

## AMENDMENT

It is agreed by and between the State of Vermont, Department of Vermont Health Access (hereafter called the "State") and Bi-State Primary Care Association (hereafter called the "Subrecipient") that the agreement on the subject of development and implementation of a care management model for the Subrecipient's Accountable Care Organizations, effective November 10, 2014, is hereby amended effective January 1, 2015, as follows:

**1. By deleting Section 3 (Maximum Amount) on page 1 of 25 the base and substituting in lieu thereof the following Section 3:**

**3. Maximum Amount.** In consideration of the services to be performed by Contract, the State agrees to pay Subrecipient, in accordance with the payment provisions specified in Attachment B, a sum not to exceed \$728,400. See Attachment B, #1, FUNDING and PERIOD OF PERFORMANCE AUTHORIZATION REQUIREMENT.

**2. Attachment A: By striking out Attachment A in its entirety and substituting in lieu thereof the following Attachment A:**

### ATTACHMENT A SCOPE OF WORK TO BE PERFORMED

This grant agreement relates to health care innovation services provided by the Subrecipient. In 2013, the State was awarded a State Innovation Model (SIM) federal grant to support the work outlined below as part of the Vermont Health Care Innovation Project (VHCIP).

This agreement supports the Subrecipient's efforts to identify and improve health for at risk populations through building the administrative and leadership capacity of Community Health Accountable Care, LLC (CHAC) Accountable Care Organization and through developing a care management model, including acquiring care management tools, for CHAC. This agreement additionally supports the Subrecipient's work to report CHAC's ACO quality measures for Program Year 2014 and preparation for Program Year 2015.

Subrecipient Shall:

1. Provide leadership for CHAC's activities regarding budget, quality improvement, data repository and reporting services in collaboration with CHAC's senior management staff.
2. Develop and implement a care management model. Such work shall include:
  - a. Identification, selection, and acquisition of care management tools;
  - b. Implementation of telemonitoring intervention. i. Subrecipient shall engage (1) vendor Pharos Innovations, LLC and (2) a care coordination vendor organization to implement a telemonitoring clinical intervention focusing on Medicare beneficiaries with complex conditions with the goal of reducing hospitalizations. This intervention will provide approximately 20 phone calls, per month, per enrolled patient, and include technology to flag patients at risk for hospitalization who require clinical follow up.

3. Prepare ACO quality reporting submissions for the 2014 Program Year for the:
  - a. Medicare Shared Savings Program
  - b. Medicaid Shared Savings Program
  - c. Commercial Shared Savings Program
4. Support systems development for ongoing ACO quality reporting for all programs as resources permit.
5. Prepare and submit to the State quarterly programmatic status reports no later than the 10<sup>th</sup> of the month following the 3 month period being reported. The reports shall include a narrative summary outlining specific progress on projects as directed by the reporting templates provided. The reporting schedule is as follows:
  - a. 2015: January 10 (for the months of November and December 2014), April 10, July 10, October 10
  - b. 2016: January 10, April 10
  - c. Final Report Due: July 30, 2016
6. Prepare and present programmatic reports to the VHCIP work groups, Steering Committee or Core Team as requested.
7. Adhere to the following work plan and timeline as it appears below on page 3:

Deliverables and Implementation Timeline				
Activities	Anticipated Outcomes	Milestone	Implementation Timeline	Person Responsible
<b>Need:</b> Vermont and the nation have identified the need to develop new systems and structures to reduce rising health expenditures while maintaining and improving the quality of care				
<b>Goal:</b> Improve health outcomes for CHAC's "rising risk" population				
<b>Objective:</b> Develop and implement a care management model for CHAC designed to improve coordination and impact total cost of care for "rising risk" population.				
<i>Contract with Pharos Innovations, LLC, a telemonitoring services vendor to implement clinical intervention targeting rising risk population</i>	Vendors engaged	Vendor contract executed	By 12/1/2014	Director of VT Operations
		Vendor contract executive or staff hired	By 12/31/2014	
<i>Contract for staff to support care coordination component of telemonitoring intervention</i>	300+ patients enrolled by 6/30/15	300+ patients enrolled by 6/30/15	By 6/30/2015	
<i>Implement Intervention</i>	Intervention rolled out at 3+ FQHCs by 6/30/15	Intervention rolled out at 3+ FQHCs by 6/30/15	By 6/30/2015	
<i>Evaluate Intervention</i>	Clinical intervention will reduce hospitalizations for enrolled patients, impacting quality and total cost of care.	Evaluate claims data	By 3/30/2016	

<b>Need: CHAC must complete ACO quality reporting as part of participation in the Medicare, Medicaid, and Commercial Shared Savings Programs.</b>				
<b>Goal:</b> Implement an ACO quality reporting process that is compliant and enables CHAC to identify QI opportunities				
<b>Objective:</b> Complete ACO quality reporting for Program Year 2014 (and, if resources allow) develop systems for ongoing ACO reporting, per program deadlines.				
<i>Develop ACO QI Reporting Plan</i>	Plan identified that is as efficient as possible and customized to needs of individual health centers.	Workplan developed	By 1/26/15	Project Manager
<i>Identify and procure resources needed to implement plan.</i>	IT and human resources are identified and procured.	IT purchases made; temp agency contract executed; individual temp workers identified	By 1/26/15	Director VT Operations
<i>Conduct data abstraction for PY2014</i>	PY14 data aggregated, per program specific guidelines	PY14 data submitted, per program specific guidelines	By 4/30/15	Director VT Operations
<i>Resource permitting, develop systems for ongoing measure reporting</i>	Supportive systems developed	Supportive systems developed	By 4/30/16	Director VT Operations

**SubGrantee Requirements:** Per Attachment C, Section 15, if the Subrecipient chooses to subcontract additional work under this agreement, the Subrecipient must first fill out and submit the Request for Approval to Subcontract Form (Appendix I- Required Forms) in order to seek approval from the State prior to signing an agreement with a third party. Upon receipt of the Request for Approval to Subcontract Form, the State shall review and respond within five (5) business days. Under no circumstance shall the Subrecipient enter into a sub-agreement without prior authorization from the State. The Subrecipient shall submit the Request for Approval to Subcontract Form electronically to:

Jessica Mendizabal  
 Business Office  
 Department of Vermont Health Access (DVHA)  
[jessica.mendizabal@state.vt.us](mailto:jessica.mendizabal@state.vt.us)  
 (o) 802-878-7958

Should the status of any third party or Subrecipient change, the Subrecipient is responsible for updating the State within fourteen (14) days of said change.

The following subcontractors are approved under this agreement:

**Pharos Innovations, LLC**

Todd J. Shannon, Vice President Sales

Two Northfield Plaza, Suite 201

Northfield IL 60093

(224) 688-0802

*Scope of work:* telemonitoring clinical intervention focusing on Medicare beneficiaries with complex conditions.

**TLC Nursing Associates**

56 W. Twin Oaks Terrace Suite 1

South Burlington, VT 05403

802-735-1123

*Scope of work:* Temporary staffing to accomplish ACO quality reporting data extraction.

**Westaff, Inc.**

1 Conti Circle

Barre, VT 05641

802-477-4700

*Scope of work:* Temporary staffing to accomplish ACO quality reporting data extraction

**Subrecipient Requirements**

As a subrecipient of federal funds, the recipient is required to adhere to the following federal regulations:

A-110: "Uniform Administrative Requirements for Grants and Agreements with Institutions of Higher Education, Hospitals and Other Non-Profit Organizations" (OMB Circular A-110);

A-122: "Cost Principles for Non-Profit Organizations" (OMB Circular A-122); and

A-133: "Audits of States, Local Governments and Non-Profit Organizations" (OMB Circular A-133)

These circulars may be found on the Office of Management and Budget website at: <http://www.whitehouse.gov/omb/circulars/index.html>.

For Agreements that extend beyond 2014:

2 CFR Chapter I, Chapter II, Part 200, et al.: "Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards; Final Rule"

<http://www.gpo.gov/fdsys/pkg/FR-2013-12-26/pdf/2013-30465.pdf>.

Health and Human Services (HHS) Grant Policy Statement (GPS) - Subawards (pg. II-78):

The recipient is accountable to the Operating Division (OPDIV) for the performance of the project, the appropriate expenditure of grant funds by all parties, and all other obligations of the recipient, as specified in the HHS GPS. In general, the requirements that apply to the recipient, including the intellectual property and program income requirements of the award, also apply to subrecipients. The recipient is responsible for including the applicable requirements of the HHS GPS in its subaward agreements.

The recipient must enter into a formal written agreement with each subrecipient that addresses the arrangements for meeting the programmatic, administrative, financial, and reporting requirements of the grant, including those necessary to ensure compliance with all applicable Federal regulations and policies. **At a minimum, the subaward agreement must include the following:**

- Identification of the Principal Investigator/Principal Director and individuals responsible for the programmatic activity at the subrecipient organization along with their roles and responsibilities.
- Procedures for directing and monitoring the programmatic effort.
- Procedures to be followed in providing funding to the subrecipient, including dollar ceiling, method and schedule of payment, type of supporting documentation required, and procedures for review and approval of expenditures of grant funds.
- If different from those of the recipient, a determination of policies to be followed in such areas as travel reimbursement and salaries and fringe benefits (the policies of the subrecipient may be used as long as they meet HHS requirements).

Incorporation of applicable public policy requirements and provisions indicating the intent of the subrecipient to comply, including submission of applicable assurances and certifications.

**For research subawards, inclusion of the following:**

- Statement specifying whether the financial conflict of interest requirements of the collaborating organization or those of the recipient apply.
- Provision addressing ownership and disposition of data produced under the agreement.
- Provision making the sharing of data and research tools and the inventions and patent policy applicable to the subrecipient and its employees in order to ensure that the rights of the parties to the agreement are protected and that the recipient can fulfill its responsibilities to the OPDIV. This provision must include a requirement to report inventions to the recipient and specify that the recipient has the right to request and receive data from the subrecipient on demand.
- Provisions regarding property (other than intellectual property), program income, publications, reporting, record retention, and audit necessary for the recipient to fulfill its obligations to the OPDIV.

**Federal Funding Accountability and Transparency Act (FFATA) Subaward Reporting Requirement:**

New awards issued under this funding opportunity announcement are subject to the reporting requirements of the Federal Funding Accountability and Transparency Act of 2006 (Pub. L. 109–282), as amended by section 6202 of Public Law 110–252 and implemented by 2 CFR Part 170.

**Grant and cooperative agreement recipients must report information for each first-tier sub-award of \$25,000 or more in Federal funds and executive total compensation for the recipient's and subrecipient's five most highly compensated executives as outlined in Appendix A to 2 CFR Part 170 (available online at [www.fsrs.gov](http://www.fsrs.gov)).**

- 3. Attachment B: By striking out attachment B of the base agreement in its entirety and substituting in lieu thereof:**

#### **ATTACHMENT B PAYMENT PROVISIONS**

The maximum dollar amount payable under this agreement is not intended as any form of a guaranteed amount. The Subrecipient will be paid for services specified in Attachment A, or services actually performed, up to the maximum allowable amount specified within this agreement. The maximum allowable amount under this agreement is \$728,400.

This amount will be paid in the following manner:

- 1. FUNDING and PERIOD OF PERFORMANCE AUTHORIZATION REQUIREMENT:** This contract is funded by a federal grant and subject to federal approval. No reimbursement shall be provided under this agreement without federal approval for the task, service, or product for which reimbursement is claimed.
  - Funding for this agreement has been approved through December 31, 2014 in the amount of \$90,000. Subrecipient is authorized to conduct work through December 31, 2014.
  - In December, 2014 federal approval will be sought for the time period of January 1, 2015-December, 31, 2015 in the amount of \$551,918. Subrecipient may not begin work for year two, beginning January 1, 2015 and ending December 31, 2015, without written authorization from the State of Vermont. Approval for year two funding is contingent on CMMI authorization.
  - In November, 2015 federal approval will be sought for the time period of January 1, 2016-June, 30 2016 in the amount of \$86,482. Subrecipient may not begin work for year three, beginning January 1, 2016 and ending June 30, 2016, without written authorization from the State of Vermont. Approval for year three funding is contingent on CMMI authorization.
- 2. Invoices.** All requests for reimbursements shall be made using the invoice form attached. All payments are subject to payment terms of Net 0 days. Quarterly, the Subrecipient must submit to the State a financial report detailing all expenses to date under this grant agreement.

The Subrecipient shall submit invoices to the State no more frequently than monthly, but no later than quarterly. All requests for reimbursement shall be submitted according to the invoicing templates provided by the State (invoice and worksheet will be provided electronically separate from this agreement; see Appendix I for sample invoice). The Subrecipient shall maintain copies of all receipts as supporting documentation for all reimbursed payments. Mileage expense for use of personal vehicles will be reimbursed at the current State rate. Travel expenses must be in compliance with State of Vermont Administrative Bulletin 3.4.

3. Services performed between November 1, 2014, and the start of this agreement that are in conformity with Attachment A can be billed under this agreement.
4. Invoices should reference this grant number, contain the current date of submission and be submitted electronically with all other reports to:

Jessica Mendizabal, Contract Administrator  
Business Office, Contracting Unit  
Department of Vermont Health Access  
[jessica.mendizabal@state.vt.us](mailto:jessica.mendizabal@state.vt.us)

5. Compliance and Reporting requirements

As a responsible steward of federal funding, the State monitors its Subrecipients utilizing the following monitoring tools:

- a. Ensure that Subrecipient is not disbarred/suspended or excluded for any reason
- b. Sub-award agreement
- c. Subrecipient meeting and regular contact with Subrecipients
- d. Required pre-approval for changes to budget or scope of grant
- e. Quarterly financial reports
- f. Bi-annual programmatic reports
- g. Audit
- h. Desk Reviews
- i. Site audits

In its use of these monitoring tools, the State emphasizes clear communication to ensure a feedback loop that supports Subrecipients in maintaining compliance with federal requirements. The State may at any time elect to conduct additional Subrecipient monitoring. Subrecipients therefore should maintain grant records accurately in the event that the State exercises this right. The State may also waive its right to perform certain Subrecipient monitoring activities. If, at any time, the State waives its right to certain Subrecipient monitoring activities, it will note which activities were not completed and the reasons why that activity was not necessary. Each of the monitoring tools and policies regarding their use are described in detail beginning on page 5 of the Vermont Health Care Innovation Project Grant Program Application. The parties agree that the Application will be incorporated by reference into this contract at the point this contract is signed.



6. Program Budget:

Category	Amount
Finance Office Staff	\$ 15,000
Quality Manager (Patty Launer)	\$ 15,331
Project Manager (Heather Skeels)	\$ 12,629
Administrative Assistant / Data Coordinator (TBH)	\$ 17,500
total salaries	\$ 60,460
total fringe @23%	\$ 13,906
total personnel	\$ 74,366
Conference/travel	\$ 6,135
Mileage	\$ 1,535
Meetings	\$ 250
Other IT (server, etc.)	\$ 14,636
Supplies	\$ 6,069
Compliance expertise	\$ -
Telemonitoring vendor (Pharos Innovations, LLC)	\$ 355,000
Temporary agency (data extraction nurses)	\$ 61,800
Triage care coordination (VNA of VT)	\$ 147,000
Support for data extraction FQHC T&E	\$ 20,000
Legal	\$ 1,800
Business insurance	\$ 7,000
Facility	\$ 25,372
Total direct	\$ 720,964
Indirect 10% of personnel	\$ 7,437
<b>TOTAL</b>	<b>\$ 728,400</b>

Variances of the subtotal budget items shall not exceed 10% without prior approval from the State. Written requests for such approvals must first be submitted by the Grantee prior to the expenditure of funds in excess of the above budgeted line items.

This amendment consists of 10 pages. Except as modified by this amendment all provisions of this agreement, (#03410-1456-15) dated November 10, 2014 shall remain unchanged and in full force and effect.

BY THE STATE OF VERMONT:

BY THE SUBRECIPIENT:

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Mark Larson, Commissioner                      Date  
312 Hurricane Lane, Suite 201  
Williston, VT. 05495-2087  
Phone: 802-879-5901  
Email: [mark.larson@state.vt.us](mailto:mark.larson@state.vt.us)

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Lori H. Real, Executive Vice President/COO    Date  
Bi-State Primary Care  
525 Clinton Street, Bow, NH 03304  
Phone: 603-228-2830, ext. 114  
Email: [lreal@bistatepca.org](mailto:lreal@bistatepca.org)