

**AMENDMENT COVER SHEET
 STANDARD AMENDMENTS
 (Minn. Stat. §§ 16C.05, subd. 2(d), 16C.08, subd. 2 and 3)**

Instructions:

1. Complete this form for contract amendments that extend the end date of a contract, add/reduce work and money, or change any other term or condition of the contract.
2. Attach this form to the amendment when it is presented to the Department of Administration for approval. **Please always include copies of the original certification form, the original contract, and any previous amendments as these are used for reference.**
3. Make sure that you are using the updated amendment template where the State Agency signature block reaffirms applicable sections of 16C.08, subdivisions 2 and 3.
4. Admin will retain this cover sheet for its files.

Agency: Management and Budget – Health Insurance Exchange	Name of Contractor: Maximus, Inc.
Current contract term: 7/14/2012 – 3/31/2014	Project Identification: Health Insurance Exchange IT Infrastructure

Amendments to contracts must entail tasks that are substantially similar to those in the original contract or involve tasks that are so closely related to the original contract that it would be impracticable for a different contractor to perform the work. The commissioner or an agency official to whom the commissioner has delegated contracting authority under section 16C. 03, subdivision 16, must determine that an amendment would serve the interest of the state better than a new contract and would cost no more. An amendment should be in effect before the contract expires.

Complete Appropriate Box(es) for the amendment submitted.

1. <input type="checkbox"/> Amendment to the end date of the contract
Proposed New End Date:
Why is it necessary to amend the end date?

2. <input checked="" type="checkbox"/> Amend Duties and Cost <input type="checkbox"/> Amend Duties Only
2a. If cost is amended, insert amount of original contract AND amount of each amendment below:
Original Contract - \$41,246,226.00
Amendment #1 - 660,000.00
Amendment #2 - 1,973,471.00
Total Contract Amt. - \$43,879,697.00
2b. Describe the amendment: 1) Change State’s responsible party from Dept. of Commerce to MMB; 2) increase total financial obligation, Clause 5.1(C); 3) modify retainage provision, Clause 5.2(B); 4) amend “Contractor’s Duties,” Section 3, to add detail and specific terms; 5) amend Exhibit B, Section III of original contract; and 6) replace original Exhibit C with amended Exhibit C.

3. <input checked="" type="checkbox"/> Amendment to change other terms and conditions of the contract
Describe the changes that are being made: See 2b above.

Contract Start Date:	<u>7/14/2012</u>	Total Contract Amount:	<u>\$43,879,697</u>
Original Contract Expiration Date:	<u>3/31/2014</u>	Original Contract:	<u>\$41,246,226</u>
Current Contract Expiration Date:	<u>3/31/2014</u>	Previous Amendment(s) Total:	<u>\$660,000</u>
Requested Contract Expiration Date:	<u>3/31/2014</u>	This Amendment:	<u>\$1,973,471</u>

This amendment is by and between the State of Minnesota, acting through its Commissioner of Commerce or Commissioner of Management and Budget ("State") and Maximus, Inc., a Virginia corporation with its principal place of business at 1891 Metro Center Dr., Reston, VA ("Contractor").

Recitals

1. The State has a contract with the Contractor identified as SWIFT Contract Number 48824 ("Original Contract") to provide assistance in the development and maintenance of an electronic information system which functions as an eligibility, comparison, enrollment and facilitation tool for provision of health care coverage to individuals and employees of small businesses.
2. The Original Contract is being amended in order to provide additional specificity regarding the duties of the Contractor with regard to project management responsibilities under this Contract and to increase the total obligation of the State under this Contract in recognition of the additional effort required by the additionally specified responsibilities of the Contractor.
3. The State and the Contractor are willing to amend the Original Contract as stated below.
4. In the revisions below, all text that is marked with strikethrough (i.e., "~~strikethrough~~") is to be deleted from the Original Contract and all text that is marked with underline (i.e., "underline") is to be added to the Original Contract.

Contract Amendment

REVISION 1. Preamble. The opening paragraph of the Original Contract is amended as follows:

This Contract is between the State of Minnesota, acting through its ~~Commissioner of Commerce or its~~ Commissioner of Management and Budget ("State") and Maximus, Inc. a Virginia corporation with its principal place of business at 1891 Metro Center Dr. Reston, VA ("Contractor").

REVISION 2. Clause 5.1(C) "Total Obligation" is amended as follows:

- (C) **Total Obligation.** The total obligation of the State for all compensation and reimbursements to the Contractor under this contract will not exceed ~~\$41,906,226~~\$43,879,697.

REVISION 3. Clause 5.2(B) "Retainage." is amended as follows:

- (B) **Retainage.** Under Minnesota Statutes Section 16C.08, subdivision 5(b), no more than 90% of the amount due under this Contract may be paid until the final product of this Contract has been reviewed by the State's agency head. The balance due, including an additional 5% withholding for timely completion of the project, will be paid when the State's agency head determines upon final acceptance that Contractor has met the critical milestones necessary for the State to receive federal funds. The additional 5% withholding for timely completion of the project, may be increased to a 10% withholding if the State determines that such an increase is necessary to ensure timely completion of the project due to delays caused solely by Contractor or its subcontractors. Prior to instituting this increase in withholding, the State shall notify the Contractor in writing of its intent to increase the withholding, and the State and Contractor shall, in good-faith, meet and attempt to resolve the issues prompting the State to seek to increase the withholding. Should this increase in withholding be instituted, it would only be applicable to deliverables invoiced after the increase is instituted.

The payment limitation identified in this section shall not apply to any payments made under this Contract for the purchase of Third-Party Software or for the purchase of support or maintenance services for Third-Party

Software. The amount due for the purchase of Third-Party Software and support or maintenance services for Third-Party Software under this Contract shall be paid in full when the software license becomes effective and/or when the support or maintenance service coverage becomes effective.

REVISION 4. Section 3 "Contractor's Duties" is amended to add:

- 3.13 Contractor shall provide the State prior written notification if any work under this Contract, either by the Contractor or by any of the Contractor's subcontractors, will be completed outside the United States. In the event of such a prior notification, the Contractor will coordinate with the State to assure that all appropriate security safeguards and quality control mechanisms are in place to the satisfaction of the State prior to such work proceeding outside of the United States.
- 3.14 At least 10 business days prior to the beginning of each functional sprint, the Contractor shall participate in a joint functional planning session ("Planning Session") with the State.
- 3.14.1 The Contractor and Contractor's subcontractors shall review activities planned for each sprint, identifying dependencies and outstanding issues, and will collaborate with the State on defining the technical, non-functional, and infrastructure scope and critical success factors for each sprint prior to each Planning Session.
- 3.14.2 The Contractor and Contractor's subcontractors will identify all deep-dive sessions needed to achieve the scope, objectives, and critical success factors identified for the upcoming sprint prior to each Planning Session, this identification will include description of the details of each proposed session, such as scope, objectives, approach, end-to-end reference.
- 3.14.3 During each Planning Session, Contractor and the State will discuss the items identified in 3.14.1 and 3.14.2 in order to: clarify and assure common understanding for the sprint objective amongst the State and the Contractor and Contractor's subcontractors; clarify and assure common understanding for the scope/objective and approach for each deep-dive session proposed by Contractor and Contractor's subcontractors; provide the State an opportunity to validate and/or refine the Contractor's proposed schedule for deep-dive sessions as appropriate; provide the State an opportunity to identify required SME attendees for each for deep-dive session; identify any needed pre-work necessary for each deep-dive session; identify how conversion, customer service, notices, reporting, and training will be addressed during the sprint; and identify and address any risks, assumptions, issues, and questions related to the sprint and deep-dive sessions. The Contractor and the Contractor's subcontractors shall schedule validated deep-dive sessions to accommodate needs to include "bundling" sessions by topic and holding concurrent sessions when resources allow to expedite the process without compromising quality. Action Items and Business Requirements are documented and assigned during each session. The Contractor's Requirements Manager conducts an initial review, and releases a list, weekly, of validated requirements to the State. The State will provide approvals or feedback within three business days of receiving validated Business Requirements from the Contractor.
- 3.15 Contractor or Contractor's subcontractors will work with the State to create and maintain, via weekly updates, a single, technical, non-functional, project plan to include tasks, due dates, responsibility for completion, and percentage complete. Contractor or Contractor's subcontractors will meet weekly with State-identified team to review progress of technical project plan.

REVISION 5. Exhibit B, page 17, Section III is amended as follows:

III. Current Platform

Subsequent to execution of the Contract, the parties may, in a mutually-agreed upon manner, modify, replace or consolidate the following diagrams and tables to most accurately reflect the current platform being utilized in relation to the Contract, provided that the modification does not change the total obligation under the Contract.

REVISION 6. The attached Exhibit C is intended to replace the original Exhibit C and replaces it in its entirety.

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

1. STATE ENCUMBRANCE VERIFICATION

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

Signed: Jennifer Hmotion

Date: 02/2/13

SWIFT Contract No. 48824, PO# 1779

2. CONTRACTOR

The Contractor certifies that the appropriate person(s) have executed the contract on behalf of the Contractor as required by applicable articles, laws, resolutions, or ordinances.

By: Frank Perkins

Title: Sr Vice President Deputy Gen Counsel

Date: 2/8/13

3. COMMISSIONER OF MANAGEMENT AND BUDGET

Individual certifies the applicable provisions of Minn. Stat. §16C.08, subdivisions 2 and 3 are reaffirmed.

By: D. M. J.
(with delegated authority)

Title: CM

Date: 2/11/13

4. COMMISSIONER OF ADMINISTRATION

As delegated to Materials Management Division

By: [Signature]

Title: Negotiations Mgr

Date: 2/13/13

Distribution:
Agency
Contractor
State's Authorized Representative - Photo Copy



Minnesota Health Insurance Exchange Project
Exhibit C

Deliverable	18M Payment		Milestone
	18M Payment	18M Payment	
Project Initiation			
3.3 Initiation, Planning and Management Duties			
Project Initiation Complete	\$ 314,253	\$ 314,253	September 17, 2012
Install Custom Software in Reference Environment	\$ 97,478	\$ 97,478	August 31, 2012
Project Completion			
State Approves Federal Certification Documentation			November 15, 2012
Participate in Federal Implementation Review Meetings			June 14, 2013
Approve Requirements Validation Documentation			October 12th, 2012
Approve Gap Analysis			October 12th, 2012
State Approves Initial System Design Document			December 21, 2012
3.4 Design Phase Duties			
State Approves Initial System Design Document			December 21, 2012
3.5 Development Phase Duties (MODULE 5) Provider Display Development Starts Complete			
HX1 - Business Updated Gap Analysis for Review (MODULE 5) Provider Display - Consumer Test Plan Approval	\$ 198,476	\$ 198,476	February 13, 2013
HX1 - Sprint Development Complete	\$ 2,391,888	\$ 2,391,888	December 21, 2012
HX2 - Business Updated Gap Analysis for Review (MODULE 5) Provider Display - Consumer Test Completion	\$ 2,249,834	\$ 2,249,834	December 21, 2012
HX2 - Sprint Development Complete	\$ 1,817,844	\$ 1,817,844	February 9, 2013
HX3 - Business Updated Gap Analysis for Review (MODULE 5) Provider Display - Consumer Test for Review	\$ 2,047,481	\$ 2,047,481	February 9, 2013
HX3 - Sprint Development Complete	\$ 1,882,735	\$ 1,882,735	February 9, 2013
HX4 - Business Updated Gap Analysis for Review (MODULE 5) Provider Display - Consumer Test for Review	\$ 2,087,481	\$ 2,087,481	February 16, 2013
HX4 - Sprint Development Complete	\$ 1,971,176	\$ 1,971,176	March 1, 2013
HX5 - Business Updated Gap Analysis for Review (MODULE 5) Provider Display - Consumer Test for Review	\$ 1,971,176	\$ 1,971,176	March 15, 2013
HX5 - Sprint Development Complete	\$ 1,818,822	\$ 1,818,822	March 25, 2013
HX6 - Business Updated Gap Analysis for Review (MODULE 5) Provider Display - Consumer Test for Review	\$ 2,049,372	\$ 2,049,372	April 12, 2013
HX6 - Sprint Development Complete	\$ 1,412,874	\$ 1,412,874	April 25, 2013
HX7 - Business Updated Gap Analysis for Review (MODULE 5) Provider Display - Consumer Test for Review	\$ 1,791,829	\$ 1,791,829	May 10, 2013
HX7 - Sprint Development Complete	\$ 1,525,204	\$ 1,525,204	February 9, 2013
State Approves Testing Plan	\$ 2,144,229	\$ 2,144,229	June 28, 2013
Deliver Integration Test Results Document	\$ 312,695	\$ 312,695	September 9, 2013
Deliver User Acceptance Test Results Document			
3.6 Deployment Phase Duties			
State Approves Technical Manual			August 6, 2013
State Approves User Manual			August 16, 2013
Knowledge Transfer Complete			September 27, 2013
System Go-Live			October 25, 2013
Post Implementation Support Complete			August 1, 2012
3.7 Test Phase Duties			
State Approves Testing Plan			February 9, 2013
Deliver Integration Test Results Document			June 28, 2013
Deliver User Acceptance Test Results Document			September 9, 2013
State Approves Technical Manual			August 6, 2013
State Approves User Manual			August 16, 2013
Knowledge Transfer Complete			September 27, 2013
System Go-Live			October 25, 2013
Post Implementation Support Complete			August 1, 2012
3.8 Deployment Phase Duties			
State Approves Technical Manual			August 6, 2013
State Approves User Manual			August 16, 2013
Knowledge Transfer Complete			September 27, 2013
System Go-Live			October 25, 2013
Post Implementation Support Complete			August 1, 2012
3.9 Annual Maintenance Fees			
Annual Maintenance	\$ 571,000	\$ 571,000	October 31, 2012
Annual Maintenance	\$ 493,000	\$ 493,000	October 31, 2013
Annual Maintenance	\$ 493,000	\$ 493,000	October 31, 2014
Annual Maintenance	\$ 493,000	\$ 493,000	October 31, 2015
Annual Maintenance	\$ 493,000	\$ 493,000	October 31, 2016
Subtotal	\$ 12,953,185	\$ 12,953,185	
3.10 Annual Maintenance Fees			
Annual Maintenance	\$ 571,000	\$ 571,000	October 31, 2012
Annual Maintenance	\$ 493,000	\$ 493,000	October 31, 2013
Annual Maintenance	\$ 493,000	\$ 493,000	October 31, 2014
Annual Maintenance	\$ 493,000	\$ 493,000	October 31, 2015
Annual Maintenance	\$ 493,000	\$ 493,000	October 31, 2016
Subtotal	\$ 2,453,000	\$ 2,453,000	
3.11 Annual Maintenance Fees			
Annual Maintenance	\$ 571,000	\$ 571,000	October 31, 2012
Annual Maintenance	\$ 493,000	\$ 493,000	October 31, 2013
Annual Maintenance	\$ 493,000	\$ 493,000	October 31, 2014
Annual Maintenance	\$ 493,000	\$ 493,000	October 31, 2015
Annual Maintenance	\$ 493,000	\$ 493,000	October 31, 2016
Subtotal	\$ 2,453,000	\$ 2,453,000	

Minnesota Health Insurance Exchange Project
Exhibit C



Statement of execution of the Contract, the parties may, in a mutually-agreed upon manner

Component	Module 1	Module 2	Module 3	Module 4	Module 5	Module 6	Module 7	31st Year
3.1 Bid/Plan and Management Duties								
Project Initiation Complete	\$ 259,800	\$ 132,600	\$ 48,750	\$ 703,800	\$ 8,625	\$ 8,625		
Final Contract Review	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 8,625
3.2 Federal Contract and Certification Review Duties								
State Approves Federal Certification Documentation	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Participate in Federal Implementation Review Meetings	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
3.3 Analysis/Definition Duties								
Approve Requirements Validation Documentation	\$ 259,800	\$ 132,600	\$ 23,250	\$ -	\$ -	\$ -	\$ -	\$ 8,625
Approve Gap Analysis	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 8,625
3.4 Design Phase Duties								
State Approves Initial System Design Document	\$ 124,900	\$ 64,720	\$ 1,008	\$ 59,416	\$ 88	\$ 88		
3.5 Development Phase Duties (MODULE 5) Provider Display Development Sprints Complete								
HXY - Subnet Updated Gap Analysis for Review (MODULE 5) Provider Display - Consumer Test Plan Approval	\$ 48,400	\$ 25,304	\$ 388	\$ 21,657	\$ 340	\$ 340		
HXY - Sprint Development Complete (MODULE 5) Provider Display - Consumer Test Plan Approval	\$ 171,800	\$ 89,508	\$ 26,197	\$ 797,622	\$ 23,266	\$ 23,266		
H02 - Subnet Updated Gap Analysis for Review	\$ 119,800	\$ 62,604	\$ 3,233	\$ 706,672	\$ 3,417	\$ 3,417		
H02 - Sprint Development Complete	\$ 134,222	\$ 69,101	\$ 23,266	\$ 712,277	\$ 29,188	\$ 29,188		
H03 - Subnet Updated Gap Analysis for Review	\$ 119,800	\$ 61,204	\$ 3,241	\$ 680,657	\$ 2,902	\$ 2,902		
H03 - Sprint Development Complete	\$ 124,222	\$ 66,101	\$ 25,666	\$ 712,278	\$ 23,189	\$ 23,189		
H04 - Subnet Updated Gap Analysis for Review	\$ 122,200	\$ 64,107	\$ 3,362	\$ 698,732	\$ 3,280	\$ 3,280		
H04 - Sprint Development Complete	\$ 119,800	\$ 62,411	\$ 25,666	\$ 695,006	\$ 23,023	\$ 23,023		
H05 - Subnet Updated Gap Analysis for Review	\$ 167,246	\$ 87,907	\$ 25,740	\$ 918,689	\$ 3,264	\$ 3,264		
H05 - Sprint Development Complete	\$ 111,200	\$ 58,341	\$ 2,746	\$ 869,790	\$ 2,422	\$ 2,422		
H06 - Subnet Updated Gap Analysis for Review	\$ 189,700	\$ 93,797	\$ 3,008	\$ 897,289	\$ 2,917	\$ 2,917		
H06 - Sprint Development Complete (MODULE 5) Provider Display Peer Group Rating go-Live	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
3.6 Test Phase Duties								
State Approves Testing Plan	\$ 79,432	\$ 41,917	\$ 24,007	\$ 1,097,708	\$ 2,816	\$ 2,816		
Deploy/Integration Test/Health Document	\$ 61,908	\$ 47,977	\$ 4,763	\$ 1,286,747	\$ 3,672	\$ 3,672		
Online User Acceptance Test/Health Document	\$ 20,078	\$ 10,821	\$ 23,648	\$ 916,089	\$ 1,744	\$ 1,744		
3.7 Deployment Phase Duties								
State Approves Technical Manual	\$ 5,124	\$ 2,686	\$ 506	\$ 28,408	\$ 20,089	\$ 20,089		
Knowledge Transfer Complete	\$ 62,910	\$ 8,713	\$ 4,266	\$ 71,018	\$ 20,758	\$ 20,758		
System Go Live	\$ 121,702	\$ 68,790	\$ 22,692	\$ 694,448	\$ 1,886	\$ 1,886		
Post Implementation Support Complete	\$ 72,729	\$ 38,116	\$ 24,640	\$ 429,473	\$ 21,178	\$ 21,178		
3.8 Other								
State Term License Fees	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Travel	\$ 2,376,444	\$ 1,209,000	\$ 3,056,411	\$ 1,209,000	\$ 1,209,000	\$ 1,209,000	\$ 1,209,000	\$ 1,209,000
3.9 Maintenance Fees								
Annual Maintenance	\$ 409,798	\$ 162,908	\$ 1,074,000	\$ 305,800	\$ 227,000	\$ 227,000		
Annual Maintenance	\$ 409,798	\$ 162,908	\$ 374,000	\$ 305,800	\$ 227,000	\$ 227,000		
Annual Maintenance	\$ 409,798	\$ 162,908	\$ 374,000	\$ 305,800	\$ 227,000	\$ 227,000		
Annual Maintenance	\$ 409,798	\$ 162,908	\$ 374,000	\$ 305,800	\$ 227,000	\$ 227,000		
3.10 Total	\$ 2,376,444	\$ 1,209,000	\$ 3,056,411	\$ 1,209,000	\$ 1,209,000	\$ 1,209,000	\$ 1,209,000	\$ 1,209,000

