

AMENDMENT

It is agreed by and between the State of Vermont, Department of Vermont Health Access (hereafter called the "State") and Burns & Associates, Inc. (hereafter called the "Contractor") that the contract on the subject of Medicaid payment systems consulting, effective September 24, 2010, and under Amendment #1, effective June 30, 2013, is hereby amended as follows:

- 1. By deleting on page 1 of 12, Section 3 (Maximum Amount) of the base agreement and as amended by Amendment 1, and substituting in lieu thereof the following Section 3:**

3. Maximum Amount. In consideration of the services to be performed by the Contractor, the State agrees to pay Contractor, in accordance with the payment provisions specified in Attachment B, a sum not to exceed \$1,530,610.00

- 2. By deleting on page 1 of 12, Section 4 (Contract Term) of the base agreement and as amended by Amendment 1, and substituting in lieu thereof the following Section 4:**

4. Contract Term. The period of the Contractor's performance shall begin on September 24, 2010 and end on June 30, 2014.

- 3. By adding on page 3 of 12 of the base agreement, and as amended by Amendment 1, the following language under "Performance Measures":**

The Contractor will:

- Deliver specific work related to Involuntary Psych Rate Setting, GME Methodology - Annual Review;
- Provide DSH FFY 2015 Payment Development and Administration;
- Develop Brattleboro Retreat Pilot Rate;
- Develop Value Based Purchasing Models;
- Review edits and audits for Medicare DUAL Project Pricing;
- Perform ICD10 work including:
 - Clinical Review of Translations;
 - Clinical review of Med Policy Opportunity;
 - Develop a Policy Database; and
 - Develop and administer Provider Education and Communication.
- Assist with Risk Assessments; and
- Conduct ongoing assistance as requested.

The Contractor will provide timelines for each work activity and will adhere to set schedule unless agreed upon by both the State and Contractor.

- 4. By adding on page 5 of 12, Attachment B (Payment Provisions), of the base agreement and as amended by Amendment 1, the following table under "Contract Budget":**

Budget for Tasks: Amendment 2 - Period July 1, 2013 - June 30, 2014

Task	Task Description	Hours				Costs			
		Project Manager	Programmer/Analyst	Clinical Team	Total Hours	\$200.00/hr	\$180.00/hr	\$250.00/hr	Total Costs
I	Inpatient Rate Update October 1, 2013	68	44	0	112	\$13,600	\$7,920	\$0	\$21,520
	1 Read and summarize Medicare Final Rule for FFY2014	16	0	0	16	\$3,200	\$0	\$0	\$3,200
	2 Collect and analyze claims information	2	8	0	10	\$400	\$1,440	\$0	\$1,840
	3 Modeling payment scenarios	4	16	0	20	\$800	\$2,880	\$0	\$3,680
	4 Prep and attend meetings with providers	28	0	0	28	\$5,600	\$0	\$0	\$5,600
	5 Write Public Notice response, answer questions	6	4	0	10	\$1,200	\$720	\$0	\$1,920
	6 SPA submission, CMS questions, UPL test	12	16	0	28	\$2,400	\$2,880	\$0	\$5,280
II	OPPS Rate Update Jan 1, 2014	40	44	0	84	\$8,000	\$7,920	\$0	\$15,920
	1 Read and summarize Medicare Final Rule for CY2014	16	0	0	16	\$3,200	\$0	\$0	\$3,200
	2 Collect and analyze claims information	2	8	0	10	\$400	\$1,440	\$0	\$1,840
	3 Modeling payment scenarios	4	16	0	20	\$800	\$2,880	\$0	\$3,680
	4 Write Public Notice response, answer questions	6	4	0	10	\$1,200	\$720	\$0	\$1,920
	5 SPA submission, CMS questions, UPL test	12	16	0	28	\$2,400	\$2,880	\$0	\$5,280
III	RBRVS Rate Update Jan 1, 2014	56	56	0	112	\$11,200	\$10,080	\$0	\$21,280
	1 Read and summarize Medicare Final Rule for CY2014	16	0	0	16	\$3,200	\$0	\$0	\$3,200
	2 Collect and analyze claims and cost information	6	12	0	18	\$1,200	\$2,160	\$0	\$3,360
	3 Modeling payment scenarios	8	32	0	40	\$1,600	\$5,760	\$0	\$7,360
	4 Prep and attend meetings with providers	12	0	0	12	\$2,400	\$0	\$0	\$2,400
	5 Write Public Notice response, answer questions	6	4	0	10	\$1,200	\$720	\$0	\$1,920
	6 SPA submission and CMS questions	8	8	0	16	\$1,600	\$1,440	\$0	\$3,040

Task	Task Description	Project Manager	Programmer/Analyst	Clinical Team	Total Hours	Project Manager	Programmer/Analyst	Clinical Team	Total Costs
IV	Involuntary Psych Rate Setting	28	0	0	28	\$5,600	\$0	\$0	\$5,600
	1 Prepare reconciliation through 9/30/13 Collect mid-year cost information and validate reasonableness of SFY13 interim	16	0	0	16	\$3,200	\$0	\$0	\$3,200
	2 rates	8	0	0	8	\$1,600	\$0	\$0	\$1,600
	3 Assist with developing SFY15 rates	4	0	0	4	\$800	\$0	\$0	\$800
V	GME Methodology Annual Review	24	20	0	44	\$4,800	\$3,600	\$0	\$8,400
	1 Meetings with DVHA, Fletcher Allen regarding IGTs, payment calculations	12	0	0	12	\$2,400	\$0	\$0	\$2,400
	2 Analyze payment models	4	16	0	20	\$800	\$2,880	\$0	\$3,680
	3 SPA submission, CMS questions, UPL test	8	4	0	12	\$1,600	\$720	\$0	\$2,320
VI	DSH FFY 2015 Payments	86	20	0	106	\$17,200	\$3,600	\$0	\$20,800
	1 Collect and analyze claims and cost information	30	12	0	42	\$6,000	\$2,160	\$0	\$8,160
	2 Prepare DSH Survey instrument and instructions	4	0	0	4	\$800	\$0	\$0	\$800
	3 Review initial DSH Survey submissions	12	0	0	12	\$2,400	\$0	\$0	\$2,400
	4 Follow-up with hospitals on survey submissions	6	0	0	6	\$1,200	\$0	\$0	\$1,200
	5 Calculate final DSH payments	18	0	0	18	\$3,600	\$0	\$0	\$3,600
	6 SPA submission, CMS questions, UPL test	8	8	0	16	\$1,600	\$1,440	\$0	\$3,040
	7 Write methodology document	8	0	0	8	\$1,600	\$0	\$0	\$1,600
VII	Retreat Pilot Development	22	60	0	82	\$4,400	\$10,800	\$0	\$15,200
	1 Develop additional bundled payment fiscal models	4	24	0	28	\$800	\$4,320	\$0	\$5,120
	2 Attend meetings with Retreat and DVHA	6	6	0	12	\$1,200	\$1,080	\$0	\$2,280
	3 Technical assistance related to monitoring of pilot	12	30	0	42	\$2,400	\$5,400	\$0	\$7,800

Task	Task Description	Project Manager	Programmer/Analyst	Clinical Team	Total Hours	Project Manager	Programmer/Analyst	Clinical Team	Total Costs
VIII	Develop Value Based Purchasing Models	397	402	0	799	\$79,400	\$72,360	\$0	\$151,760
	1 Conduct research on VBPs nationally	85	60	0	145	\$17,000	\$10,800	\$0	\$27,800
	2 Collect and analyze claims information	35	120	0	155	\$7,000	\$21,600	\$0	\$28,600
	3 Modeling payment scenarios	35	120	0	155	\$7,000	\$21,600	\$0	\$28,600
	4 Meet with DVHA on models	50	16	0	66	\$10,000	\$2,880	\$0	\$12,880
	5 Prep and attend meetings with providers	50	16	0	66	\$10,000	\$2,880	\$0	\$12,880
	6 Write final methodology for VBP	50	24	0	74	\$10,000	\$4,320	\$0	\$14,320
	7 Write Public Notice response, answer questions	32	16	0	48	\$6,400	\$2,880	\$0	\$9,280
	8 SPA submission, CMS questions, UPL test	60	30	0	90	\$12,000	\$5,400	\$0	\$17,400
IX	Review Edits and Audits for Duals Project Pricing	100	220	0	320	\$20,000	\$39,600	\$0	\$59,600
	1 Research and outline specifics of Medicare pricing	16	16	0	32	\$3,200	\$2,880	\$0	\$6,080
	2 Meet with DVHA/HP to go over tasks- ongoing	24	24	0	48	\$4,800	\$4,320	\$0	\$9,120
	3 Review HP pricing logic flow charts	16	16	0	32	\$3,200	\$2,880	\$0	\$6,080
	4 Model payment scenarios, build test cases	16	96	0	112	\$3,200	\$17,280	\$0	\$20,480
	5 Meet with DVHA on test pricing- ongoing	20	20	0	40	\$4,000	\$3,600	\$0	\$7,600
	6 Create new test cases, as needed, to fix issues	8	48	0	56	\$1,600	\$8,640	\$0	\$10,240
X	ICD-10: Clinical Review of Translations	14	22	132	168	\$2,800	\$3,960	\$33,000	\$39,760
	1 Develop clinical summary of HP translations	6	6	108	120	\$1,200	\$1,080	\$27,000	\$29,280
	2 Meet with DVHA onsite or by phone to review	0	0	24	24	\$0	\$0	\$6,000	\$6,000
	3 Compile databook of translations for DVHA use	8	16	0	24	\$1,600	\$2,880	\$0	\$4,480
XI	ICD-10: Clinical Review of Med Policy Opportunities	8	16	94	118	\$1,600	\$2,880	\$23,500	\$27,980
	1 Review coverage guidelines for opportunities	0	0	40	40	\$0	\$0	\$10,000	\$10,000
	2 Meet with DVHA to review opportunities	0	0	8	8	\$0	\$0	\$2,000	\$2,000
	3 Assign ICD-10 diagnoses to a new code group	8	16	30	54	\$1,600	\$2,880	\$7,500	\$11,980
	4 Meet with DVHA to review assignments	0	0	16	16	\$0	\$0	\$4,000	\$4,000

Note:

Tasks I through VI fall under the original contract Work Statement Task I: Rate Setting.

Tasks VII and VIII fall under the original contract Work Statement Task II: Fiscal Analysis.

Task IX falls under the original contract Work Statement Task III: Edits and Audits.

Tasks X, XI and XIV fall under the original contract Work Statement Task IV: Evaluations.

Tasks XII, XIII and XV fall under the original contract Work Statement Task VI: Other.

- 5. By deleting on page 5 of 12 the contents of Section III “Total Bid Amount” from Attachment B of the base agreement and as amended by Amendment 1, and substituting in lieu thereof the following Section III:**

III. Total Contract Amount payable under this contract shall not exceed \$1,530,610.00.

- 6. By deleting in its entirety beginning on page 6 of the base agreement and as amended by Amendment 1, Attachment C, and substituting in lieu thereof the following Attachment C which is an attachment to this Amendment 2 beginning on page 8 of 11.**

This amendment consists of 11 pages. Except as modified by this amendment and any previous amendments, all provisions of this contract, (#18211) dated September 24, 2010 shall remain unchanged and in full force and effect.

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

**CONTRACTOR
BURNS & ASSOCIATES**

MARK LARSON, COMMISSIONER

DATE

PETER BURNS, PRESIDENT

DATE

ATTACHMENT C
CUSTOMARY PROVISIONS FOR CONTRACTS AND GRANTS

- 1. Entire Agreement.** This Agreement, whether in the form of a Contract, State Funded Grant, or Federally Funded Grant, represents the entire agreement between the parties on the subject matter. All prior agreements, representations, statements, negotiations, and understandings shall have no effect.
- 2. Applicable Law.** This Agreement will be governed by the laws of the State of Vermont.
- 3. Definitions:** For purposes of this Attachment, "Party" shall mean the Contractor, Grantee or Subrecipient, with whom the State of Vermont is executing this Agreement and consistent with the form of the Agreement.
- 4. Appropriations:** If appropriations are insufficient to support this Agreement, the State may cancel on a date agreed to by the parties or upon the expiration or reduction of existing appropriation authority. In the case that this Agreement is funded in whole or in part by federal or other non-State funds, and in the event those funds become unavailable or reduced, the State may suspend or cancel this Agreement immediately, and the State shall have no obligation to fund this Agreement from State revenues.
- 5. No Employee Benefits For Party:** The Party understands that the State will not provide any individual retirement benefits, group life insurance, group health and dental insurance, vacation or sick leave, workers compensation or other benefits or services available to State employees, nor will the state withhold any state or federal taxes except as required under applicable tax laws, which shall be determined in advance of execution of the Agreement. The Party understands that all tax returns required by the Internal Revenue Code and the State of Vermont, including but not limited to income, withholding, sales and use, and rooms and meals, must be filed by the Party, and information as to Agreement income will be provided by the State of Vermont to the Internal Revenue Service and the Vermont Department of Taxes.
- 6. Independence, Liability:** The Party will act in an independent capacity and not as officers or employees of the State.

The Party shall defend the State and its officers and employees against all claims or suits arising in whole or in part from any act or omission of the Party or of any agent of the Party. The State shall notify the Party in the event of any such claim or suit, and the Party shall immediately retain counsel and otherwise provide a complete defense against the entire claim or suit. The Party shall notify its insurance company and the State within 10 days of receiving any claim for damages, notice of claims, pre-claims, or service of judgments or claims, for any act or omissions in the performance of this Agreement.

After a final judgment or settlement the Party may request recoupment of specific defense costs and may file suit in Washington Superior Court requesting recoupment. The Party shall be entitled to recoup costs only upon a showing that such costs were entirely unrelated to the defense of any claim arising from an act or omission of the Party.

The Party shall indemnify the State and its officers and employees in the event that the State, its officers or employees become legally obligated to pay any damages or losses arising from any act or omission of the Party.

7. **Insurance:** Before commencing work on this Agreement the Party must provide certificates of insurance to show that the following minimum coverage is in effect. It is the responsibility of the Party to maintain current certificates of insurance on file with the state through the term of the Agreement. No warranty is made that the coverage and limits listed herein are adequate to cover and protect the interests of the Party for the Party's operations. These are solely minimums that have been established to protect the interests of the State.

Workers Compensation: With respect to all operations performed, the Party shall carry workers' compensation insurance in accordance with the laws of the State of Vermont.

General Liability and Property Damage: With respect to all operations performed under the Agreement, the Party shall carry general liability insurance having all major divisions of coverage including, but not limited to:

Premises - Operations
Products and Completed Operations
Personal Injury Liability
Contractual Liability

The policy shall be on an occurrence form and limits shall not be less than:

\$1,000,000 Per Occurrence
\$1,000,000 General Aggregate
\$1,000,000 Products/Completed Operations Aggregate
\$ 50,000 Fire/ Legal/Liability

Party shall name the State of Vermont and its officers and employees as additional insureds for liability arising out of this Agreement.

Automotive Liability: The Party shall carry automotive liability insurance covering all motor vehicles, including hired and non-owned coverage, used in connection with the Agreement. Limits of coverage shall not be less than: \$1,000,000 combined single limit.

Party shall name the State of Vermont and its officers and employees as additional insureds for liability arising out of this Agreement.

Professional Liability: Before commencing work on this Agreement and throughout the term of this Agreement, the Party shall procure and maintain professional liability insurance for any and all services performed under this Agreement, with minimum coverage of \$ N/A per occurrence, and \$ N/A aggregate.

8. **Reliance by the State on Representations:** All payments by the State under this Agreement will be made in reliance upon the accuracy of all prior representations by the Party, including but not limited to bills, invoices, progress reports and other proofs of work.
9. **Requirement to Have a Single Audit:** In the case that this Agreement is a Grant that is funded in whole or in part by federal funds, the Subrecipient will complete the Subrecipient Annual Report annually within 45 days after its fiscal year end, informing the State of Vermont whether or not a single audit is required for the prior fiscal year. If a single audit is required, the Subrecipient will submit a copy of the audit report to the granting Party within 9 months. If a single audit is not required, only the Subrecipient Annual Report is required.

A single audit is required if the subrecipient expends \$500,000 or more in federal assistance during its fiscal year and must be conducted in accordance with OMB Circular A-133. The Subrecipient Annual Report is required to be submitted within 45 days, whether or not a single audit is required.

10. **Records Available for Audit:** The Party will maintain all books, documents, payroll papers, accounting records and other evidence pertaining to costs incurred under this agreement and make them available at reasonable times during the period of the Agreement and for three years thereafter for inspection by any authorized representatives of the State or Federal Government. If any litigation, claim, or audit is started before the expiration of the three year period, the records shall be retained until all litigation, claims or audit findings involving the records have been resolved. The State, by any authorized representative, shall have the right at all reasonable times to inspect or otherwise evaluate the work performed or being performed under this Agreement.
11. **Fair Employment Practices and Americans with Disabilities Act:** Party agrees to comply with the requirement of Title 21V.S.A. Chapter 5, Subchapter 6, relating to fair employment practices, to the full extent applicable. Party shall also ensure, to the full extent required by the Americans with Disabilities Act of 1990, as amended, that qualified individuals with disabilities receive equitable access to the services, programs, and activities provided by the Party under this Agreement. Party further agrees to include this provision in all subcontracts.
12. **Set Off:** The State may set off any sums which the Party owes the State against any sums due the Party under this Agreement; provided, however, that any set off of amounts due the State of Vermont as taxes shall be in accordance with the procedures more specifically provided hereinafter.
13. **Taxes Due to the State:**
 - a. Party understands and acknowledges responsibility, if applicable, for compliance with State tax laws, including income tax withholding for employees performing services within the State, payment of use tax on property used within the State, corporate and/or personal income tax on income earned within the State.
 - b. Party certifies under the pains and penalties of perjury that, as of the date the Agreement is signed, the Party is in good standing with respect to, or in full compliance with, a plan to pay any and all taxes due the State of Vermont.
 - c. Party understands that final payment under this Agreement may be withheld if the Commissioner of Taxes determines that the Party is not in good standing with respect to or in full compliance with a plan to pay any and all taxes due to the State of Vermont.
 - d. Party also understands the State may set off taxes (and related penalties, interest and fees) due to the State of Vermont, but only if the Party has failed to make an appeal within the time allowed by law, or an appeal has been taken and finally determined and the Party has no further legal recourse to contest the amounts due.
14. **Child Support:** (Applicable if the Party is a natural person, not a corporation or partnership.) Party states that, as of the date the Agreement is signed, he/she:
 - a. is not under any obligation to pay child support; or
 - b. is under such an obligation and is in good standing with respect to that obligation; or

- c. has agreed to a payment plan with the Vermont Office of Child Support Services and is in full compliance with that plan.

Party makes this statement with regard to support owed to any and all children residing in Vermont. In addition, if the Party is a resident of Vermont, Party makes this statement with regard to support owed to any and all children residing in any other state or territory of the United States.

- 15. Sub-Agreements:** Party shall not assign, subcontract or subgrant the performance of this Agreement or any portion thereof to any other Party without the prior written approval of the State. Party also agrees to include in subcontract or subgrant agreements a tax certification in accordance with paragraph 13 above.

Notwithstanding the foregoing, the State agrees that the Party may assign this agreement, including all of the Party's rights and obligations hereunder, to any successor in interest to the Party arising out of the sale of or reorganization of the Party.

- 16. No Gifts or Gratuities:** Party shall not give title or possession of any thing of substantial value (including property, currency, travel and/or education programs) to any officer or employee of the State during the term of this Agreement.

- 17. Copies:** All written reports prepared under this Agreement will be printed using both sides of the paper.

- 18. Certification Regarding Debarment:** Party certifies under pains and penalties of perjury that, as of the date that this Agreement is signed, neither Party nor Party's principals (officers, directors, owners, or partners) are presently debarred, suspended, proposed for debarment, declared ineligible or excluded from participation in federal programs, or programs supported in whole or in part by federal funds.

Party further certifies under pains and penalties of perjury that, as of the date that this Agreement is signed, Party is not presently debarred, suspended, nor named on the State's debarment list at: <http://bgs.vermont.gov/purchasing/debarment>

- 19. Certification Regarding Use of State Funds:** In the case that Party is an employer and this Agreement is a State Funded Grant in excess of \$1,001, Party certifies that none of these State funds will be used to interfere with or restrain the exercise of Party's employee's rights with respect to unionization.