

Amendment #3 to IAk%87413

Contract Start Date:	July 1, 2014	Total Contract Amount:	\$34,042,400
Original Expiration Date:	June 30, 2015	Original Contract Amount:	\$4,533,400
Current Expiration Date:	June 30, 2017	Previous Amendments Total	\$0.00
Requested Expiration Date:	N/A	This Amendment:	\$29,509,000

This Amendment is by and between the State of Minnesota, through its Executive Director of the Minnesota Insurance Marketplace ("MNsure"), and the Commissioner of Minnesota Department of Human Services ("DHS").

Recitals

1. DHS has an Interagency Agreement with MNsure, identified as IAk%87413 (Original Interagency Agreement"), to provide standard, centralized administrative services to MNsure to enable administrative efficiency.
2. DHS and MNsure wish to exercise the option to amend the Agreement according to Clause 8. "Amendments" of the Original Agreement.
3. MNsure and DHS are willing to amend the Original Interagency Agreement as stated below.

Therefore, the Parties agree as follows:

Contract Amendment

In this Amendment, changes to pre-existing Contract language will use ~~strike through~~ for deletions and underlining for insertions.

REVISION 1. Clause 1 "PARTIES' DUTIES – NON-IT SERVICES", Section 1.4 "Management Services" is amended as follow:

1. PARTIES' DUTIES – NON-IT SERVICES

1.4 Management Services

A. **Scope of Work.** ~~DHS shall provide badge security, parking, and space planning services to MNsure.~~ DHS shall provide physical security consulting and advising, and, facilities planning services to MNsure. DHS shall also provide access badge creation services, related reporting, and access management for state employees and state contractors who need access into DHS locations.

B. Authorized Representatives.

1. DHS' authorized representative in regards to management services is Linda Nelson, Management Services Director, or her successor.

2. MNsured's authorized representative in regards to management services is Krista Fink, Privacy and Security Manager, or her successor Kevin Marsh, Procurement Coordinator, or his successor.
 3. Each representative shall have final authority for acceptance of management services of the other party and shall have responsibility to insure that all payments due to the other party with respect to management services are made pursuant to the terms of this Agreement
- C. **Consideration.** Consideration for all management services performed by DHS pursuant to this Agreement shall be paid by MNsured at an annual cost of twenty five thousand dollars (\$25,000.00), unless otherwise stated in Exhibit A as amended.

REVISION 2. Clause 1 "PARTIES' DUTIES – NON-IT SERVICES" is being amended to add Section 1.12 "Equal Opportunity and Access" as follow:

1. **PARTIES' DUTIES – NON-IT SERVICES**

1.12 Equal Opportunity and Access.

- A. **Scope of Work.** Upon request from MNsured, DHS' Equal Opportunity and Access Division shall provide translation and limited English proficiency related duties for both MNsured and joint MNsured/DHS publications.
1. DHS shall prepare the Application for Health Coverage and Help Paying Costs, document DHS-6696, and related attachments for translation.
 2. DHS shall coordinate and contract for translation services, proofread translated documents for MNsured, and finalize translated documents.
- B. **Authorized Representatives.**
1. DHS' authorized representative in regards to translation services is Zecharias Hailu, Equal Opportunity and Access Director, or his successor.
 2. MNsured's authorized representative in regards to translation services is David Rowley, General Counsel, or his successor.
 3. Each representative shall have final authority for acceptance of translation services of the other party and shall have responsibility to insure that all payments due to the other party with respect to translation services are made pursuant to the terms of this Agreement
- C. **Consideration.** Consideration for all translation services performed by DHS pursuant to this Agreement shall be paid by MNsured at an annual cost of ten thousand dollars (\$10,000), unless otherwise stated in Exhibit A as amended.

REVISION 3. Clause 2 "PARTIES' DUTIES – IT SERVICES" is amended as follows:

2. PARTIES' DUTIES – IT SERVICES.

2.1 Standard IT Support

- A. **Scope of Work.** DHS shall provide standard IT support services for MNSure as defined and authorized in the current MNSure/MN.IT@DHS service level agreement
- B. **Authorized Representatives.**
 - 1. DHS' authorized representative in regards to IT support services is ~~Scott Peterson and Alex Kotze, Chief Information Officer and Chief Financial Officer,~~ or their her successor.
 - 2. MNSure's authorized representative in regards to IT support services is Kari Koob, Chief Financial Officer, or her successor ~~Marty Cammack, Chief Financial Officer, or his successor.~~
 - 3. Each representative shall have final authority for acceptance of IT support services of the other party and shall have responsibility to insure that all payments due to the other party with respect to IT support services are made pursuant to the terms of this Agreement
- C. **Consideration.** Consideration for all IT support services performed by DHS pursuant to this Agreement shall be paid by MNSure at an annual cost of three hundred seventy-five thousand dollars (\$375,000.00), unless otherwise stated in Exhibit A as amended.

2.2 MNSure System Support Operations

- A. **Scope of Work.** DHS through its MN.IT@DHS shall be the technical lead for federally approved MNSure technology projects as defined and authorized in the current MNSure/MN.IT@DHS service level agreement.
 - 1. ~~The MNSure system development and operations shall be managed collaboratively by MNSure and DHS.~~
 - 2. ~~Any MN.IT development work shall be detailed and priced separately from this Agreement.~~

32. Any additional work beyond the service level agreement referenced above shall require an amendment to this Agreement including fiscal considerations associated with the change.

B. Authorized Representatives.

1. DHS' authorized representative in regards to MNSure System Operations Support services is ~~Tom Baden and Alex Kotze, Chief Information Officer and Chief Financial Officer, or their her successor.~~
2. MNSure's authorized representative in regards to MNSure System Operations Support services is Karl Koob, Chief Financial Officer, or her successor Marty Cammack, Chief Financial Officer, or his successor.
3. Each representative shall have final authority for acceptance of MNSure System Operations Support services of the other party and shall have responsibility to insure that all payments due to the other party with respect to MNSure System Operations Support services are made pursuant to the terms of this Agreement.

C. Consideration. Consideration for all MNSure System Operations Support services performed by DHS pursuant to this Agreement shall be paid by MNSure as follows: ~~based on actual direct payroll costs as measured by Time Tracker Code 4005 multiplied by 47.2% (the MNSure/CCEO Grant share) at an annual not-to-exceed cost of two million one hundred twenty four thousand dollars (\$2,124,000.00), unless otherwise stated in Exhibit A as amended.~~

1. Consideration for all standard IT support services performed by DHS pursuant to this Agreement shall be paid by MNSure at an annual not-to-exceed cost of ninety-four thousand dollars (\$94,000.00), unless otherwise stated in Exhibit A as amended.
2. In State Fiscal Years (SFY) 2016 and 2017, consideration for all MNSure System Operations services performed by DHS pursuant to this Agreement shall be paid by MNSure in accordance with the federally approved DHS Public Assistance Cost Allocation Plan ("PACAP") and the line item budget set forth in Exhibit A, as amended.

2.3 MNSure System Development.

- A. Scope of Work.** DHS through its MN.IT@DHS shall provide ongoing MNSure System Development services associated with the establishment and implementation of MNSure's state-based Health Insurance Exchange as authorized in the current MNSure/MN.IT@DHS service level agreement. MNSure System Development work is governed by the Interagency Executive Steering Committee ("ESC"), a joint decision making body.

1. MNsire system development services and activities shall be managed collaboratively by MNsure and DHS when carrying out duties and obligations defined within this Section.
2. Any MN.IT development work shall be detailed and priced separately from this Agreement.
3. Any additional work beyond the service level agreement referenced above shall require an amendment to this Agreement including fiscal considerations associated with the change.

B. Authorized Representatives.

1. DHS' authorized representative in regards to MNsure System Development services is Alex Kotze, Chief Financial Officer, or her successor.
2. MNsire's authorized representative in regards to MNsure System Development services is Kari Koob, Chief Financial Officer, or her successor.
3. Each representative shall have final authority for acceptance of MNsure System Development services of the other party and shall have responsibility to insure that all payments due to the other party with respect to MNsure System Development services are made pursuant to the terms of this Agreement

- C. Consideration.** Consideration for all ongoing MNsure System Development services performed by DHS pursuant to this Agreement shall be paid by MNsure based on the federally approved DHS Public Assistance Cost Allocation Plan ("PACAP") and in accordance with the line item budget set forth in Exhibit A, as amended.

REVISION 4. Clause 3 "DHS PUBLIC HEALTH CARE PROGRAMS" is amended as follows:

3. DHS PUBLIC HEALTH CARE PROGRAMS.

- A. Scope.** DHS and MNsure acknowledge that under an Interagency Agreement titled "Interagency Services Agreement for MNsure Participation in the Administration of the Minnesota State Plan or Services Under Title XIX" and dated November 3rd, 2014, which is incorporated into this Agreement by reference, each party has separate and independent obligations related to MNsure's role in DHS' public health care programs.
1. Under the above referenced Interagency Agreement, MNsure has a separate obligation to provide enrollment activities, including eligibility determination, case management, policy renewal, outreach, and post-eligibility to DHS for Minnesotans seeking benefits under DHS' public health care programs, including Medical Assistance and MinnesotaCare.

2. The Parties acknowledge that services provided by MNSure under the above referenced Interagency Agreement benefits DHS' public health care programs.

B. Estimated Payments. Under the above referenced Interagency Agreement, the Parties acknowledge that DHS has a separate and independent obligation to pay MNSure for MNSure business operations costs attributable to the DHS' public health care programs according to the DHS Public Assistance Cost Allocation Plan ("PACAP"). The estimated amounts are as follows:

1. SFY2015: \$6,844,000
2. SFY2016: \$9,609,000
3. SFY2017: \$14,350,000

The amounts specified in this Section are estimates only. This Agreement does not obligate DHS to pay MNSure the amounts estimated this Section for any service performed in this Agreement or the Interagency Agreement referenced in Paragraph of this Clause.

REVISION 5. Clause 4 "CONSIDERATION AND TERMS OF PAYMENT" is amended as follows:

34. CONSIDERATION AND TERMS OF PAYMENT

A. Payment Structure.

1. Clause 1 Parties' Duties – Non-IT Services. Consideration for all services performed by DHS under Clause 1 of this Agreement represents MNSure's payment to DHS for DHS administrative cost attributable to MNSure's private health care programs.
2. Clause 2 Parties' Duties – IT Services. Consideration for all services performed by DHS under Clause 2 of this Agreement represents MNSure's payment to DHS for MN.IT information technology costs attributable to MNSure's private health care programs.
3. Clause 3 DHS Public Health Care Programs. Clause 3 of this Agreement represents DHS' separate and independent obligation to pay MNSure for MNSure business operations costs attributable to the DHS' public health care programs. This Agreement does not obligate DHS to pay MNSure the amounts estimated in Clause 3 for any service performed in this Agreement or the Interagency Agreement referenced in Clause 3.
4. Payment Methodology. Payments made and invoices submitted between DHS and MNSure shall be in accordance with the DHS Public Assistance Cost Allocation Plan ("PACAP") methodology and associated Central Office Cost Allocation System ("COCAS") policies and procedures, and in accordance with Centers for Medicare & Medicaid Services' ("CMS") advance planning documents ("APDs") associated with Minnesota's Medicaid Eligibility Determination System ("MEDS"), which are hereby incorporated into this Agreement by reference.

- AB.** **Consideration.** Consideration for all services performed by DHS pursuant to this Agreement shall be paid by the MNSure in accordance with the allocations set forth in ~~Clause 1 "DHS' DUTIES" of this Agreement and Clause 2 "PARTIES' DUTIES - IT SERVICES",~~ and Exhibit A, which is attached and incorporated into this Agreement.
- BC.** **Terms of Payment.** Payment shall be made by the MNSure on a quarterly basis within thirty (30) fifteen (15) days after DHS has presented invoices for services performed to MNSure. DHS shall present invoices to MNSure within forty five (45) days after each calendar quarter end.
- CD.** **Total Obligation.**
1. **Non-IT Services.** The total obligation of MNSure for all compensation and reimbursements to DHS for non-IT related services under this Agreement shall not exceed **one million nine hundred forty thousand dollars (\$1,940,000.00).**
 2. **IT Services.** The total obligation of MNSure for all compensation and reimbursements to DHS for IT related services under this Agreement shall not exceed **two million five hundred ninety three thousand four hundred dollars (\$2,593,400.00).**
- E.** **Advance Payments.** MNSure's and DHS' Chief Financial Officer, or their successor, may, based on estimated invoices, authorize advance payments between MNSure and DHS for the limited purpose of addressing cash flow issues resulting from quarterly PACAP and COCAS procedures. Advance payments made under this Section must be settled against the next invoice and shall not exceed line item amounts set forth in Exhibit A, Interagency Agreement Budget.

REVISION 6. The following clause headings are amended as follows:

- 45.** **CONDITIONS OF PAYMENT.**
- 56.** **TERMS OF AGREEMENT.**
- 67.** **CANCELLATION.**
- 78.** **ASSIGNMENT.**
- 89.** **AMENDMENTS.**
- 910.** **LIABILITY,**

REVISION 7. Clause 11 "Information Privacy Protection" is amended as follows:

- 4011.** **INFORMATION PRIVACY PROTECTION.** DHS and MNSure hereby incorporate by reference the separately executed Amended MNSure Data Sharing Agreement, executed on ~~August 23, 2013~~ June 29, 2015, as amended, by DHS and MNSure ("Data Sharing Agreement"), or the applicable successive Data Sharing Agreement executed by the Parties. DHS and MNSure respectively agree that each party shall fully comply with the terms of the applicable Data Sharing Agreement when carrying out any duties or obligation identified in this Agreement.

EXCEPT AS AMENDED HEREIN, THE TERMS AND CONDITIONS OF THE ORIGINAL AGREEMENT AND ALL PREVIOUS AMENDMENTS REMAIN IN FULL FORCE AND EFFECT.

IN WITNESS WHEREOF, the parties have caused this contract to be duly executed intending to be bound thereby

APPROVED:

1. STATE ENCUMBRANCE VERIFICATION

Individual certifies that funds have been encumbered as required by Minn. Stat. §§ 16A.15 and 16C.05

By: C. Sigler

Date: 10/9/15

SWIFT Contract No: IAK87413.3

SWIFT PO #: 5616 3-1059

2. DHS

By: [Signature]
With delegated authority

Title: Deputy Commissioner

Date: 12/3/15

3. MNSURE

By: Kathleen Bura
With delegated authority

Title: Chief Operating Officer

Date: 12/8/15

Distribution:

Requesting Agency – Original (fully executed) contract

Providing Agency

Contracting, Procurement & Legal Compliance

EXHIBIT A Interagency Agreement Budget - As Amended in Amendment No. 23

II.A Section (i.e. services to be provided)	Basis for Amount Charged	Authorized Representative		Original Maximum Charge Amount			Amended Maximum Charge Amount		
		Minsure / Marty Cammack	DHS / Alex Kotze	FY 2015	FY 2016	FY 2017	FY 2015	FY 2016	FY 2017
1.1 Human Resources	Fixed	Minsure / Marty Cammack Katie Burns	DHS / Alex Kotze Connie Jones	200,000	200,000	200,000	200,000	200,000	200,000
1.2 Payroll & Accounts Payable	Fixed	Hanh Tran	Terri Engel	100,000	100,000	100,000	100,000	100,000	100,000
1.3 Procurement	Fixed	Mike Turpin	Mike LaVelle	100,000	100,000	100,000	100,000	100,000	100,000
1.4 Management Services	Fixed	Mike Turpin	Linda Nelson	25,000	25,000	25,000	25,000	25,000	25,000
1.5 Financial Operations	Variable	Marty Cammack	Alex Kotze	100,000	100,000	100,000	100,000	300,000	300,000
1.6 Background Studies	Variable	Mike Turpin	Jerry Kerber	25,000	25,000	25,000	25,000	25,000	25,000
1.7 Internal Audits	Variable	John Nyanjom	Gary Johnson	100,000	100,000	100,000	100,000	100,000	100,000
1.8 Appeals	Variable	Jessica Kennedy	Darwin Lookingbill	540,000	540,000	540,000	540,000	540,000	540,000
1.9 Health Care Administration - OHP unassisted	Fixed	Katie Burns	Nathan Moracco	300,000	300,000	300,000	300,000	200,000	200,000
1.10 Receipts Center	Variable	Hanh Tran	Don Mulgrew	200,000	200,000	200,000	200,000	90,000	90,000
1.11 Issuance Operations Center	Variable	Hanh Tran	Lane Gerber	250,000	250,000	250,000	250,000	250,000	250,000
1.12 Equal Opportunity and Access	Fixed	David Rowley	Zacharias Hallu	0	0	0	0	10,000	10,000
Total Non-IT Services				1,940,000	1,940,000	1,940,000	1,940,000	1,940,000	1,940,000
2.1 Standard IT Support (to Minsure employees)	Fixed	Kari Koob	Alex Kotze	375,000	375,000	375,000	375,000	375,000	375,000
2.2 Minsure System Support Operations (by @DHS employees) * Direct Payroll Costs (up to \$4,500,000) ¹ * Standard IT support charge (\$200,000) ¹ * Ongoing Systems Operation	Variable up to fixed in accordance with federally approved PACAP	Kari Koob	Alex Kotze	2,124,000	2,124,000	2,124,000	2,124,000	2,124,000	0
2.3 Minsure System Development	Variable in accordance with federally approved PACAP	Kari Koob	Alex Kotze	94,400	94,400	94,400	94,400	94,400	0
Total IT Services				0	0	0	0	17,409,000	4,200,000
Total Interagency Agreement				4,533,400	4,533,400	4,533,000	2,593,400	18,995,000	6,634,000
				4,533,400	4,533,400	4,533,000	4,533,400	20,935,000	8,574,000