

Contract Amendment State of Minnesota



Contract Start Date:	<u>8/20/14</u>	Total Contract Amount:	<u>\$240,000.00</u>
Original Contract Expiration Date:	<u>12/31/14</u>	Original Contract:	<u>\$200,000.00</u>
Current Contract Expiration Date:	<u>12/31/14</u>	Previous Amendment(s) Total:	<u>\$0</u>
Requested Contract Expiration Date:	<u>3/31/15</u>	This Amendment:	<u>\$40,000.00</u>

This amendment is by and between the State of Minnesota, acting through its Chief Executive Officer of MNSure ("State") and PricewaterhouseCoopers LLP with a designated business address at 225 South Sixth Street, Suite 1400, Minneapolis, MN 55402, an independent contractor, not an employee of the State of Minnesota ("Contractor").

Recitals

1. The State has a contract with the Contractor identified as SWIFT Contract Number 82817, executed August 20, 2014 ("Original Contract"), for consulting services to assist in the development and implementation of a Compliance Plan for a sustainable Compliance Program for the organization.
2. The Original Contract is being amended to provide additional time and additional deliverables which further support the implementation of a Compliance Plan for the State.
3. The State and the Contractor are willing to amend the Original Contract as stated below.
4. In the revisions below, all text is marked with strikethrough (i.e., "~~strikethrough~~") is deleted from the Original Contract and all text that is marked with underline (i.e., "underline") is added to the Original Contract.

Contract Amendment

REVISION 1. Section 1.2 is amended as follows:

1.2 Expiration Date. March 31, 2015 ~~December 31, 2014~~, or until all obligations have been fulfilled in accordance with this Contract, whichever occurs first.

REVISION 2. Section 2.1 (b) is amended as follows:

- (b) Future-state Compliance Plan for Implementation of a Compliance Program tailored to State's Circumstances.
1. Develop prioritized recommendations, outlining the activities needed to enhance and/or build State's Compliance Program based on observations and gaps identified in section (a) above as well as industry practices, (i.e., a compliance plan). Create and present summaries of the draft future-state compliance plan including a 30-90-180-360-day implementation plan.
 2. Facilitate a session with key State stakeholders to discuss recommendations and help to establish future-state compliance plan that is in alignment with State's circumstances.

3. Deliverable: As identified in Section 4.1, Deliverable #4.
4. Incorporate feedback collected from State stakeholders during facilitated session (#b3) into the draft future-state compliance plan.
5. Present the amended future-state compliance plan for approval by State stakeholders.
6. Deliverable: As identified in Section 4.1, Deliverable # 5.
7. PwC along with MNSure support will develop and present a facilitated training session (not open to the public) for MNSure Board members and executive staff regarding the MNSure Board's role in providing oversight of the compliance program and how they are responsible for holding management accountable for compliance. This training will incorporate information on compliance program activities, risks, emerging risks, and compliance issues.
8. Deliverable: As identified in Section 4.1, Deliverable #6
9. Assist MNSure management in the development of a draft compliance program strategic plan that includes the compliance program's mission, vision, governance model, strategic priorities, as well as overarching roles and responsibilities for compliance (e.g., both the Compliance Function and Operations) within the organization. The strategic plan should:
 - Define the mission and value proposition for the compliance program linking these to the MNSure's strategic plans to meet its mission;
 - Define the responsibilities for compliance within both the Compliance department as well as the operating and administrative functions;
 - Define the compliance program's key focus areas and core competencies across the Compliance function; and
 - Identify core value drivers for the compliance program (e.g., providing proactive guidance, risk identification and oversight enabling key business functions).It is anticipated that the strategic plan will be the MNSure Compliance Function's guiding document.
10. Deliverable: As identified in Section 4.1, Deliverable 7

REVISION 3. Sections 4.1(b) and 4.1(c) are amended as follows:

- (b) Payment for Deliverables listed in the Deliverables Schedule below shall be based upon approval of Deliverables as identified in Section 21 below.

# 1	Deliverable	Estimated Performance Date	Payment Amount
1	An inventory of applicable compliance program standards for State, including, as appropriate, applicable statutes, regulations, rules, policies, and guidance from the following regulatory bodies: DOL, HHS/CMS, Treasury/IRS, and relevant MN statutes.	9/19/2014	\$30,000
2	Draft current-state compliance program assessment, against Contractor's compliance program effectiveness framework, including prioritized gap observations. Facilitated session with key State stakeholders (including State Board	9/29/2014	\$30,000

	members, management, staff and agency partners, as appropriate) to discuss the draft assessment and prioritized gap observations.		
3	Final current-state compliance program assessment, including prioritized gap observations.	10/13/2014	\$40,000
4	Draft future-state compliance plan as defined in Section 2, including a 30-90-180-360-day implementation plan. Facilitated session with key stakeholders to discuss draft recommendations and obtain State's feedback thereon.	10/20/2014	\$50,000
5	Final future-state compliance plan incorporating key State stakeholder feedback, and including a 30-90-180-360-day implementation plan.	10/31/2014	\$50,000
6	<u>A, non-public, facilitated training session for MNSure Board members and executive staff regarding the MNSure Board's role in providing oversight of the compliance program and how they are responsible for holding management accountable for compliance. This training will incorporate information on compliance program activities, risks, emerging risks, and compliance issues.</u> <u>The training session will be facilitated by PwC.</u>	<u>12/3/14</u>	<u>\$20,000</u>
7	<u>A draft compliance program strategic plan that includes the compliance program's mission, vision, governance model, strategic priorities, as well as overarching roles and responsibilities for compliance (e.g., both the Compliance Function and Operations) within the organization. The strategic plan should:</u> <ul style="list-style-type: none"> • <u>Define the mission and value proposition for the compliance program linking these to the MNSure's strategic plans to meet its mission;</u> • <u>Define the responsibilities for</u> 	<u>12/8/14</u>	<u>\$20,000</u>

	<p><u>compliance within both the Compliance department as well as the operating and administrative functions;</u></p> <ul style="list-style-type: none"> • <u>Define the compliance program's key focus areas and core competencies across the Compliance function; and</u> • <u>Identify core value drivers for the Compliance program (e.g., providing proactive guidance, risk identification and oversight enabling key business functions).</u> 		
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(c) Total Obligation. The total obligation of State for all compensation and travel expenses to Contractor under this Contract will not exceed Two Hundred Forty Thousand Dollars (~~\$240,000.00~~ 200,000.00).

Except as amended herein, 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 Minnesota Statute § 16A.15.

Signed: *D. Burns*

Printed Name: D. Burns

Date: 11-18-14

SWIFT Work Order Contract No.: 82817

2. **PricewaterhouseCoopers LLP**

The Contractor certifies that the appropriate person has executed the contract on behalf of the Contractor as required by applicable articles, bylaws, resolutions, or ordinances.

Signed: *G. Stone*

Printed Name: Gerald E. Stone

Title: Partner

Date: 11/17/2014

3. MNSure

Signed: ATOole
(with delegated authority)

Printed Name: Allison O'Toole

Title: Deputy Director

Date: 11/12/2014.