

**State of New Mexico
Procuring Agency of Human Services
Information Technology Agreement Amendment No. 2**

SPD # PSC 10-630-00-18244 A2

THIS CONTRACT AMENDMENT NO. 2 to Information Technology Agreement, PSC 12-630-8000-0015 ("Agreement") is made and entered into by and between the State of New Mexico **Human Services Department**, hereinafter referred to as the "Procuring Agency" or "PROCURING AGENCY" and Xerox State Healthcare, LLC, hereinafter referred to as the "CONTRACTOR" and collectively referred to as the "Parties".

The purpose of this Amendment is to:

1. Increase the cost limits in Article 3.B. to reflect the modified scope of work, clarify the term of the Agreement, and remove the language pertaining to Deliverable 40, Optional Client Solutions Call Center, since this option has been exercised.
2. Update Article 12 to establish that the CONTRACTOR's employees and subcontractors are not providers of Medicaid benefits under this Agreement.
3. Add Mi Via debit card software and PRISM software to the Appendix 1 list of items named as Software as a Service ("Saas"), as referenced by Article 9.A.5, and replace references to "LexisNexis" in Appendix 1 with "Digital Harbor."
4. Modify the requirements and cost of Deliverable #13 to incorporate additional operational functions.
5. Replace references to "LexisNexis" in Subtasks 18.1.1 and 18.3.20 through 18.3.25 of Deliverable #18 with "provider risk evaluation subcontractor," and correct the numbering in subtasks 18.3.20 through 18.3.25.
6. Modify the requirements of Deliverable #23 to incorporate debit card capability for Mi Via payments.
7. Make Deliverable #33 an option the State can exercise rather than mandatory.
8. Modify Deliverable #40 to specify the timeframe and requirements for turning over the function after the option is exercised and to adjust the deliverable cost to reflect monthly rates.
9. Add Deliverable #42 to provide the Medical Assistance Division with continued local area network support until such time as this function can be transferred to the PROCURING AGENCY.
10. Add Deliverable #43 to enhance the Medicaid Management Information System (MMIS) and the CONTRACTOR's HIPAA Translation Solution to meet the requirements of Phase 1 of the HIPAA Operating Rules.

11. Add Deliverable #44 to provide ongoing operational support for Phase 1 of the HIPAA Operating Rules.
12. Add Deliverable #45 to define the requirements and cost of remediating the MMIS and HIPAA Translation Solution to comply with Phase 2 of the HIPAA Operating Rules.
13. Add Deliverable #46 to enhance the MMIS to meet Patient Protection and Affordable Care Act (PPACA) and Centennial Care requirements.

WHEREAS, the parties hereto desire to amend and/or add other provisions to the Agreement;

NOW THEREFORE IT IS MUTUALLY AGREED BETWEEN THE PARTIES THAT THE FOLLOWING PROVISIONS OF THE ABOVE-REFERENCED AGREEMENT ARE AMENDED AS FOLLOWS:

1. **General Provisions.** This Amendment No. 2 shall be deemed and considered as part of the Agreement for all purposes.
2. **Miscellaneous.** Except as expressly set forth herein, this Amendment No. 2 shall not by implication or otherwise alter, modify, amend or in any way affect any of the terms, conditions, obligations, covenants or agreements contained in the Agreement, all of which are ratified and affirmed in all respects and shall continue to remain in full force and effect and binding upon the parties.

Article 3, Compensation, Paragraph B, is amended as follows:

B. **Payment.** The total amount payable by the Procuring Agency to the CONTRACTOR during the term of this Agreement (CY12 – CY16) shall not exceed \$111,656,652.65 (the “Base Amount”), which amount is inclusive of New Mexico gross receipts tax.

The actual available budget for State fiscal year shall be identified by the Procuring Agency at the time of renewal. Below is the pricing per State fiscal years for all years, including renewals:

State Fiscal Year 2012 (ending June, 2012):	\$ 268,360.88
State Fiscal Year 2013 (ending June, 2013):	\$ 23,344,088.35
State Fiscal Year 2014 (ending June, 2014):	\$ 26,331,420.89
State Fiscal Year 2015 (ending June, 2015):	\$ 24,356,502.58
State Fiscal Year 2016 (ending June, 2016):	\$ 24,820,533.04
State Fiscal Year 2017 (ending December, 2016)(Base):	\$ 12,535,746.91
State Fiscal Year 2017 (Jan. 2017 – June 2017)(Option):	\$ 12,722,407.79
State Fiscal Year 2018 (ending June, 2018)(Option Yr):	\$ 25,743,110.90
State Fiscal Year 2019 (ending June, 2019)(Option Yr):	\$ 26,346,606.97
State Fiscal Year 2020 (ending June, 2020)(Option Yr):	\$ 13,339,784.69

The Base Amount includes all services as stated in the Scope of Work under this Agreement and set forth in Exhibit A, attached to this Agreement; and Separately Invoiced Items and Services as identified in Article 3(G) of this Agreement, such Separately Invoiced Items and Services shall have a maximum State Fiscal Year amount of \$1,500,000.00.

The Base Amount also includes a dollar amount from Exhibit A, Scope of Work, Deliverable Twenty-Three (Mi Via FMA – Ongoing Operations and Maintenance)(the “Mi Via FMA Services”). Payment for the Mi Via FMA Services is calculated based on estimated Mi Via participants and Mi Via claim counts. After the completion of each State Fiscal Year, if either the Mi Via participant or Mi Via claims counts for a year vary (over or under) by two and one-half percent (2.5%), the Procuring Agency and the Contractor will negotiate new mutually agreeable rates for Mi Via FMA Services to be effective on the first day of the next State Fiscal Year.

Payment shall be made upon completion of each Deliverable and upon the receipt and acceptance of a detailed, certified Payment Invoice. Payment will be made to the CONTRACTOR’s designated mailing address. In accordance with Section 13-1-158 NMSA 1978, payment shall be tendered to the CONTRACTOR within thirty (30) days of the date of written certification of Acceptance. All Payment Invoices MUST BE received by the Procuring Agency no later than fifteen (15) business days after the end of the State Fiscal Year in which services were delivered. **Payment Invoices received after such date WILL NOT BE PAID.**

Article 12, Contractor Personnel, is amended by the addition of 12.C.6 as follows:

6. The CONTRACTOR’s employees and subcontractors will not, in any sense, be considered providers of Medicaid benefits under this Agreement.

Appendix 1 is replaced with the following:

1. Configured and Integrated Proprietary Software

Pharmacy OS+ (owned by CONTRACTOR)
 IFADS (owned by Subcontractor, Optum Insight)

2. SaaS

DRAMS (owned by CONTRACTOR)
 State-level registry (owned by CONTRACTOR)
 Mi Via Debit Card software (owned by CONTRACTOR)
 All Greystone provided systems, specifically *GCESonline* (owned by Subcontractor, Greystone)
 All TNT provided systems (no specific name) (owned by Subcontractor, TNT)
 All Digital Harbor provided systems (no specific name) (owned by Subcontractor, Digital Harbor)

Exhibit A, Scope of Work, Deliverables 13, 18, 23, 33 and 40 are amended and Deliverables 42, 43, 44, 45 and 46 are added, as shown in the Exhibit A, Amended Scope of Work, attached hereto and referenced herein.

All other Articles, Appendices and Exhibits, as amended, remain the same.

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IN WITNESS WHEREOF, parties have executed this Agreement as of the date of signature by the State Purchasing Division, below, or a specified date, whichever is later.

By: Sidonie Squier Date: 5/31/13
Sidonie Squier, Cabinet Secretary
Human Services Department

By: Danny Sandoval Date: 5/28/13
Danny Sandoval, Chief Financial Officer
Human Services Department

By: Sean Pearson Date: 5/31/13
Sean Pearson, Chief Information Officer
Human Services Department

By: Brett Jakovac Date: 5/28/2013
Brett Jakovac, Vice President of Operations
Xerox State Healthcare, LLC

Approved as to Form and Legal sufficiency:

By: Raymond W. Mensack Date: 5/31/13
Raymond W. Mensack, General Council
Human Services Department

Approved as to information technology contractual specifications and compliance with all pertinent statutory laws defining the mission and authority of the Department of Information Technology and all Executive Orders relating to Information Technology issued by the Governor of the State of New Mexico

By: Mary Ann Sanchez Date: June 3 2013
Mary Ann Sanchez, Secretary and State CIO
Department of Information Technology

The records of the Taxation and Revenue Department reflect that the Contractor is registered with the Taxation and Revenue Department of the State of New Mexico to pay gross receipts and compensating taxes.

ID Number: 02-408915-000

By: Julie Peco Date: 5/31/13
Julie Peco
Taxation and Revenue Department

This Agreement has been approved by the State Purchasing Division:

By: [Signature] Date: 6/11/13
State Purchasing Agent

Exhibit A, Amended Scope of Work

Exhibit A, Scope of Work, M. Deliverable Number 13: State Level Registry (SLR) – Ongoing Operation and Maintenance, Compensation and Tasks 13.2 and 13.4, are amended as follows:

<u>Deliverable Thirteen</u>	<u>Due Date</u>	<u>Compensation</u>
SLR – Ongoing Operation and Maintenance [Monthly System Operations]	Start: 1-Jan-2013 End: 31-Dec-2019	\$ 1,963,811.76 Amount, plus NM GRT, due per agreed payment schedule.

Task Item	Subtasks	Description
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13.2 Operate and Maintain the State Level Registry	13.2.1 Provide All SLR Operations, Infrastructure & Staff Support	<p>The CONTRACTOR shall operate and maintain the State Level Registry (SLR) according to the specifications proposed by the CONTRACTOR and accepted by the Procuring Agency.</p> <p>The CONTRACTOR shall supply the necessary hardware, software, telecommunications and other components and information technology staff support to operate the SLR.</p>
	13.2.2 Produce and Distribute SLR Production Reports	The CONTRACTOR shall produce and distribute via the EDMS, hard copy, or other Procuring Agency-approved means all production reports proposed as part of the CONTRACTOR’s SLR solution.
	13.2.3 Provide Additional Staff for SLR Support	All programming functions for the SLR are the responsibility of staff assigned to SLR support and such staff is in addition to the System Maintenance Unit staff required by Deliverable 2.
	13.2.4 Ensure SLR Support Staff are Qualified	Programming staff assigned to support the SLR will be knowledgeable in the system, in the Medicaid Program, and in the business needs and operations of the functional area supported by the system.
	13.2.5 Provide Initial “Tier 1” Help Desk for SLR	The CONTRACTOR will provide the help desk service for all initial “Tier 1” contacts by telephone, email or web regarding the SLR.

<p>13.4 Manage Agreed Payment Schedule</p>	<p>13.2.6 Train State Employees on Major SLR Changes</p>	<p>The CONTRACTOR will provide “train the trainer” classes to the Procuring Agency’s employees in advance of major changes to the SLR.</p>
	<p>13.2.7 Answer “Tier 2” Calls</p>	<p>The CONTRACTOR shall provide qualified staff to answer “Tier 2” calls escalated by the SLR Help Desk. CONTRACTOR staff must be available to answer calls Monday through Friday from 8:00 AM to 5:00 PM Mountain Time, except for holidays approved by the Procuring Agency, to receive and respond to inquiries unless the Procuring Agency approves other hours of operation.</p>
	<p>13.2.8 Perform Prepayment Validation</p>	<p>The CONTRACTOR shall provide qualified staff to perform prepayment validation of provider-submitted documents to support attestation, render a determination within 24 hours, and document, track and report on attestations submitted and adjudicated.</p>
	<p>13.2.9 Manage Provider Appeals Process</p>	<p>The CONTRACTOR shall provide qualified staff to receive appeals from providers whose attestations were denied, render a determination of each appeal within 24 hours, and document, track and report on appeals submitted and adjudicated.</p>
	<p>13.4.1 Manage Agreed Payment Schedule</p>	<p>CONTRACTOR shall be paid a fixed monthly rate for delivering these operations, plus the applicable New Mexico Gross Receipts Tax (NM GRT) for that month, with no retainage, according to the following schedule:</p> <p>13.4.1.1 Jan 1, 2013 – Dec 31, 2013: \$ 32,526.00 13.4.1.2 Jan 1, 2014 – Dec 31, 2014: \$ 27,317.67 13.4.1.3 Jan 1, 2015 – Dec 31, 2015: \$ 20,026.00 13.4.1.4 Jan 1, 2016 – Dec 31, 2016: \$ 20,026.00</p> <p>Three renewal years described in Article 5:</p> <p>13.4.1.5 Jan 1, 2017 – Dec 31, 2017: \$ 20,626.78 13.4.1.6 Jan 1, 2018 – Dec 31, 2018: \$ 21,245.58 13.4.1.7 Jan 1, 2019 – Dec 31, 2019: \$ 21,882.95</p>

Exhibit A, Scope of Work, R. Deliverable Number 18: Ongoing Provider Management Services, Subtasks 18.1.1 and Subtasks 18.3.20 through 18.3.25 are amended as follows:

Task Item	Subtasks	Description
18.1 Enroll Providers	18.1.1 Meet Detailed Specifications for Provider Enrollment	<p>The CONTRACTOR shall perform, at a minimum, the following Provider Enrollment functions according to the standards and specifications determined by the Procuring Agency:</p> <p>18.1.1.1 The CONTRACTOR shall make Provider Participation Agreement forms and instructions available to providers via download from the Web portal and on paper. Potential providers requesting Provider Participation Agreement forms will be directed to the Web portal if the provider appears to be eligible for enrollment. Paper forms will be distributed to potential providers who cannot access the Web portal within three (3) business days of receipt of the request. In addition, the CONTRACTOR shall contact potential providers regarding the enrollment process when the CONTRACTOR's Provider Relations staff receives claims identified as coming from an unenrolled provider or upon Procuring Agency request.</p> <p>18.1.1.2 Screen applications received for completeness and verify the information on the application as necessary. The CONTRACTOR shall verify the licensure, certification, accreditation or other requirements for participation submitted by the provider. This may require contacting the prospective provider, a licensing board, another state's Medicaid agency, or another state's contractor.</p> <p>18.1.1.3 Maintain an electronic log of all Provider Participation Agreement forms received from applicants. This log shall identify the applicant, the date the application was received, and the current status and location of each agreement through the final step of notifying a provider of the issued number.</p> <p>18.1.1.4 Retain the data in such a manner that all actions relevant to a particular applicant can be identified at any point in the process. Produce a report that will identify all open agreements sorted and tallied by status or stage in the process.</p>

		<p>18.1.1.5 Verify that the applicant is in good standing with the Medicaid program and is not a Department of Health and Human Services Office of Inspector General (HHS-OIG) excluded entity through HHS-OIG's List of Excluded Individuals/Entities (LEIE) and other appropriate databases.</p> <p>18.1.1.5.1 The CONTRACTOR shall access the provider risk evaluation subcontractor's database real-time when screening the provider's application to perform provider credentialing.</p> <p>18.1.1.6 Verify prospective providers' eligibility through contact with the appropriate certification, licensing, or accreditation agencies as identified by the Procuring Agency. Verification of providers will be documented on a form approved by the Procuring Agency. The CONTRACTOR shall forward verified Provider Participation Agreements and appropriately screened documentation to the Procuring Agency for final approval.</p> <p>18.1.1.7 Return any incorrect or incomplete Provider Participation Agreement forms with instructions to the prospective provider for proper completion of the form. Communicate to the applicant the need for any documentation of licensure, certification, or accreditation for provider Enrollment purposes. Notify providers through system-generated notices or in writing of cancellation of their provider numbers, and of the reasons for the cancellations.</p> <p>18.1.1.8 Forward all completed and verified applications to the Procuring Agency for final approval and signatures within five (5) business days of receipt of verification.</p> <p>18.1.1.9 Apply provider updates to the Provider File within five (5) business days of receipt of the information from the Procuring Agency or the provider.</p> <p>18.1.1.10 Add new providers within five (5) business days of approval of the applications by the Procuring Agency.</p> <p>18.1.1.11 Re-verify provider participation information every two years, as tracked by the MMIS on an individual provider basis, by obtaining a properly completed Procuring Agency Provider Agreement Re-verification form and verifying</p>
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<p>18.3 Manage Provider Information</p>	<p>18.3.20 Send Active Provider Data to provider risk evaluation subcontractor Monthly for</p>	<p>licensure and/or certification. The CONTRACTOR shall forward verified and appropriately screened re-verification agreements and documentation to the Procuring Agency for approval. The CONTRACTOR shall send correspondence to providers to inform them when re-verification forms have been approved.</p> <p>18.1.1.12 Obtain current licensure documentation from providers in writing at least 45 days in advance when licensure is due to expire as tracked by the MMIS. The CONTRACTOR shall update the Provider File upon receipt of current licensure documentation, shall scan and index the documentation so it becomes part of the provider's file available via the EDMS, and shall file the documentation in providers' hard copy files.</p> <p>18.1.1.13 Maintain a file of all Provider Agreement forms with original provider signatures and a list of individuals with ownership interests, if applicable. Hard copy files will be accessible by provider number.</p> <p>18.1.1.14 Scan incoming provider applications and related documentation; these files will be accessible online by provider number via image retrieval via the CONTRACTOR's Electronic Document Management System (EDMS).</p> <p>18.1.1.15 Maintain all hard copy provider application material and related documentation, and the electronic images of any such material and documentation included in the CONTRACTOR's EDMS, as long as the provider is Medicaid enrolled and for seven (7) years following the end of the federal fiscal year in which the provider was terminated or disenrolled. Notes regarding the application made by the CONTRACTOR or the Procuring Agency will be documented in a clear written formal manner with signature and dates. Notes on scrap paper or post-it notepads are not acceptable.</p> <p>The CONTRACTOR shall send an interface file that includes active fee-for-service and Mi Via provider data to the provider risk evaluation subcontractor on a monthly basis. Provider risk evaluation subcontractor will assign a dynamic risk profile score to each active provider that evaluates the providers' backgrounds and alerts staff to</p>
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	<p>Risk Evaluations</p> <p>18.3.21 Collect Provider Risk Evaluations</p> <p>18.3.22 Deliver Provider Risk Evaluations to the State</p> <p>18.3.23 Make Risk Profile Evaluations Available Electronically</p> <p>18.3.24 Make Risk Profile Files Available Electronically</p> <p>18.3.25 Recommend Methods to Improve the Provider File and Subsystem</p>	<p>critical changes. The risk profile score will be based on quantifiable attributes such as death indicators, licensure and criminal record, as well as factors such as associations with excluded providers, multiple address changes, bankruptcies, etc..</p> <p>The CONTRACTOR shall collect the “triaged,” actionable files and Risk Profile Scores on fee-for-service and Mi Via providers from the provider risk evaluation subcontractor.</p> <p>Upon completion of risk scoring, the CONTRACTOR shall deliver the provider risk evaluation subcontractor report to the Procuring Agency identifying the risk category assignment and relative ranking of each provider, and describing why a provider is in the assigned risk category.</p> <p>The CONTRACTOR shall make risk profile reports generated by the provider risk evaluation subcontractor available via the Electronic Document Management System for Procuring Agency staff to retrieve and review.</p> <p>The CONTRACTOR shall make risk profile files generated by the provider risk evaluation subcontractor available via the data warehouse or secure web-based file transfer for Procuring Agency staff to retrieve and review.</p> <p>The CONTRACTOR shall make recommendations to the Procuring Agency on methods for improving the forms, materials, and procedures involved with maintaining the Provider File and Subsystem.</p>
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Exhibit A, Scope of Work, W. Deliverable Number 23: Mi Via Financial Management Agent (FMA) – Ongoing Operation and Maintenance, Subtask 23.4.1 is amended as follows:

Task Item	Subtasks	Description
23.4 Support Payroll and Financial Processing	23.4.1 Meet Detailed Specifications for Payroll and Financial Processing	<p>The CONTRACTOR shall support payroll and financial processing by performing the following activities:</p> <p>23.4.1.1 Set up positive and negative adjustments for retroactive timesheet changes.</p> <p>23.4.1.2 Initiate retroactive payments, recoveries, and deductions from ongoing payments to offset previous overpayments.</p> <p>23.4.1.3 Compute gross and net wages to employee, including deductions for retroactive recoveries and New Mexico gross receipt taxes.</p> <p>23.4.1.4 Issue checks or direct deposits to employees at least biweekly and to vendors at least weekly.</p> <p>23.4.1.5 Issue checks for retroactive underpayments.</p> <p>23.4.1.6 Upon approval by the PROCURING AGENCY, issue payments via prepaid debit card.</p> <p>23.4.1.6.1 Implement the CONTRACTOR’s standard Go Program using the debit MasterCard Way2Go Card at no cost to the PROCURING AGENCY.</p> <p>23.4.1.6.2 Design instructional materials for distribution to debit card users.</p> <p>23.4.1.6.3 Mail initial and replacement debit cards to Mi Via participants.</p> <p>23.4.1.6.4 Process payment files delivered via Automated Clearing House (ACH) to load funds to participant debit cards.</p> <p>23.4.1.6.5 As directed by the PROCURING AGENCY, block cash transactions and transactions from specified merchant category codes.</p> <p>23.4.1.6.6 Provide customer service to debit card users twenty-four (24) hours per day, seven (7) days per week.</p>

	<p>23.4.1.6.7 Provide standard program reporting.</p> <p>23.4.1.7 Update the POCMS with payroll and payment information.</p> <p>23.4.1.8 Print and mail participant and vendor payroll/payment reports.</p> <p>23.4.1.9 Produce all IRS and New Mexico payroll, income tax, and workers compensation forms, reports, and data.</p> <p>23.4.1.10 Produce and mail W-2 and 1099 forms to employees and vendors.</p> <p>23.4.1.11 Provide routine workers compensation administration as part of payroll processing.</p> <p>23.4.1.12 Perform an annual reconciliation and reimbursement process to properly account for FICA, SUTA and FUTA dollars for employees/employers who did not generate sufficient wages within the tax year.</p>
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Exhibit A, Scope of Work, GG. Deliverable Number 33: Electronic Billing of Other Carriers (EBOC) – Development and Implementation, is amended as follows:

The phrase “[System Enhancement]” is replaced by “[Procuring Agency Option]”.

The Due Date is changed from “1-Nov-2013” to “Procuring Agency OPTION.”

The Compensation is only due if this option is exercised.

<u>Deliverable Thirty-Three</u>	<u>Due Date</u>	<u>Compensation</u>
EBOC –Development and Implementation [Procuring Agency Option]	Procuring Agency OPTION	If Procuring Agency exercises this option, \$ 292,354.30 with 10% retained until complete Amount, plus NM GRT, due per agreed payment schedule.

Exhibit A, Scope of Work, GG. Deliverable Number 33: Electronic Billing of Other Carriers (EBOC) – Development and Implementation, Tasks 33.1 and 33.2, are amended as follows:

Task Item	Subtasks	Description
33.1 Design, Develop and Test Electronic Billing of Carriers	33.2.1 Obtain State Approval and Put EBOC into Production	Currently, recovery of payments made on behalf of clients for whom other insurance is later identified, or for services for which State or federal policy precludes cost avoidance, is made by generating paper bills for submission to the other insurance carrier.
33.2 Implement Electronic Billing of Carriers Enhancement	33.2.2 Ensure EBOC is Operational by Agreed Date	At the option of the Procuring Agency, CONTRACTOR shall enhance the MMIS to generate Electronic Billing of Other Carriers (EBOC) in the X12 5010 837 format. This option, if exercised by the PROCURING AGENCY, must be implemented by the date mutually agreed upon by the PROCURING AGENCY and CONTRACTOR.

Exhibit A, Scope of Work, NN. Deliverable Number 40: Optional Client Solutions Call Center, is replaced with the following:

<u>Deliverable Forty</u>	<u>Due Date</u>	<u>Compensation</u>
Client Solutions Call Center [Procuring Agency OPTION]	Procuring Agency OPTION	Not To Exceed \$2,919,999.30 Amount, plus NM GRT, due per agreed payment schedule if option is exercised through the end of the contract.

Task Item	Subtasks	Description
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40.1 Establish Client Solutions Call Center	40.1.1 Establish Client Solutions Call Center (CSCC) if State Exercises This Option	The Procuring Agency exercised this option effective April 1, 2013, for the CONTRACTOR to establish a Client Solutions Call Center (CSCC) to respond to inquiries from clients and the general public regarding medical assistance programs administered by the Procuring Agency.
	40.1.2 Use Existing Call Center Components	The CONTRACTOR shall use existing systems to support the new CSCC: 40.1.2.1 Communications Management System 40.1.2.2 Call Management System 40.1.2.3 Contact Tracking System 40.1.2.4 Modular Messaging System 40.1.2.5 Call Recording System
	40.1.3 Hire and Train Staff for CSCC	The CONTRACTOR shall hire and train personnel to staff the Client Solutions Call Center and respond to client phone calls.
40.2 Operate Client Solutions Call Center	40.2.1 Meet Detailed Specifications for the CSCC	The CONTRACTOR shall: 40.2.1.1 Ensure that each CSCC staff member meets the following qualifications prior to taking calls: 40.2.1.1.1 Are knowledgeable of the Procuring Agency's medical assistance programs; 40.2.1.1.2 Understand eligibility and managed care enrollment policy;

		<p>40.2.1.1.3 Have access to, understand, and can navigate the OmniCaid;</p> <p>40.2.1.1.4 Have access to, understand, and can navigate the ISD2 eligibility determination system or its replacement;</p> <p>40.2.1.1.5 Understand where to refer callers seeking information on other programs, including but not limited to the Supplemental Nutrition Assistance Program (SNAP), energy assistance, and long-term services.</p> <p>40.2.1.2 Respond to calls concerning verification of coverage, questions concerning managed care enrollment or status, requests for replacement ID cards, and other eligibility and enrollment issues except those requiring the explicit interpretation of Medicaid Program policy or client eligibility policy, as directed by the Procuring Agency.</p> <p>40.2.1.3 Identify discrepancies between OmniCaid and ISD2 (or its replacement) and make referrals to MAD or the client's local ISD office as necessary to resolve the discrepancy.</p> <p>40.2.1.4 Enroll clients into a Managed Care Organization and switch a client's plan upon request during open enrollment.</p> <p>40.2.1.5 Respond to written inquiries and process written requests for replacement ID cards and MCO selection.</p> <p>40.2.1.6 Ensure the availability of staff fluent in Spanish to speak to clients whose primary fluency is in Spanish.</p> <p>40.2.1.7 Ensure the CSCC is equipped with sufficient incoming lines so clients and members of the general public are not given a busy signal but are placed on hold to ensure maximum opportunities for reaching a staff person in the order the calls are received. The telephone route-table content will allow caller to hold. The telephone system will also give callers the option to branch from hold to voice mail. The CONTRACTOR shall respond to messages left on voice mail within one business day.</p>
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<p>40.3 Provide Turnover Support Upon Request</p>	<p>40.3.1 Receive Notice from PROCURING AGENCY</p> <p>40.3.2 Provide</p>	<p>40.2.1.8 Ensure hold times shall not exceed, on average, more than two (2) minutes prior to reaching a CSCC staff member.</p> <p>40.2.1.9 Ensure the CSCC call abandonment rate does not exceed 10%, as measured on a monthly basis.</p> <p>40.2.1.10 Ensure the CSCC is available Monday through Friday from 8:00 AM to 5:00 PM Mountain Time, except for holidays approved by the Procuring Agency, to receive and respond to provider inquiries unless the Procuring Agency approves other hours of operation.</p> <p>40.2.1.11 Provide a corrective action plan to the Procuring Agency if the abandonment rate exceeds 10% and/or the average speed of answer exceeds the maximum average two (2) minute threshold. An excessive number of calls routed to voice mail, as determined by the Procuring Agency, may prompt a request for corrective action.</p> <p>40.2.1.12 Respond to all written inquiries within two (2) business days of the receipt of the query.</p> <p>40.2.1.13 Document each telephone and written inquiry using the CONTRACTOR’s automated contact tracking system and identify the reason for each inquiry to support management and reporting.</p> <p>40.2.1.14 Monitor the performance of the CSCC. Reports shall be sent weekly to the Procuring Agency, or more frequently as requested by the Procuring Agency when there is a performance issue. The CONTRACTOR shall provide backup personnel and support necessary to ensure that inquiries beyond the capability of the initially responding staff member are answered and/or properly referred to CONTRACTOR management or, when appropriate, to the Procuring Agency.</p> <p>With six months’ notice, the PROCURING AGENCY may elect to take over the CSCC function or transfer it to another contractor.</p> <p>40.3.2.1 Within thirty (30) days of receipt of notification of</p>
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<p>40.4 Manage Agreed Payment Schedule for Client Solutions Call Center</p>	<p>Turnover Support</p> <p>40.4.1 Invoice the State According to the Agreed Monthly Rates if State Exercises This Option</p>	<p>intent to take over or transfer responsibility for the CSCC function, the CONTRACTOR shall provide a statement of the resources that will be required by the PROCURING AGENCY or another CONTRACTOR to take over operation of the CSCC, including estimates of the number, type, and salary of personnel and required facilities, equipment and other resources.</p> <p>40.3.2.2 Within thirty (30) days of receipt of notification of intent to take over or transfer responsibility for the CSCC function, the CONTRACTOR shall turn over procedure manuals, performance reports, training materials, and any other documentation related to the operation of the CSCC.</p> <p>40.3.2.3 The CONTRACTOR shall train the staff of the PROCURING AGENCY or its designated agent in the operation of the CSCC.</p> <p>40.3.2.4 The CONTRACTOR may not prohibit any staff or management working for the CSCC from choosing to accept a position with a successor contractor or the State of New Mexico.</p> <p>For as long as the PROCURING AGENCY exercises this option, the CONTRACTOR shall be paid a fixed monthly rate for delivering these operations, plus the applicable New Mexico Gross Receipts Tax (NM GRT) for that month, with no retainage, according to the following schedule::</p> <p>40.4.1.1 Apr 1, 2013 – Sep 30, 2013: \$ 42,596.00 40.4.1.2 Oct 1, 2013 – Dec 31, 2013: \$ 32,222.42 40.4.1.3 Jan 1, 2014 – Dec 31, 2014: \$ 33,189.75 40.4.1.4 Jan 1, 2015 – Dec 31, 2015: \$ 34,180.08 40.4.1.5 Jan 1, 2016 – Dec 31, 2016: \$ 35,200.50</p> <p>Three renewal years described in Article 5:</p> <p>40.4.1.7 Jan 1, 2017 – Dec 31, 2017: \$ 36,031.17 40.4.1.8 Jan 1, 2018 – Dec 31, 2018: \$ 37,130.25 40.4.1.9 Jan 1, 2019 – Dec 31, 2019: \$ 38,247.92</p>
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Exhibit A, Scope of Work, PP. Deliverable Number 42: Optional MMIS Local Area Network (LAN) Support, is added as follows:

<u>Deliverable Forty-Two</u>	<u>Due Date</u>	<u>Compensation</u>
Optional MMIS Local Area Network (LAN) Support [Monthly System Operations]	Procuring Agency OPTION	Not To Exceed \$1,130,919.72 Amount, plus NM GRT, due per agreed payment schedule if option is exercised through the end of the contract.

Task Item	Subtasks	Description
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42.1 Respond to Requests to Exercise Option	42.1.1 Specific Option Requirements	<p>At the option of the PROCURING AGENCY, the CONTRACTOR shall provide operational support for the Medical Assistance Division’s MMIS Local Area Network (LAN) and for the personal computers (PCs) used by MAD staff.</p> <p>This option shall be exercised in quarterly increments. The PROCURING AGENCY shall notify the CONTRACTOR in writing of its intent to exercise the option or to take over responsibility for this function at least 90 days prior to the start of the next calendar quarter.</p>
42.2 Provide MMIS LAN Support	42.2.1 Augment Staffing to Support LAN Operations and Maintenance	In the event that the PROCURING AGENCY exercises this option, the CONTRACTOR will augment the Network Management Unit required by Deliverable 12 with at least one full-time network technician who shall be located in work space provided by the PROCURING AGENCY.
	42.2.2 Meet Detailed Requirements for MMIS LAN Operations	<p>In the event that the PROCURING AGENCY exercises this option, the CONTRACTOR shall meet the following requirements:</p> <p>42.2.2.1 The CONTRACTOR shall designate a single contact number for MMIS LAN user support and provide a phone line directly to an MMIS LAN Support Help Desk.</p> <p>42.2.2.2 The CONTRACTOR’s LAN Help Desk shall be available on workdays from 7:00 a.m. to 5 p.m. Mountain</p>

		<p>Time. After business hours the LAN Operations Support shall be considered to be an “on call” service with no one actually having to be at the CONTRACTOR’s office or at the Help Desk. A LAN technician shall be on call, using a paging or other system, 24 hours a day and seven days a week. After hours calls shall be returned within fifteen (15) minutes and a LAN technician shall be on-site to address issues as necessary within two (2) hours of notification by the DEPARTMENT.</p> <p>42.2.2.3 The CONTRACTOR is required to establish a system that pages one of the technicians when a voice mail is left on the phone because the phone was not answered or automatically forwards such calls to a cellular phone carried by a technician who is available to resolve problems experienced by DEPARTMENT users. Such calls shall be returned within fifteen (15) minutes.</p> <p>42.2.2.4 The CONTRACTOR shall treat cases of the loss of network connectivity on the MMIS LAN as its highest priority.</p> <p>42.2.2.5 The CONTRACTOR shall utilize a Help Desk ticketing system in order to provide the DEPARTMENT with reports of completed work and to ensure all internal customer issues are recorded. The DEPARTMENT will determine an acceptable average response time for recording the trouble ticket, processing the ticket, and verifying resolution based on priority levels.</p> <p>42.2.2.6 The CONTRACTOR shall perform, at a minimum, the following functions related to the MMIS LAN:</p> <p>42.2.2.6.1 Provide PCs and LANs to accept data downloaded periodically and regularly from the host and tie the functional areas of MAD together to enable, at a minimum, sharing of data files, decision support activities and other activities as required by the DEPARTMENT. The PCs will operate stand-alone, as part of a network, and/or under terminal emulation to the host MMIS. The PCs will be owned by the DEPARTMENT. The CONTRACTOR shall:</p> <p>42.2.2.6.2 Provide all hardware and other resources necessary for the operation, maintenance, and enhancement of the MMIS LAN.</p>
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	<p>42.2.2.6.3 Maintain the individual workstation PC's as part of the overall MMIS LAN management and support.</p> <p>42.2.2.6.4 Support all software programs used by the Medical Assistance Division staff either on the MMIS LAN or on the individual PC workstations, including MMIS software and general software such Microsoft Office.</p> <p>42.2.2.6.5 Ensure access to the MMIS and the MMIS Data Warehouse is available through the MMIS LAN.</p> <p>42.2.2.6.6 Establish and manage the MMIS LAN directory structure including creating, supporting, and controlling access to the various directories.</p> <p>42.2.2.6.7 Place all software on the LAN, manage licenses and license issues, establish and support necessary firewalls, set up new users, and support the connections to the HSD eligibility system (ISD2 and its replacement), HSD e-mail, and Internet access.</p> <p>42.2.2.6.8 Provide overall administration of LAN functions, including making recommendations for hardware and software changes, providing for continual virus checking, and protecting all data through nightly back up routines. Virus detection capability shall be updated at least weekly, with immediate updates distributed in response to specific threat warnings issued by software vendors.</p> <p>42.2.2.6.9 Install and move equipment as required and support the configuration and operation of MAD laptop computers.</p> <p>42.2.2.6.10 Support the efficient structure and configuration of the LAN.</p> <p>42.2.2.6.11 Provide troubleshooting for LAN problems and resolve other user issues. The CONTRACTOR is solely responsible for processing all IT requests, IT trouble tickets, and all account management including being the liaison with NMDOIT for email accounts for all MAD employees.</p> <p>42.2.2.6.12 Coordinate all LAN interface issues with DEPARTMENT or other state agencies to support state user access of e-mail and the Internet through the state system; and access of the eligibility system (ISD2 and its</p>
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		<p>replacement) and other state systems, LANs, and data bases, as requested by the DEPARTMENT.</p> <p>42.2.2.6.13 Coordinate required repair of printers, PCs and PC monitors as requested by the DEPARTMENT.</p> <p>42.2.2.6.14 Dispose of obsolete or unusable IT equipment per New Mexico State Auditor requirements. Disposal includes data removal or sanitization, preparation of the appropriate documentation, and delivery to approved disposal sites.</p> <p>42.2.2.6.15 Provide to the DEPARTMENT's Network Help Desk current and accurate installation instructions for installation of security tokens for DEPARTMENT users other than MAD employees.</p>
<p>42.3 Provide Turnover Support Upon Request</p>	<p>42.3.1 Receive Notice from PROCURING AGENCY</p> <p>42.3.2 Provide Turnover Support</p>	<p>In the event that the PROCURING AGENCY exercises this option, the PROCURING AGENCY may elect to take over the MMIS LAN Support function with 90 days' notice.</p> <p>42.3.2.1 Within thirty (30) days of receipt of notification of the PROCURING AGENCY's intent to take over responsibility for MMIS LAN support, the CONTRACTOR shall provide a statement of the resources that will be required, including estimates of the number, type, and salary of personnel and required facilities, equipment and other resources.</p> <p>42.3.2.2 The CONTRACTOR shall train the staff of the PROCURING AGENCY in the operation of the MMIS LAN.</p> <p>42.3.2.3 The CONTRACTOR may not prohibit any staff or management working in the Network Management Unit from choosing to accept a position with the State of New Mexico.</p>
<p>42.4 Manage Agreed Payment Schedule</p>	<p>42.4.1 Manage Agreed Payment Schedule</p>	<p>CONTRACTOR shall be paid a fixed monthly rate for delivering these operations, plus the applicable New Mexico Gross Receipts Tax (NM GRT) for that month, with no retainage, according to the following schedule:</p> <p>42.4.1.1 Jan 1, 2013 – Dec 31, 2013: \$ 13,463.33</p>

		<p>42.4.1.2 Jan 1, 2014 – Dec 31, 2014: \$ 13,463.33 42.4.1.3 Jan 1, 2015 – Dec 31, 2015: \$ 13,463.33 42.4.1.4 Jan 1, 2016 – Dec 31, 2016: \$ 13,463.33</p> <p>Three renewal years described in Article 5:</p> <p>42.4.1.5 Jan 1, 2017 – Dec 31, 2017: \$ 13,463.33 42.4.1.6 Jan 1, 2018 – Dec 31, 2018: \$ 13,463.33 42.4.1.7 Jan 1, 2019 – Dec 31, 2019: \$ 13,463.33</p>
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Exhibit A, Scope of Work, QQ. Deliverable Number 43: HIPAA Operating Rules Phase 1 – Development and Implementation, is added as follows:

<u>Deliverable Forty-Three</u>	<u>Due Date</u>	<u>Compensation</u>
<p>HIPAA Operating Rules Phase 1 – Development and Implementation</p> <p>[System Enhancement]</p>	<p>1-Jan-2013</p>	<p>\$ 2,061,275</p> <p>Amount, plus NM GRT, due per agreed payment schedule.</p>

Task Item	Subtasks	Description
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43.1 Design, Develop and Test Phase 1 HIPAA Operating Rule Changes	43.1.1 Address Phase 1 HIPAA Operating Rules Requirements	CMS requires that Medicaid program comply with Phase 1 of the HIPAA Operating Rules by January 1, 2013. The HIPAA Operating Rules consist of two phases defined by the Committee on Operating Rules for Information Exchange (CORE). The CORE Phase I Operating Rules apply to the HIPAA X12 5010 270/271 Eligibility Inquiry and Response transaction. The CORE Phase II Operating Rules apply to the HIPAA X12 5010 276/277 Claim Status Inquiry and Response transaction.
	43.1.2 Address CORE Phase I Operating Rules Requirements	The CONTRACTOR shall incorporate the requirements of the CORE Phase I Operating Rules into its design and development of the HIPAA X12 5010 270/271 Eligibility Inquiry and Response enhancement (Deliverable 29).

<p>43.2 Implement Phase 1 HIPAA Operating Rule Changes</p>	<p>43.1.3 Address CORE Phase II Operating Rules Requirements</p> <p>43.1.4 Develop Design Documentation</p> <p>43.2.1 Obtain State Approval to Implement Change in Production</p> <p>43.2.2 Ensure Operating Rules are Operational by Due Date</p>	<p>The CONTRACTOR shall incorporate the requirements of the CORE Phase II Operating Rules into its design and development of the HIPAA X12 5010 276/277 Claim Status Inquiry and Response enhancement (Deliverable 30).</p> <p>The CONTRACTOR shall deliver a Detailed Design Document that addresses MMIS and HIPAA Translation Solution changes for the HIPAA X12 5010 270/271 and 276/277 combined with changes associated with the CORE Phase I and Phase II Operating Rules.</p> <p>Upon approval by the PROCURING AGENCY, the CONTRACTOR shall implement the Phase I and Phase II Operating Rules enhancement into production. Implementation shall be in conjunction with implementation of the HIPAA X12 5010 270/271 and 276/277 transactions.</p> <p>This enhancement must be operational no later than January 1, 2013 in order to meet Administrative Simplification requirements of the Patient Protection and Affordable Care Act (PPACA).</p>
<p>43.3 Manage HIPAA Operating Rules Enhancement Project</p>	<p>43.3.1 Develop Support for HIPAA Operating Rules Enhancement Without Diverting Contractor Staff Already Dedicated to the MMIS</p> <p>43.3.2 Meet General Project Management Requirements</p>	<p>The CONTRACTOR must develop the enhancement with resources other than those dedicated to the MMIS. That is, staff dedicated to the New Mexico MMIS in the CONTRACTOR's MMIS System Maintenance Unit, Business Support Unit, or Technical Support Unit cannot be used to develop the enhancements except to the extent necessary to coordinate the implementation with MMIS maintenance activities or unless their staff are temporarily expanded to accommodate this additional work. The Account Manager and the Systems Manager must have administrative responsibility over the enhancements to ensure their proper coordination and compatibility with the existing MMIS.</p> <p>Enhancements shall be implemented under the direction of the Procuring Agency using the contract management structure described in Article 37. The CONTRACTOR shall:</p> <p>43.3.2.1 Provide management and oversight of the enhancement project, including written reports provided biweekly or as otherwise required by the Procuring Agency, on the accomplishments, status, and unresolved issues of the enhancement project, noting any deviations from the work</p>

	<p>43.3.3 Obtain State Approval for Operating Rules Development</p>	<p>plan or approved schedule.</p> <p>43.3.2.2 Identify, request, and schedule all coordination meetings as necessary to ensure that the CONTRACTOR has access to all information and requirements relevant to the enhancement project.</p> <p>43.3.2.3 Provide the necessary office space from which the enhancement project and staff will be managed.</p> <p>43.3.2.4 Provide all hardware and software necessary to manage, track, and report on the project status; to identify and track outstanding issues or problems; to test system functionality and carry out regression testing; and to ensure that all data transfers are completely and accurately executed.</p> <p>43.3.2.5 Provide all management and staff resources with sufficient experience, knowledge, and management skills necessary to meet the requirements of the enhancement project.</p> <p>43.3.2.6 Hire, develop, and train all management and staff to be fully functional in positions that are associated with the enhancement project or enhanced system operations.</p> <p>43.3.2.7 Provide the Procuring Agency with a final report that documents the completion and results of each step in the enhancement project work plan.</p> <p>43.3.2.8 Meet with the Procuring Agency's Project Manager and other staff as required by the Procuring Agency.</p> <p>43.3.2.9 The Procuring Agency shall approve any subcontracting of work on the enhancement project by the CONTRACTOR other than individual employees working on a contract basis for the CONTRACTOR.</p> <p>43.3.2.10 Perform testing to verify that the MMIS will continue to operate with no loss of functionality.</p> <p>During the design, development and implementation of this enhancement, the CONTRACTOR will deliver each of the following items and (except for the biweekly status report) obtain written Procuring Agency approval for each item. CONTRACTOR will revise each of these items as necessary</p>
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<p>43.4 Manage Agreed Payment Schedule</p>	<p>Milestones 43.4.1 Invoice the State When Implementation is Complete</p>	<p>to obtain Procuring Agency approval: 43.3.3.1 Work Plan 43.3.3.2 Biweekly Status Reports 43.3.3.3 Detailed Design Document 43.3.3.4 Acceptance Test Results 43.3.3.5 System Documentation Updates Payment for this Deliverable shall be made in full (100%) upon implementation of this enhancement into production and federal approval of matching funds.</p>
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Exhibit A, Scope of Work, RR. Deliverable Number 44: HIPAA Operating Rules Phase 1 – Ongoing Operation and Maintenance, is added as follows:

<u>Deliverable Forty-Four</u>	<u>Due Date</u>	<u>Compensation</u>
<p>HIPAA Operating Rules Phase 1 – Ongoing Operation and Maintenance [Monthly System Operations]</p>	<p>Start: 1-Jan-2013 End: 31-Dec-2019</p>	<p>\$ 1,155,168.00 Amount, plus NM GRT, due per agreed payment schedule.</p>

Task Item	Subtasks	Description
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<p>44.1 Operate and Maintain the System Enhanced with Phase 1 HIPAA Operating Rules</p>	<p>44.1.1 Operate the System as Enhanced by Deliverable 43 44.1.2 Provide Ongoing Support</p>	<p>Following implementation of the Phase 1 HIPAA Operating Rules, as required by Deliverable 43, the CONTRACTOR shall operate the system as enhanced. The CONTRACTOR shall provide ongoing operational support for HIPAA X12 5010 270/271 and 276/277 transactions and comply with the Operating Rules for those transactions. See Deliverables 15 and 16 for general</p>
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<p>44.2 Maintain and Modify the Enhanced System</p>	<p>44.2.1 Manage Revisions to Enhanced Systems</p>	<p>operational requirements.</p> <p>The CONTRACTOR shall develop, test and implement software updates, corrections, and modifications to the enhanced system, including but not limited to the following subtasks:</p> <p>44.2.1.1 Analyze and size change requests submitted by the Procuring Agency.</p> <p>44.2.1.2 Perform software support and error correction.</p> <p>44.2.1.3 Comply with the software development, change management and system test requirements contained in Tasks 2.3 and 2.4 of Deliverable 2.</p>
<p>44.3 Manage Agreed Payment Schedule</p>	<p>44.3.1 Invoice the State According to the Operations Payment Schedule</p>	<p>CONTRACTOR shall be paid a fixed monthly rate for delivering these operations, plus the applicable New Mexico Gross Receipts Tax (NM GRT) for that month, with no retainage, according to the following schedule:</p> <p>44.3.1.1 Jan 1, 2013 – Dec 31, 2013: \$ 13,752.00 44.3.1.2 Jan 1, 2014 – Dec 31, 2014: \$ 13,752.00 44.3.1.3 Jan 1, 2015 – Dec 31, 2015: \$ 13,752.00 44.3.1.4 Jan 1, 2016 – Dec 31, 2016: \$ 13,752.00</p> <p>Three renewal years described in Article 5:</p> <p>44.3.1.5 Jan 1, 2017 – Dec 31, 2017: \$ 13,752.00 44.3.1.6 Jan 1, 2018 – Dec 31, 2018: \$ 13,752.00 44.3.1.7 Jan 1, 2019 – Dec 31, 2019: \$ 13,752.00</p>

Exhibit A, Scope of Work, SS. Deliverable Number 45: HIPAA Operating Rules Phase 2 – Systems Assessment, is added as follows:

<u>Deliverable Forty-Five</u>	<u>Due Date</u>	<u>Compensation</u>
HIPAA Operating Rules Phase 2 – Systems Assessment [System Enhancement]	1-Jun-2013	\$ 268,000 Amount, plus NM GRT, due per agreed payment schedule.

Task Item	Subtasks	Description
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45.1 Conduct Assessment of Phase 2 HIPAA Operating Rule Changes	45.1.1 Review Phase 2 Operating Rules	The CONTRACTOR shall review the Committee on Operating Rules for Information Exchange (CORE) Phase III Operating Rules for Electronic Funds Transfer (EFT) and Electronic Remittance Advice (ERA) [EFT/ERA] transactions, which correspond to Phase 2 of the HIPAA Operating Rules as required by CMS, and develop a comprehensive understanding of the requirements of these rules for payer systems.
	45.1.2 Assess Changes Required to the MMIS	The CONTRACTOR shall assess the MMIS, including the OmniCaid system and any other systems operated by the CONTRACTOR and its subcontractors that are affected by the EFT/ERA Operating Rules, to identify changes that will be required in order to comply. Based on its understanding of PROCURING AGENCY systems and payment procedures, the CONTRACTOR shall also determine if changes to those systems will be required to pay and report Medicaid claims in accordance with the HIPAA Phase 2 Operating Rules and communicate those changes to the PROCURING AGENCY.
	45.1.3 Assess Changes Required to HIPAA Translation Solution	The CONTRACTOR shall assess its HIPAA Translation Solution to identify changes that will be required in order to comply with the EFT/ERA Operating Rules.
	45.1.4 Develop Cost Estimate for Remediation	The CONTRACTOR shall develop a cost estimate for remediation of OmniCaid, the HIPAA Translation Solution, and any other systems operated by the CONTRACTOR and

<p>45.2 Develop and Deliver Assessment Document</p>	<p>of Affected Systems</p> <p>45.2.1 Ensure Assessment Document Meets Content and Timeliness Requirements</p> <p>45.2.2 Revise the Assessment Document as Required</p>	<p>its subcontractors required to meet the requirements of the Phase 2 of the HIPAA Operating Rules.</p> <p>The CONTRACTOR shall develop and deliver a HIPAA Operating Rules Phase 2 Assessment and Requirements document for PROCURING AGENCY review by June 1, 2013. The document must address changes to systems operated by the CONTRACTOR and its subcontractors required to comply with the Phase 2 Operating Rules, including changes related to the uniform use of Claim Adjustment Reason Codes (CARCs) and Remittance Advice Remark Codes (RARCs).</p> <p>The CONTRACTOR shall revise the HIPAA Phase III Assessment and Requirements document as necessary to obtain PROCURING AGENCY approval.</p>
<p>45.3 Manage Agreed Payment Schedule</p>	<p>45.3.1 Invoice the State When Assessment Document is Approved</p>	<p>Payment for this Deliverable shall be made in full (100%) upon implementation of this enhancement into production and federal approval of matching funds.</p>

Exhibit A, Scope of Work, TT. Deliverable Number 46: Patient Protection and Affordable Care Act (PPACA) Remediation – Development and Implementation, is added as follows:

<u>Deliverable Forty-Six</u>	<u>Due Date</u>	<u>Compensation</u>
<p>PPACA Remediation – Development and Implementation</p> <p>[System Enhancement]</p>	<p>1-Apr-2014</p>	<p>\$ 1,858,000 with 10% retained until complete</p> <p>Amount, plus NM GRT, due per agreed payment schedule.</p>

Task Item	Subtasks	Description
<p>46.1 Design, Develop and Test PPACA</p>	<p>46.1.1 Modify MMIS to Accommodate</p>	<p>The Patient Protection and Affordable Care Act (PPACA) requires that certain existing eligibility categories be converted to new categories with eligibility determined</p>

<p>Remediation</p>	<p>MAGI Categories</p> <p>46.1.2 Modify MMIS to Accommodate Adult Expansion Category</p> <p>46.1.3 Modify MMIS to Accommodate Transition of Existing Categories to PPACA Categories</p> <p>46.1.4 Modify MMIS to Meet Centennial Care Waiver Requirements</p> <p>46.1.5 Modify MMIS to Support PPACA Reporting</p>	<p>based on Modified Adjusted Gross Income (MAGI) and a flat five percent income disregard. The PROCURING AGENCY has defined new eligibility categories to comply with PPACA. The CONTRACTOR shall design, develop and test modifications required to the MMIS, including OmniCaid, the MMIS Data Warehouse, Pharmacy Benefits Management System, and Web Portal to accommodate these new eligibility categories.</p> <p>New Mexico has elected to expand Medicaid eligibility to the optional adult expansion category. The CONTRACTOR shall design, develop and test modifications required to the MMIS, including OmniCaid, the MMIS Data Warehouse, Pharmacy Benefits Management System, and Web Portal to accommodate the new adult expansion category.</p> <p>The PROCURING AGENCY intends to transition recipients who are currently eligible for State Coverage Insurance and Family Planning, and who meet eligibility requirements for the new adult expansion category, into that category effective January 2014. The CONTRACTOR shall design, develop and test modifications and special programs required to effect the seamless transition of these recipients.</p> <p>In conjunction with PPACA and to support the long-term sustainability of the Medicaid program, the PROCURING AGENCY has submitted a Section 1115 waiver, Centennial Care, to the Department of Health and Human Services (DHHS). The CONTRACTOR shall design, develop and test modifications required to the MMIS, including OmniCaid, the MMIS Data Warehouse, Pharmacy Benefits Management System, and Web Portal, to accommodate the provisions of this waiver as approved by DHHS.</p> <p>The CONTRACTOR shall design, develop and test modifications to existing reporting and develop new reporting as necessary to accurately report eligibility and expenditures pertaining to the new categories. Specifically, the CONTRACTOR shall develop CMS-64 reporting that accommodates the new eligibility categories, the Alternative Benefit Plan that is proposed for recipients in the new adult category, and related Medicaid Eligibility Groups (MEGs). The CONTRACTOR shall also adapt existing MMIS encounter processing to accommodate recipients and services covered by the modified Medicaid program.</p>
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<p>46.2 Implement PPACA Remediation</p>	<p>46.2.1 Implement Specified Functionality in Phases</p> <p>46.2.2 Obtain State Approval Prior to Implementation of Each Function</p> <p>46.2.3 Ensure Required Functions are Operational by Agreed Dates</p>	<p>In order to coordinate other program and system development activities, including the new ASPEN eligibility system, testing with Centennial Care MCOs, and the transition of recipients into new eligibility categories and MCOs, some modifications to the MMIS must be implemented prior to others. The CONTRACTOR's work plan and schedule must accommodate the completion and implementation of recipient eligibility, enrollment, capitation, and claims processing modifications prior to January 1, 2014 and the completion and implementation reporting modifications by April 1, 2014.</p> <p>Upon approval by the PROCURING AGENCY, the CONTRACTOR shall implement specified modifications into production.</p> <p>This enhancement must be operational no later than April 1, 2014 in order to meet Administrative Simplification requirements of the Patient Protection and Affordable Care Act (PPACA). As documented in a PROCURING AGENCY-approved work plan and schedule, specified modifications must be implemented prior to January 1, 2014 to support functions such as managed care open enrollment.</p>
<p>46.3 Manage PPACA Remediation</p>	<p>46.3.1 Develop the PPACA Remediation Without Diverting Contractor Staff Already Dedicated to the MMIS</p> <p>46.3.2 Meet General Project Management Requirements</p>	<p>The CONTRACTOR must develop the enhancement with resources other than those dedicated to the MMIS. That is, staff dedicated to the New Mexico MMIS in the CONTRACTOR's MMIS System Maintenance Unit, Business Support Unit, or Technical Support Unit cannot be used to develop the enhancements except to the extent necessary to coordinate the implementation with MMIS maintenance activities or unless their staff are temporarily expanded to accommodate this additional work. The Account Manager and the Systems Manager must have administrative responsibility over the enhancements to ensure their proper coordination and compatibility with the existing MMIS.</p> <p>Enhancements shall be implemented under the direction of the Procuring Agency using the contract management structure described in Article 37. The CONTRACTOR shall:</p>

	<p>46.3.3 Obtain State Approval for PPACA</p>	<p>46.3.2.1 Provide management and oversight of the enhancement project, including written reports provided biweekly or as otherwise required by the Procuring Agency, on the accomplishments, status, and unresolved issues of the enhancement project, noting any deviations from the work plan or approved schedule.</p> <p>46.3.2.2 Identify, request, and schedule all coordination meetings as necessary to ensure that the CONTRACTOR has access to all information and requirements relevant to the enhancement project.</p> <p>46.3.2.3 Provide the necessary office space from which the enhancement project and staff will be managed.</p> <p>46.3.2.4 Provide all hardware and software necessary to manage, track, and report on the project status; to identify and track outstanding issues or problems; to test system functionality and carry out regression testing; and to ensure that all data transfers are completely and accurately executed.</p> <p>46.3.2.5 Provide all management and staff resources with sufficient experience, knowledge, and management skills necessary to meet the requirements of the enhancement project.</p> <p>46.3.2.6 Hire, develop, and train all management and staff to be fully functional in positions that are associated with the enhancement project or enhanced system operations.</p> <p>46.3.2.7 Provide the Procuring Agency with a final report that documents the completion and results of each step in the enhancement project work plan.</p> <p>46.3.2.8 Meet with the Procuring Agency's Project Manager and other staff as required by the Procuring Agency.</p> <p>46.3.2.9 The Procuring Agency shall approve any subcontracting of work on the enhancement project by the CONTRACTOR other than individual employees working on a contract basis for the CONTRACTOR.</p> <p>46.3.2.10 Perform testing to verify that the MMIS will continue to operate with no loss of functionality.</p>
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<p>46.4 Manage Agreed Payment Schedule</p>	<p>Development Milestones</p> <p>46.4.1 Invoice the State When Implementation is Complete</p>	<p>During the design, development and implementation of this enhancement, the CONTRACTOR will deliver each of the following items and (except for the biweekly status report) obtain written Procuring Agency approval for each item. CONTRACTOR will revise each of these items as necessary to obtain Procuring Agency approval:</p> <p>46.3.3.1 Work Plan</p> <p>46.3.3.2 Biweekly Status Reports</p> <p>46.3.3.3 Requirements Analysis Document</p> <p>46.3.3.4 Detailed Design Document (DSD)</p> <p>46.3.3.4.1 PPACA Eligibility & Enrollment DSD</p> <p>46.3.3.4.2 PPACA Reporting DSD</p> <p>46.3.3.5 Acceptance Test Results</p> <p>46.3.3.5.1 PPACA Eligibility & Enrollment Test Results</p> <p>46.3.3.5.2 Centennial Care Test Results</p> <p>46.3.3.5.3 PPACA Reporting Test Results</p> <p>46.3.3.6 System Documentation Updates</p> <p>CONTRACTOR shall invoice the Procuring Agency for the following percentages of Deliverable 46 compensation, less retainage as provided for by Article 3.D., upon approval of the following Subtasks:</p> <p>46.4.1.1 Fifteen percent (15%) upon completion of the Requirements Analysis Document (46.3.3.3)</p> <p>46.4.1.2 Eighteen percent (18%) upon completion of the PPACA Eligibility & Enrollment Detailed Design Document (46.3.3.4.1)</p> <p>46.4.1.3 Twelve percent (12%) upon completion of the PPACA Reporting Detailed Design Document (46.3.3.4.2)</p> <p>46.4.1.4 Fourteen percent (14%) upon completion of PPACA Eligibility & Enrollment Acceptance Test Results (46.3.3.5.1)</p> <p>46.4.1.5 Seven percent (7%) upon completion of Centennial Care Acceptance Test Results (46.3.3.5.2)</p>
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		<p>46.4.1.6 Fourteen percent (14%) upon completion of PPACA Reporting Acceptance Test Results (46.3.3.5.3)</p> <p>46.4.1.7 Twelve percent (12%) upon implementation of the PPACA Eligibility & Enrollment modifications into production.</p> <p>46.4.1.8 Eight percent (8%) upon implementation of the PPACA Reporting modifications into production.</p>
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