; and
- Continuation and expansion of the "end-to-end" testing, during which all system processes will be executed multiple times in a coordinated manner to replicate daily, weekly, monthly, quarterly, and annual cycle processing.

This Amendment 4 projects the implementation of the Phase II core Medicaid Management Information System on or before January 1, 2013. The Provider Re-Enrollment component of the Medicaid Management Information System has been implemented successfully in December 2011. This Amendment allows for the possibility of implementing the core Medicaid Management Information System in the months preceding January if, after testing, the State and ACS determine that the system is ready to be released and that operational readiness has been achieved. The go-live date for the new Medicaid Management Information System will be coordinated with the New Hampshire Medicaid provider community, interfacing entities, Hewlett-Packard Development Company, and the legacy Medicaid Management Information System, and the State business units it impacts.

The Department of Health and Human Services and ACS teams continue to work effectively and collaboratively to resolve issues, to devise practical solutions to challenges, and to coordinate a strategic approach to meeting all of the project demands for a Design, Development, and Implementation go-live by January 1, 2013. The implementation of the enhanced reporting repository and Outpatient Prospective Payment System enhancements will occur before July 31, 2013.

The Contractor, ACS, has confirmed its corporate commitment to the delivery of the New Hampshire Medicaid Management Information System that meets or exceeds the requirements of the New Hampshire Medicaid Management Information System Request For Proposal, and to the delivery of a high quality solution. ACS commits to all of its obligations under the Contract. The Department of Health and Human Services believes that the potential future benefits to be achieved once this system is operational will far outweigh the challenges that must be managed during its design and implementation.

Source of Funds: Design, Development, and Implementation phase: 90% federal funds, 10% general funds.

Operations phase: 75% federal funds, 25% general funds.

Geographic area to be served: Statewide.

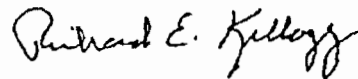
In the event that the Federal funds become no longer available, General Funds will not be requested to support this program.

Prior Related Actions

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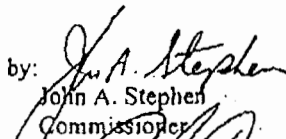
In the event that federal funds become no longer available, General Funds will not be requested to support this program.

Respectfully submitted,

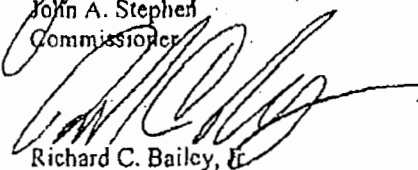


Richard E. Kellogg
Interim Medicaid Director

Approved by:



John A. Stephen
Commissioner



Richard C. Bailey, Jr.
Chief Information
Officer