

**AMENDMENT TWO
TO HHSC CONTRACT NO. 529-16-0007-00001**

THIS AMENDMENT TWO (the "**Amendment**") to HHSC Contract No. 529-16-0007-00001 (the "**Agreement**") is entered into between the HEALTH AND HUMAN SERVICES COMMISSION ("**HHSC**" or the "**State**"), an administrative agency within the executive department of the State of Texas and having its principal office at 4900 North Lamar Boulevard, Austin Texas 78751, and Accenture State Healthcare Services LLC ("**CONTRACTOR**"), a limited liability corporation organized under the laws of the State of Delaware and having its principal place of business at 1501 S. MoPac Expressway, Austin, TX 78746. HHSC and the CONTRACTOR may be referred to in this Amendment individually as a "Party" and collectively as the "Parties."

WHEREAS, Amendment 29 of the predecessor contract #529-14-0125-00003 between HHSC and CONTRACTOR ("**Amendment 29**") represented the Parties mutual agreement regarding additional requirements for CONTRACTOR staff to bring Managed Care encounter data into the Medicaid Logs (Medlog), used Managed Care encounters in the cost settlement and rate analysis process, and provided easier access of Medlog data to providers. The Services under Amendment 29 were incorporated into the Statement of Work set forth in Exhibit B to the Agreement ("**SOW**").

WHEREAS, in accordance with Article 9 of the Agreement, the Parties wish to amend the Agreement in order to add to the SOW services relating to Federally Qualified Health Center (FQHC) Wrap Payment Medicaid and Children's Health Insurance Program (CHIP) encounter data processes and reporting.

NOW, THEREFORE the Parties hereby amend and modify the Agreement as follows:

1. STATEMENT OF WORK. Contractor will perform the requirements set forth in this Amendment from the effective date of this Amendment through March 2018. The following one-time requirements are incorporated into the SOW:

ITEM #	TYPE	REQUIREMENT
FQHC Wrap Payment Process Phase 1		
16-025-022	Technology	Modify Encounters Electronic Data Inquiry (EDI) to enable receipt and editing of FQHC Wrap Payment data from the MCOs on 837P Medicaid and CHIP encounter transactions.
16-025-023	Technology	Conduct trading partner testing with Medicaid and CHIP MCOs for FQHC Wrap information submitted on 837P encounters.
16-025-024	Technology	Create two (2) monthly FQHC Wrap Payment reports for Medicaid MCOs, to be delivered to HHSC for use by HHSC in determining payments to Medicaid MCOs.
16-025-025	Technology	Include Medicaid Eligibility Group (MEG), Risk Group, and Voucher Section to be assigned to encounters eligible for FQHC Wrap Payments on the two (2) FQHC Wrap Payment reports for Medicaid MCOs.
FQHC Wrap Payment Process Phase 2		
16-025-026	Technology	Create two (2) quarterly FQHC Wrap Payment reports for CHIP MCOs, to be delivered to HHSC for use by HHSC in determining payments to CHIP MCOs.
16-025-027	Technology	Develop reporting for the Medicaid and CHIP FQHC Wrap identification, review and payment reconciliation processes to be performed by CONTRACTOR Medicaid Audit Staff.
16-025-028	Technology	Modify the Medicaid Audit Provider System (MAPS) to accommodate tracking of payment information for FQHC Wrap Payments to Medicaid and CHIP MCOs.
16-025-029	Technology	Modify the Medicaid Audit Provider System (MAPS) to incorporate tracking encounter cost report review.
16-025-030	Business	Create quarterly process to review FQHC encounters to determine recommended Wrap Payment amount for each Medicaid and CHIP MCO by FQHC.
16-025-031	Business	Create a quarterly process to compare the audited recommended FQHC Wrap Payment amount to the interim FQHC Wrap Payment amount reimbursed by HHSC based on Medicaid and CHIP MCO submitted X12 837P encounter transaction data.

The following on-going requirements are incorporated into the SOW and will be performed beginning ninety days after completion of the above one-time requirements (“**Implementation Date**”):

ITEM #	RQMT ID	EXHIBIT B ATTACHMENT	SUBCATEGORY	REQUIREMENT
On-going				
1.	PRV - 0420	Attachment 29	Reporting	Report recommended FQHC Wrap Payment amount for Medicaid MCOs to HHSC on a quarterly basis and in a format agreed upon by HHSC.
2.	PRV - 0421	Attachment 29	Reporting	Report recommended FQHC Wrap Payment amount for CHIP MCOs to HHSC on a quarterly basis and in a format agreed upon by HHSC.

2. **ASSUMPTIONS.** The requested changes to the SOW in the Agreement, Deliverables, and fee schedule in this Amendment are based on the following assumptions. For the avoidance of doubt, the assumptions contained in this Amendment only relate to the contemplated changes to the SOW by this Amendment and do not relate to the remainder of the SOW.

ITEM #	TYPE (BUSINESS, TECHNICAL, OR BOTH)	ASSUMPTIONS
1.	Both	HHSC will communicate to the Medicaid and CHIP MCOs regarding FQHC payment processes, encounter submission changes, and system changes.
2.	Both	Effort and costs associated with system and/or business process changes required by trading partners, including Medicaid and CHIP MCOs, are not included in this Amendment.
3.	Both	Payments to FQHCs will be made by Medicaid and CHIP MCOs and HHSC will make payments to Medicaid and CHIP MCOs. No changes are included or required of CONTRACTOR to issue Wrap Payments to FQHCs or to reimburse MCOs.
4.	Technical	The X12 837P standard format contains a position to include the financial arrangement code, contracted rate information, and full Prospective Payment System (PPS) rate from Medicaid and CHIP MCOs.
5.	Technical	Determination of FQHC Wrap Payment amount is based on a calculation of MCO Submitted Full PPS Rate minus MCO Submitted Contracted Rate which is applied across new day, adjustment, and void encounter transactions.

ITEM #	TYPE (BUSINESS, TECHNICAL, OR BOTH)	ASSUMPTIONS
6.	Technical	CONTRACTOR reporting to HHSC of FQHC Wrap Payment amounts is based on MCO submitted information that cannot be validated by CONTRACTOR.
7.	Technical	CONTRACTOR processes related to FQHC Wrap Payment reporting will be implemented for dates of service on or after September 1, 2017. Although HHSC may issue payments for services prior to that date, no retroactive processing or reporting is included or required of CONTRACTOR for dates prior.
8.	Technical	No changes are required or included to support creation and issuance of 1099s to MCOs for FQHC Wrap Payments.
9.	Business	CONTRACTOR staff is not responsible for addressing provider inquiries related to FQHC Wrap Payments.
10.	Technical	No settlement letters are included or required of CONTRACTOR to create nor distribute to MCOs or FQHCs for FQHC Wrap Payments.
11.	Technical	MCOs will begin submitting the specific financial arrangement code and contracted rate information on X12 encounter transactions for applicable FQHC services provided on and after September 1, 2017.
12.	Both	There are no changes to CONTRACTOR business or operational processes included in the FQHC Wrap Payment Process Phase 1.
13.	Business	CONTRACTOR staffing estimates are based on the following metrics from calendar year 2016. Changes to these numbers could impact CONTRACTOR staffing and costs to HHSC. <ul style="list-style-type: none"> • Number of CHIP MCOs = 16 • Number of Medicaid MCOs = 20 • Annual CHIP Encounters = 195,545 • Annual Medicaid Encounters = 1,123,907 • Number of CHIP FQHCs = 225 • Number of Medicaid FQHCs = 307
14.	Technical	The billing provider taxonomy code used at the header level of the X12 encounter transaction will identify the encounter as an FQHC encounter submitted by Medicaid and CHIP MCOs.
15.	Technical	An MCO that is contracted for both CHIP and Medicaid will have the same MCO ID for both CHIP and Medicaid.
16.	Technical	The managed care plan code will identify the encounter as a Medicaid encounter or a CHIP encounter.
17.	Technical	CHIP MCOs will reimburse FQHCs using the same PPS rate used for Medicaid.

ITEM #	TYPE (BUSINESS, TECHNICAL, OR BOTH)	ASSUMPTIONS
18.	Technical	No changes are required or included to modify the services included or excluded from the FQHC PPS rate.
19.	Technical	HHSC will supply a crosswalk for determining the appropriate Medicaid Eligibility Group (MEG), Risk Group, and Voucher Section to be assigned to encounters eligible for FQHC Wrap Payments.
20.	Technical	Medicaid FQHC Wrap Payment reports to HHSC will include only data that is included in Medicaid encounters, or in the HHSC provided crosswalk.
21.	Technical	CHIP FQHC Wrap Payment reports to HHSC will include only data that is included in CHIP encounters, including the Federal Poverty Level (FPL) provided in the EDI – ENC – CHIP Eligibility File received from the Enrollment Broker, or in the HHSC provided crosswalk.

3. Pricing.

CONTRACTOR will perform the Services on a “fixed fee” basis in the amount and terms set forth in this Amendment. Total Fixed Fees under this Amendment will not exceed FOUR MILLION SEVEN HUNDRED FIFTY FOUR THOUSAND TWENTY FOUR (\$4,754,024) DOLLARS. Pricing and fee schedules for this Amendment are set forth in the below tables.

CONTRACTOR must submit to HHSC documentation of Costs associated with FCS-0019 set forth in Attachment 1 to Exhibit C of the Agreement with monthly invoices for the COR 16-025 project.

**COR 16 - 025 Amendment Rate Analysis Reporting Enhancements
Pricing Schedule**

	SFY 18	SFY 19	SFY 20	Total
Accenture Labor (Tech)	1,452,622	-	-	1,452,622
Accenture Labor (Ops)	1,118,021	1,071,430	1,092,858	3,282,309
Consulting	-	-	-	-
Pass Through HW/SW	19,021	36	36	19,093
Pass Through- Other	-	-	-	-
Non Pass Through	-	-	-	-
Total Cost	2,589,664	1,071,466	1,092,894	4,754,024
	FFY 18	FFY 19	FFY 20	Total
Accenture Labor (Tech)	1,452,622	-	-	1,452,622
Accenture Labor (Ops)	1,207,307	1,073,215	1,001,787	3,282,309
Consulting	-	-	-	-
Pass Through HW/SW	19,021	36	36	19,093
Pass Through- Other	-	-	-	-
Non Pass Through	-	-	-	-
Total Cost	2,678,950	1,073,251	1,001,823	4,754,024

Billing Schedule

SFY 2018				
Month	Contract Period	Development	Operations/Run	Total
Oct-17	07	310,475	87,535	398,010
Nov-17	07	303,506	87,535	391,041
Dec-17	07	295,922	87,535	383,457
Jan-18	07	242,482	87,535	330,017
Feb-18	07	239,861	87,535	327,396
Mar-18	07	215,512	87,535	303,047
Apr-18	07	-	87,535	87,535
May-18	07	-	87,535	87,535
Jun-18	07	-	87,535	87,535
Jul-18	07	-	87,535	87,535
Aug-18	07	-	87,535	87,535
Total		1,607,757	962,886	2,570,643

SFY 2019				
Month	Contract Period	Development	Operations/Run	Total
Sep-18	07	-	89,286	89,286
Oct-18	07	-	89,286	89,286
Nov-18	07	-	89,286	89,286
Dec-18	07	-	89,286	89,286
Jan-19	07	-	89,286	89,286
Feb-19	07	-	89,286	89,286
Mar-19	07	-	89,286	89,286
Apr-19	07	-	89,286	89,286
May-19	07	-	89,286	89,286
Jun-19	07	-	89,286	89,286
Jul-19	07	-	89,286	89,286
Aug-19	07	-	89,286	89,286
Total		-	1,071,430	1,071,430

SFY 2020				
Month	Contract Period	Development	Operations/Run	Total
Sep-19	07	-	91,072	91,072
Oct-19	07	-	91,072	91,072
Nov-19	07	-	91,072	91,072
Dec-19	07	-	91,072	91,072
Jan-20	07	-	91,072	91,072
Feb-20	07	-	91,072	91,072
Mar-20	07	-	91,072	91,072
Apr-20	07	-	91,072	91,072
May-20	07	-	91,072	91,072
Jun-20	07	-	91,072	91,072
Jul-20	07	-	91,072	91,072
Aug-20	07	-	91,072	91,072
Total		-	1,092,858	1,092,858

Other Costs	Development	Operations/Run	Total
Capital and Supporting	220	18,873	19,093
Total	220	18,873	19,093

Total Cost	1,607,977	3,146,047	4,754,024
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4. STAFFING. CONTRACTOR estimates the need for the following staffing resources to perform the Services under this Amendment.

1. Business Operations Temporary Staff

- a. One and one-half (1.5) ramping down to (1.0) Operations Business Analyst (BA) full time equivalent (FTE) will be staffed for six (6) months starting from the effective date of this Amendment to serve as the point of contact for Operational impacts related to the functionality being implemented with this Amendment. The Operations BA will participate in the analysis, testing and implementation of changes to Operational processes. The Operations BA will manage and track the updating of applicable Operations documentation (P & P, Job aides, applicable training materials, and internal communications to Operations).
- b. One (1.0) ramping down to one-half (.5) Medicaid Audit Senior Auditor FTE will be staffed for six(6) months starting from the effective date of this Amendment to serve as the point of contact for Medicaid Audit related to the functionality being implemented with this project. The Auditor will analyze and test new payment reports, establish processes and procedures to the Medicaid FQHC Wrap Payment and CHIP FQHC Wrap Payment process, and participate in the analysis, testing, and implementation of changes for the Medicaid and CHIP FQHC Wrap Payment processes. This FTE will also participate in delivery of training for internal CONTRACTOR Medicaid Audit staff.

2. Business Operations Ongoing Staff

Medicaid and CHIP FQHC Wrap Payment Process Supervisor

- a. One (1.0) Audit Supervisor will be staffed six (6) months prior to Implementation Date and ongoing through the Term of the Agreement to oversee the eight (8) new staff performing the Medicaid and CHIP FQHC Wrap Payment processes. Given the number of staff and the complexity of the tasks involved, this group requires a supervisor to manage the additional Medicaid FQHC and CHIP FQHC Wrap Payment processes.

3. Medicaid FQHC Wrap Payment Process Staff

- a. One (1.0) Audit Analyst FTE will be staffed six (6) months prior to Implementation Date and ongoing through the Term of the Agreement to track and complete Operations requirements as defined for the project. The Analyst will log appropriate entities into MAPS, forms check all necessary documentation, conduct correspondence, track payments by HHSC, and generate and send Medicaid FQHC Payment Report letter to HHSC.
- b. Two (2.0) Auditor FTEs will be staffed six (6) months prior to Implementation Date and ongoing through the Term of the Agreement to track and complete Operations requirements as defined for the project. They will review encounter reports generated by BOXI and enter all necessary data from encounter data into an Excel template to calculate the Medicaid FQHC Wrap Payment.

- c. One (1.0) Senior Auditor FTE will be staffed six (6) months prior to Implementation Date and ongoing through the Term of the Agreement to track and complete Operations requirements as defined for the project. Review the Medicaid FQHC Excel templates created by Auditors. They will perform Quality Assurance and track metrics of FQHC payment reports generated by the Auditors, and act as primary point of contact and liaison to HHSC for the FQHC Wrap Payment process.

4. CHIP FQHC Wrap Payment Process Staff

- a. One (1.0) Audit Analyst FTE will be staffed six (6) months prior to Implementation Date and ongoing through the Term of the Agreement to track and complete Operations requirements as defined for the project. The Analyst will log appropriate entities into MAPS, forms check all necessary documentation, conduct correspondence, track payments by HHSC, and generate and send CHIP FQHC Payment Report letter to HHSC.
- b. Two (2.0) Auditor FTEs will be staffed six (6) months prior to Implementation Date and ongoing through the Term of the Agreement to track and complete Operations requirements as defined for the project. The Auditors will review of encounter reports generated by BOXI and enter all necessary data from encounter data into an Excel template to calculate the CHIP FQHC Wrap Payment. They will also conduct correspondence.
- c. One (1.0) Senior Auditor FTE will be staffed six (6) months prior to Implementation Date and ongoing through the Term of the Agreement to track and complete Operations requirements as defined for the project. The Auditor will review the CHIP Excel templates created by Auditors, perform Quality Assurance and track metrics of CHIP payment reports generated by the Auditors, and act as primary point of contact and liaison to HHSC for the CHIP Wrap Payment process.

5. RETROSPECTIVE COST SETTLEMENT. Due to the specific circumstances of this Amendment, the costs incurred under this Amendment will not be subject to the Retrospective Cost Settlement provisions included in Section 6.03 and Exhibit C of the Agreement.

6. EFFECTIVE DATE. This Amendment is effective upon the last signature date below, and will continue in full force and effect through the remainder of the Term of the Agreement unless subsequently amended or modified by the Parties.

7. CAPITALIZED TERMS. All capitalized terms in this Amendment shall have the meaning as set forth in Section 3.03 of the Agreement unless modified herein.

8. INCORPORATION BY AMENDMENT. The Parties agree that the terms and conditions set forth in this Amendment apply to the Services and Deliverables to be provided by the CONTRACTOR under the Agreement in consideration of certain payments to be made by HHSC. By signing this Amendment, the Parties expressly understand and agree that this Amendment is made a part of the Agreement as though it were set out word for word in the Agreement.

9. ENTIRE AGREEMENT. The Parties agree that the terms of the Agreement will remain in effect and continue to govern except to the extent modified in this Amendment. The Services and Deliverables under this Amendment are subject to all other terms and requirements of the Agreement as if set forth fully herein.

SIGNATURE PAGE FOLLOWS

SIGNATURE PAGE FOR
AMENDMENT TWO
TO HHSC CONTRACT NO. 529-16-0007-00001

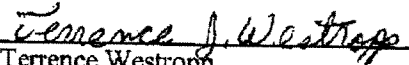
IN WITNESS HEREOF, HHSC and CONTRACTOR have each caused this Amendment to be signed and delivered by its duly authorized representative

Health and Human Services Commission

Accenture State Healthcare Services, LLC



Charles Smith
Executive Commissioner



Terrence Westropp
Chief Executive Officer

10-8-2017

Date

9/26/2017

Date