

## **AMENDMENT FOR INTERAGENCY AGREEMENT**

### **AMENDMENT NO. THREE (3) TO DHS/MNsure Interagency Agreement Effective September 30, 2013**

This amendment is by and between the State of Minnesota, through its Commissioner of the Department of Human Services, ("STATE") and MNsure, a Minnesota agency established under Minnesota Statutes Chapter 62V as a state health benefit exchange as described in section 1311 of the federal Patient Protection and Affordable Care Act, Public Law 111-148 ("ACA" or "Act"), and further defined through amendments to the Act and regulations issued under the Act.

**WHEREAS**, the Minnesota Department of Human Services ("DHS") is the designated state Medicaid agency and is responsible for administering Minnesota's Medicaid program, a/k/a Medical Assistance (hereinafter referred to as the "MA") program, including MinnesotaCare ("MCRE"); and

**WHEREAS**, DHS and MNsure are empowered to enter into interagency agreements pursuant to Minnesota Statutes, section 471.59 subdivision 10; and

**WHEREAS**, DHS and MNsure are required to establish and maintain an agreement for cost allocation and services regarding eligibility determinations and enrollment for public health care programs that use a modified adjusted gross income standard ("MAGI") to determine program eligibility.

**WHEREAS**, DHS is modernizing the current Eligibility Determination and Enrollment Systems for the MA program, and has received multiple approvals of Advance Planning Documents (APDs) for funding the modernization of the systems; and

**WHEREAS**, MNsure has been awarded multiple Health Insurance Exchange Establishment Grants by the federal Department of Health and Human Services through a Health Insurance Exchange Establishment Grant Agreement to design, develop, and implement a state-based health benefit exchange that includes enrollment, eligibility, small business health options program, plan comparison and provider information, fund aggregation and account management functions that have financial impacts across multiple agencies; and

**WHEREAS**, the Health Insurance Exchange Establishment Grant Agreement requires, among other items, cost allocation to the MA program, and funding for MN.IT@DHS staff, contracts and support costs for activities associated with the establishment and implementation of a state-based Health Insurance Exchange; and

**WHEREAS**, the Minnesota state accounting system ("SWIFT") budgetary and financial management role-based security can be utilized for multiagency access to financial management department IDs (FINDEPT IDs) for the purpose of allocating and managing approved federal grants across multiple agencies; and

**WHEREAS**, there will be interagency operating and financial relationships under this Agreement that can be managed through SWIFT security roles, direct charging, or through an invoicing process; and

**WHEREAS**, pursuant to the Health Insurance Exchange Establishment Grant Agreement, DHS and MNSure wish, as practical, to direct charge approved costs and implement an invoice and payment process across agencies, as described in this agreed-upon approach:

- a. Interagency work group plans and approves the state-wide Exchange Project budget, by funding source, and by agency SWIFT expense budget FINDEPT ID.
- b. FINDEPT ID expense budgets are established in SWIFT only after all applicable federal Center for Consumer Information and Insurance (“CCIIO”) grant awards, federal Centers for Medicare & Medicaid Services (“CMS”) cost allocation, Advanced Planning Document (APD), and Minnesota Statutes, section 3.3005 approvals are obtained.
- c. Agency responsibility for establishing and maintaining the FINDEPT ID expense budgets in SWIFT corresponds to the underlying funding source. For example, MNSure is responsible for entry in SWIFT of the FINDEPT ID expense budgets that are funded by the federal CCIIO grants.
- d. As an alternative to an interagency invoicing process, the interagency work group authorizes SWIFT security access to be granted to a limited number of employees at each agency so those employees may directly process SWIFT accounting transactions, inquiries and reports against these FINDEPT IDs; and

**WHEREAS**, DHS and MNSure are willing to amend the Agreement as stated below; and

**WHEREAS**, in the revisions listed below, all text of the Agreement that is marked with strikethrough (i.e. “~~strikethrough~~”) is deleted from the Agreement and all text that is marked with underline (i.e. “underline”) is added to the Agreement.

**REVISION 1.** Attachment A is deleted in its entirety and removed from this Agreement.

**REVISION 2.** Attachment C “**Payment Items**” is amended as follows:

### **ATTACHMENT C - Payment Items**

As of ~~October 1, 2013~~January 31,  
2014

<b>Section</b>	<b>DHS Activities</b>	<b>Determination of Cost</b>	<b>Invoice and Funding</b>
4	MN.IT @DHS	Direct and indirect costs will be determined based on the PACAP/COCAS system and underlying Time Tracker data.	DHS will invoice MNSure quarterly. MNSure will fund their payment to DHS from MNSure FINDEPT IDs.  FY 14 – Establishment Grant 4 -

			<p><del>\$544,843,300,000</del> Establishment Grant 5 - \$503,657</p>
5	Issuance Operations Center (IOC)	<p>Direct and indirect costs will be based on the IOC's current standardized service rates and MNSure's actual utilization of the IOC's services.</p>	<p>DHS will invoice MNSure monthly. MNSure will fund their payment to DHS from MNSure FINDEPT IDss and DHS FINDEPT IDs (via direct charge) based on an allocation process to be determined.</p> <p>FY 14 – Establishment Grant #4 - <del>\$500,000</del>100,000 Establishment Grant #5- <del>\$290,000</del>100,000</p>
6	Receipts Center/ <u>Walk In Center</u>	<p>Direct and indirect costs will be based on the Receipt Center's current standardized service rates and MNSure's actual utilization of the Receipt Center's services.</p> <p><u>Direct and Indirect costs of the Walk In Center will be based on PACAP/COCAS system and underlying data on payments processed.</u></p>	<p>DHS will invoice MNSure monthly. MNSure will fund their payment to DHS from MNSure FINDEPT IDs and DHS FINDEPT IDs (via direct charge) based on an allocation process to be determined.</p> <p>FY 14 – Establishment Grant # - <del>\$200,000</del>30,000 Establishment Grant # - \$100,000</p>
	<u>Appeals Division/Compliance Activities/Background studies</u>	<p><u>Appeals</u> - Direct and indirect costs will be determined based on the PACAP/COCAS system and underlying case counte data.</p> <p><u>Compliance Activities – Direct and indirect costs will be determined based on PACAP/COCAS system and underlying audit metrics</u></p> <p><u>Background studies- based on actual costs of background studies done on behalf of MNSure.</u></p>	<p>The Appeals costs listed here for information purposes only. All costs are maintained in Section IV of the May 23, 2013 agreement. DHS will invoice MNSure quarterly. MNSure will fund their payment to DHS from MNSure FINDEPT IDs.</p> <p>FY 14 – Establishment Grant # - <del>\$660,000</del>100,000 Establishment Grant # - <del>\$1,252,064</del>700,000</p>
7	MCRE Operations	<p>Direct and indirect costs will be determined based on the PACAP/COCAS system and underlying case recipient data.</p>	<p>DHS will invoice MNSure quarterly. MNSure will fund their payment to DHS from MNSure FINDEPT IDs.</p> <p>FY 14 – Establishment Grant # - \$1,000,000 Establishment Grant # - \$1,925,000</p>

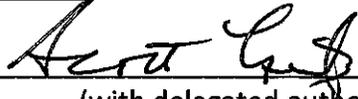
8	IPA Navigator Trainers	Actual payroll costs of the three staff assigned exclusively to this activity.	DHS will direct charge MNsure FINDEPT IDs bi-weekly for the actual payroll costs. (i.e. no invoice)  FY 14 – Establishment Grant #3 - \$250,000
3	MN.IT @MNsure	Actual payroll costs of MN.IT@MNsure staff allocated at the approved rates in the cost allocation plan and APD documents and allocation of administrative costs associated with MNsure positions..	Direct charge of payroll costs and quarterly adjustments for administrative costs such as supplies, rent, etc.

PACAP = Public Assistance Cost Allocation Plan  
COCAS = Central Office Cost Allocation System

**THE REMAINDER OF THIS PAGE IS INTENTIONALLY LEFT BLANK**

IN WITNESS WHEREOF, the parties have caused interagency agreement to be duly executed intending to be bound thereby.

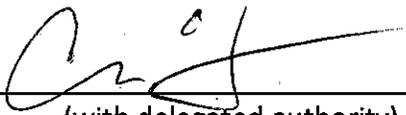
1. MNsure

By:   
(with delegated authority)  
CEO

Title: \_\_\_\_\_

Date: 2-5-14

2. Minnesota Department of Human Services

By:   
(with delegated authority)

Title: Deputy Commissioner

Date: 2/5/14