



STATE OF ARKANSAS

PROFESSIONAL CONSULTANT SERVICES CONTRACT

CONTRACT #	4600-033953	FEDERAL I.D. #	71-6046242
VENDOR #	9901500028	MINORITY VENDOR	YES <input type="checkbox"/> NO <input checked="" type="checkbox"/>

1. PROCUREMENT:

Check ONE appropriate box below for the method of procurement for this contract:

- ABA Criteria
 Request for Proposal
 Competitive Bid
 Request for Qualifications
 Intergovernmental
 Emergency
 Sole Source by Justification (*Justification must be attached*)
 Sole Source by intent to Award
 Sole Source by Law - Act # _____ or Statute #: _____

2. TERM DATES:

The term of this agreement shall begin on 03/15/2015 and shall end on 06/30/2015
(mm/dd/yyyy) (mm/dd/yyyy)

3. CONTRACTING PARTIES:

State of Arkansas is hereinafter referred to as the agency and contractor is herein after referred to as the Vendor.

AGENCY NUMBER & NAME	D425	Arkansas Insurance Department	<input type="checkbox"/> Service Bureau
VENDOR NAME	UAMS – Arkansas Center for Health Improvement		
VENDOR ADDRESS	4301 West Markham Street – Slot 797, Little Rock, AR 72205		
TRACKING # 1		TRACKING # 2	

4A. PROJECTED TOTAL CONTRACT COST:

Projected total cost of entire project if all available extensions of this contract are completed (up to the date anticipated and stated in Section 13)	\$	1,050,000.00
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4B. CALCULATIONS OF COMPENSATION:

For work to be accomplished under this agreement, the Vendor agrees to provide the personnel at the rates scheduled for each level of consulting personnel as listed herein. Calculations of compensation and reimbursable expenses shall only be listed in this section. If additional space is required, a continuation sheet may be used as an attachment.

LEVEL OF PERSONNEL	NUMBER	COMPENSATION RATE	TOTAL FOR LEVEL
Management Level			\$98,829
Engineering			\$149,904
Technician			\$301,697
Support			\$189,981

Total compensation exclusive of expense reimbursement \$ 740,391.00

REIMBURSABLE EXPENSES ITEM (Specify)	ESTIMATED RATE OF REIMB.	TOTAL
Expenses		\$309,609

Total reimbursable expenses \$ 309,609.00

Total compensation Inclusive of expense reimbursement \$ 1,050,000.00

5. **SOURCE OF FUNDS:**

Complete appropriate box(es) below to total 100% of the funding in this contract. You may use an attachment if needed.

Fund Source	Identify Source of Funds*	Fund	Fund Center	Amount of Funding	% of Total Contract Cost
Federal Funds	HHS/CMS CCIIO		327802	\$ 1,050,000.00	100%
State Funds**				\$	
Cash Funds				\$	
Trust Funds				\$	
Other Funds				\$	
TOTALS				\$ 1,050,000.00	100%

* **MUST BE SPECIFIC** (i.e. fees, tuition, agricultural sales, bond proceeds, donations, etc.)

** "State Funds" is defined as and deemed State General Revenue Dollars. If other state funds are being used such as tobacco funds, general improvement funds, etc., these should be noted. Special revenue funds from taxes or fees generated for the agencies should be shown as "Other" and the actual source of the funds should be clarified in the "Identify Source of Funds."

6. **RENDERING OF COMPENSATION:**

The method(s) of rendering compensation and/or evaluation of satisfactory achievement toward attainment of the agreement listed herein is as follows, or in attachment no. D to this agreement.

See Attachment D

7. **OBJECTIVES AND SCOPE:**

State description of services, objectives, and scope to be provided. (DO NOT USE "SEE ATTACHED")

Establish or Improve Data Collection: Arkansas will begin collecting claims data from private and public payers and add provider-specific information to the website.

Expand and Improve Data Analysis: Arkansas plans to use an analytic research team of claims analysts, statisticians, and health insurance consultants to develop reports and datasets required for medical pricing transparency. It will have a validation and review process for providers and carriers named in reports. The data will be fully vetted before public release, ensuring that the data is strong, credible, and uses highly transparent methodologies and processes.

Data Dissemination and Transparency: Arkansas will focus on providing accurate and credible information about the consumer's cost for common procedures and office visits through consumer-friendly mobile applications and website tools. This will include a public website, enabling public access to average procedure costs by state region, population-based costs, utilization by geographic area, and risk-adjusted population costs.

8. **PERFORMANCE STANDARDS:**

List performance standards for the term of the contract. (if necessary, use attachments)

1. Adherence to milestones as referenced in Attachment A.
2. Adherence to project scope deliverables as documented in the Project Plan to be developed.
3. Track and communicate in a timely and appropriate manner the solution development through each phase Design, Development and Deployment.
4. Benchmarking of ACHI's performance by means of surveys or interviews conducted by HIRRD or its designee to provide feedback from project stakeholders.

9. **ATTACHMENTS:**

List ALL attachments to this contract by attachment number:

- Attachment A: Milestones
- Attachment B: Projected Timelines
- Attachment C: Staffing
- Attachment D: Payment Schedule
- Attachment E: Miscellaneous Provisions
- Attachment F: Project Assumptions
- Attachment G: Contract Reporting
- Attachment H: Scope of Work
- Attachment I: Memorandum of Understanding (MOU) Agreement

10. **CERTIFICATION OF VENDOR**

A. "I, Joseph W. Thompson, MD Director
 (Vendor) (Title)

certify under penalty of perjury that, to the best of my knowledge and belief, no regular full-time or part-time employee of any State agency of the State of Arkansas will receive any personal, direct or indirect monetary benefits which would be in violation of the law as a result of the execution of this contract." Where the Vendor is a widely-held public corporation, the term 'direct or indirect monetary benefits' "shall not apply to any regular corporate dividends paid to a stockholder of said corporation who is also a State employee and who owns less than ten percent (10%) of the total outstanding stock of the contracting corporation."

B. List any other contracts or subcontracts you have with any other state government entities. (Not applicable to contracts between Arkansas state agencies) (If no contracts or subcontracts, please put "N/A" or "None")

Arkansas Insurance Department; Arkansas Department of Human Services - Medicaid;
Arkansas Department of Health; Arkansas Department of Finance and Administration - Employee
Benefits Division

C. Are you currently engaged in any legal controversies with any state agencies or represent any clients engaged in any controversy with any Arkansas state agency? (If no controversies, please put "N/A" or "None")

No.

D. The Vendor agrees to list below, or on an attachment hereto, names, addresses, and relationship of those persons who will be supplying services to the state agency at the time of the execution of the contract. If the names are not known at the time of the execution of the contract, the Vendor shall submit the names along with the other information as they become known. Such persons shall, for all purposes, be employees or independent contractors operating under the control of the Vendor (sub-contractors), and nothing herein shall be construed to create an employment relationship between the agencies and the persons listed below.

NAME	RELATIONSHIP
See Attachment C	ACHI Employee

E. The agency shall exercise no managerial responsibilities over the Vendor or his employees. In carrying out this contract, it is expressly agreed that there is no employment relationship between the contracting parties.

11. DISCLOSURE REQUIRED BY EXECUTIVE ORDER 98-04:

Any contract or amendment to a contract executed by an agency which exceeds \$25,000 shall require the Vendor to disclose information as required under the terms of Executive Order 98-04 and the Regulations pursuant thereto. The Vendor shall also require the subcontractor to disclose the same information. The Contract and Grant Disclosure and Certification Form (Form PCS-D attachment II-10.3) shall be used for this purpose.

Contracts with another government entity such as a state agency, public education institution, federal government entity, or body of a local government are exempt from disclosure requirements.

The failure of any person or entity to disclose as required under any term of Executive Order 98-04, or the violation of any rule, regulation or policy promulgated by the Department of Finance and Administration pursuant to this Order, shall be considered a material breach of the terms of the contract, lease, purchase agreement, or grant and shall subject the party failing to disclose, or in violation, to all legal remedies available to the Agency under the provisions of existing law.

12. NON-APPROPRIATION CLAUSE:

"In the event the State of Arkansas fails to appropriate funds or make monies available for any biennial period covered by the term of this contract for the services to be provided by the Vendor, this contract shall be terminated on the last day of the last biennial period for which funds were appropriated or monies made available for such purposes.

This provision shall not be construed to abridge any other right of termination the agency may have."

13. TERMS:

The term of this agreement begins on the date in SECTION 2 and will end on the date in SECTION 2, and/or as agreed to separately in writing by both parties.

This contract may be extended until 6/30/2018, in accordance with the terms stated in the Procurement, by written mutual agreement of both parties and subject to: approval of the Arkansas Department of Finance and Administration/Director of Office of State Procurement, appropriation of necessary funding, and review by any necessary state or federal authority.

Amendments to contracts will require review by Legislative Council or Joint Budget Committee prior to approval by the Department of Finance and Administration/Director of Office of State Procurement if the original contract was reviewed by Legislative Council or Joint Budget Committee and the amendment increases the dollar amount or involves major changes in the objectives and scope of the contract.

Amendments (to contracts that originally did not require review by Legislative Council or Joint Budget Committee) which cause the total compensation to exceed the sum of \$25,000, shall require review by the Legislative Council or Joint Budget Committee, prior to the approval of the Department of Finance and Administration/Director of Office of State Procurement and before the execution date of the amendment.

This contract may be terminated by either party upon 30 day written notice, unless otherwise agreed by both parties.

**STATE OF ARKANSAS
PROFESSIONAL CONSULTANT SERVICES CONTRACT**

Contract #: 4600-033953

14. AUTHORITY:

- A. This contract shall be governed by the Laws of the State of Arkansas as interpreted by the Attorney General of the State of Arkansas and shall be in accordance with the intent of Arkansas Code Annotated §19-11-1001 et seq.
- B. Any legislation that may be enacted subsequent to the date of this agreement, which may cause all or any part of the agreement to be in conflict with the laws of the State of Arkansas, will be given proper consideration if and when this contract is renewed or extended; the contract will be altered to comply with the then applicable laws.

15. AGENCY CONTACTS FOR QUESTION(S) REGARDING THIS CONTRACT:

Contact #1 – Agency Representative submitting/tracking this contract

<u>Lowell Nicholas</u>	<u>Deputy Commissioner</u>
(Name)	(Title)
<u>501-683-3638</u>	<u>Lowell.nicholas@arkansas.gov</u>
(Telephone #)	(Email)

Contact #2 – Agency Representative with knowledge of this project (for general questions and responses)

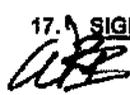
<u>Lesia Carter</u>	<u>Health Information Technical Officer</u>
(Name)	(Title)
<u>501-683-3146</u>	<u>Lesia.Carter@arkansas.gov</u>
(Telephone #)	(Email)

Contact #3 – Agency Representative Director or Critical Contact (for time sensitive questions and responses)

<u>Allen Kerr</u>	<u>Commissioner</u>
(Name)	(Title)
<u>501-371-2623</u>	<u>Allen.Kerr@arkansas.gov</u>
(Telephone #)	(Email)

16. AGENCY SIGNATURE CERTIFIES NO OBLIGATIONS WILL BE INCURRED BY A STATE AGENCY UNLESS SUFFICIENT FUNDS ARE AVAILABLE TO PAY THE OBLIGATIONS WHEN THEY BECOME DUE.

17. SIGNATURES:

	
<u>VENDOR</u>	<u>AGENCY DIRECTOR</u>
<u>Ann Kemp</u>	<u>Allen Kerr, State Ins. Commissioner</u>
<u>VP for Administration</u>	
<u>TITLE</u>	<u>TITLE</u>
<u>4300 W. Markham, Slot 797</u>	<u>1200 West 3rd St.</u>
<u>Little Rock AR 72201</u>	<u>Little Rock AR 72201</u>
<u>ADDRESS</u>	<u>ADDRESS</u>

APPROVED: _____ **DATE** _____

DEPARTMENT OF FINANCE AND ADMINISTRATION

ATTACHMENT A

“Increased Transparency in the Pricing of Medical Services” (ITPMS) efforts will roll out in two phases. The first phase included the development of the all-payer claims database (APCD) from which consumers, health care providers, state agencies, insurers, policymakers, and health care researchers can find aggregated information about average or median costs for price-sensitive medical services based on a geographic area or region. These data will be accessible through a user-friendly look-up tool designed for desktop and mobile device access.

The phase described herein includes additional milestones designed to increase and enhance the transparency information provided. These milestones are focused on obtaining consumer input on report design and education materials, developing provider specific reporting, and continuous database enhancement.

Milestones

AID/HIRRD Milestone	Milestone Strategy	Deliverables
1. Consumer Report Design and Delivery Planning	<p>Develop approach and design for user-facing interfaces to deliver medical reimbursement information providing easy-to-understand consumer reports on the APCD website.</p> <ol style="list-style-type: none"> 1) Execute literature review to identify consumer reporting best practices 2) Engage focus groups to execute qualitative research to identify consumer perceptions toward the delivery of healthcare pricing information to support medical reimbursement transparency 3) Draft recommendations for specific measures, including types of procedures, recommended level of detail, and approach to accommodate varying levels of health literacy 4) Present to APCD Advisory Committee (AAC). Provide the following to track AAC engagement and feedback: <ol style="list-style-type: none"> a. Agendas b. Meeting minutes 5) Obtain AID/HIRRD review and feedback for Data Center’s proposed tools, procedures, display criteria and capacity 6) Post to APCD website 	<ul style="list-style-type: none"> • Consumer Reporting Design Recommendations and Requirements • Consumer Reports Delivery Approach and Methodology • Supporting materials: <ul style="list-style-type: none"> ○ Literature review ○ Focus group qualitative research findings ○ Focus Group agendas ○ Focus Group minutes
2. Data Center Benchmarking /Validation	<p>Using APCD extract based on data collected to date, perform data quality assessment and validation to assess data strength, validity, and credibility.</p>	<ul style="list-style-type: none"> • Data validation methodology and protocols • Data validation process maps and scripts

AID/HIRRD Milestone	Milestone Strategy	Deliverables
	<ol style="list-style-type: none"> 1) Develop repeatable methodology to benchmark data against existing data sources (public or as otherwise available to the vendor) and AID insurance market reports to assess the extent to which the available data accurately represents the Arkansas health insurance marketplace 2) Obtain AID/HIRRD review and feedback for methodology prior to benchmarking execution 3) Execute benchmarking process, produce summary report comparing calculated measures to benchmarks, data limitations, analysis of strengths and limitations of measures 4) Provide data files generated from benchmarking analysis to populate website with selected measures according to approved methodology. Make benchmarking data accessible to consumers 5) Develop description of the methodology and data limitations, as provided in the benchmarking analysis, in language appropriate for the public with limited health literacy for the website 6) Obtain AID/HIRRD review and feedback for approach prior to posting to APCD website 	<ul style="list-style-type: none"> • Benchmarking and validation reporting for each APCD update • Benchmarking and validation data files for each APCD update
3. Consumer Reporting	<p>Develop and deliver additional consumer reports for APCD Website:</p> <ul style="list-style-type: none"> • Procedure price look-up by named provider or setting-of-care. Stratify by geography, high, low, and median amount paid* <ul style="list-style-type: none"> • Report development <ol style="list-style-type: none"> i. Planning <ol style="list-style-type: none"> 1. Work with AAC and AID/HIRRD utilizing consumer focus results to select procedures for display. 2. Develop and provide analytic plan with conceptual report design and methodology 3. Compile user feedback from AAC, AID/HIRRD, providers, data submitters into report for AID/HIRRD 4. Evaluate and integrate 	<p><u>For each report:</u></p> <ul style="list-style-type: none"> • Analytic plans including design, testing, implementation • Website enhancement requirements • Content development <ul style="list-style-type: none"> • Consumer education documents supporting each report • Analytic methodology • Data marts containing supporting website information • Revised website for report display • Quality benchmarking results for each report on

AID/HIRRD Milestone	Milestone Strategy	Deliverables
	<p>recommended changes from feedback</p> <ol style="list-style-type: none"> 5. Implement changes approved by AID/HIRRD <p>ii. Test</p> <ol style="list-style-type: none"> 1. Develop report and website functionality in test environment 2. Compile user feedback from AAC, AID/HIRRD, providers, data submitters into report for AID/HIRRD 3. Evaluate and integrate recommended changes from feedback 4. Implement changes approved by AID/HIRRD <p>iii. Production release</p> <ol style="list-style-type: none"> 1. Move report and website functionality production environment 2. Build and deploy report using latest APCD data <p>iv. Provide a table of all the data underlying the information displayed on the website</p> <p>v. Refresh data and reports after each APCD update, adding procedures based on consumer focus group results</p> <ul style="list-style-type: none"> • Consumer education documents and website report information <ol style="list-style-type: none"> i. Draft instructions appropriate for the public explaining how to execute website report functionality ii. Draft consumer methodology text appropriate for the public to accompany measures for website iii. Obtain and integrate AID/HIRRD review and feedback on methodology text iv. Post final to website • Benchmark to other data sources 	<p>website</p>

AID/HIRRD Milestone	Milestone Strategy	Deliverables
	<ul style="list-style-type: none"> i. Demonstrate reliability and accuracy of provider-specific price calculations ii. Provide benchmarking report for website <ul style="list-style-type: none"> • Procedure price look-up allowing comparison by named setting-of-care. Stratify by geography* <ul style="list-style-type: none"> • Report development <ul style="list-style-type: none"> i. Planning <ol style="list-style-type: none"> 1. Work with AAC and AID/HIRRD utilizing consumer focus group results to select procedures for display. 2. Develop and provide analytic plan with conceptual report design and methodology 3. Compile user feedback from AAC, AID/HIRRD, providers, data submitters into report for AID/HIRRD 4. Evaluate and integrate recommended changes from feedback 5. Implement changes approved by AID/HIRRD ii. Test <ol style="list-style-type: none"> 1. Develop report and website functionality in test environment 2. Compile user feedback from AAC, AID/HIRRD, providers, data submitters into report for AID/HIRRD 3. Evaluate and integrate recommended changes from feedback 4. Implement changes approved by AID/HIRRD iii. Production release <ol style="list-style-type: none"> 1. Move report and website functionality production environment 	

AID/HIRRD Milestone	Milestone Strategy	Deliverables
	<p>2. Build and deploy report using latest APCD data</p> <ul style="list-style-type: none"> iv. Provide a table of all the data underlying the information displayed on the website v. Refresh data and reports after each APCD update, adding procedures based on consumer focus group results <ul style="list-style-type: none"> • Consumer education documents and website report information <ul style="list-style-type: none"> i. Draft instructions appropriate for the public explaining how to execute website report functionality ii. Draft consumer methodology text appropriate for the public to accompany measures for website iii. Obtain and integrate AID/HIRRD review and feedback on methodology text iv. Post final to website • Benchmark to other data sources <ul style="list-style-type: none"> i. Demonstrate reliability and accuracy of provider-specific price calculations ii. Provide benchmarking report for website <p>*Provider and setting-of-care identification will be incorporated as authorized by data use agreements or legislative authority.</p>	
<p>4. Provider Engagement Protocol for Report Review</p>	<ul style="list-style-type: none"> 1) Design and implement preview capacity and protocols for providers named in reports 2) Establish provider engagement strategy to introduce the preview capacity and obtain regular feedback 3) Use to build provider feedback reports required in 3. Consumer Reporting section 4) Deliver provider reporting through the APCD web portal 	<ul style="list-style-type: none"> • Provider engagement strategy documents describing report preview and feedback processes • Process and reporting enhancement documentation for provider change requests to consumer reports
<p>5. APCD Updates</p>	<p>Execute Spring 2016 and Fall 2016 APCD Updates</p>	<p>For each update:</p>

AID/HIRRD Milestone	Milestone Strategy	Deliverables
		<ul style="list-style-type: none"> • Data submission reports documenting source data received, receipt dates, file quantities, data file validation reports • Updated APCD tables for new and existing sources • Agendas and meeting minutes from all stakeholder engagement meetings • Benchmarking and validation reports at the conclusion of each update process for refreshed APCD • Updated data marts with the updated data to refresh website reporting
6. Website/ Mobile Device Access	<p>Enable consumer access to APCD website using mobile device.</p> <p>Prepare wireframes or mockups of the consumer look-up available through mobile devices reflecting AAC and AID/HIRRD recommendations.</p> <ol style="list-style-type: none"> 1) Draft website layout 2) Draft methodology for calculating prices 3) Draft consumer education and information materials 4) Draft methodology for key stakeholders to preview website tools prior to public launch 5) Update existing wireframes and website 6) Deploy mobile device access for APCD website and associated tools 	<ul style="list-style-type: none"> • Requirements documents for required website changes • Mobile website access design and requirements • Methodology documents supporting website reporting calculations • Consumer education materials and website deployment strategies • Website preview review planning prior to public launch • Updated wireframes and website screens
7. Work Plan	<ol style="list-style-type: none"> 1) Develop a project plan inclusive of a work plan for assuring that the project stays on schedule, the desired outcomes are achieved, obstacles (and solutions) are quickly identified, and progress is reported to in a timely manner. 2) Submit draft and final version of the project plan/work plan to AID/HIRRD. 3) Hold regular project status meetings (at least 2 per 	<p>Project plan documentation to</p> <ul style="list-style-type: none"> • Track project schedule and deliverable milestones • Outline desired outcomes • Meeting minutes to document project history • Weekly and quarterly status reports documenting

AID/HIRRD Milestone	Milestone Strategy	Deliverables
	<p>month), and submit monthly written project status reports</p> <p>4) Provide reports and documentation as needed for federal reporting</p> <p>5) Document decisions and compile project history;</p> <p>6) Provide any information, data, or technical assistance as perceived to be useful or that might be requested by AID/HIRRD in order to improve ongoing collection, processing, consolidation, management, and reporting efforts.</p>	<p>APCD update progress</p>
<p>8. Public Launch Activity</p>	<p>Execute activities to introduce the reports to the public inclusive of press releases, social media, brochures, etc.</p>	<ul style="list-style-type: none"> • Requirements documentation including: <ul style="list-style-type: none"> ○ Launch material requirements ○ Education material requirements ○ Press release and social media requirements ○ Website requirements • Planning documentation including <ul style="list-style-type: none"> ○ Launch schedule ○ Launch validation criteria ○ Launch media contact strategy
<p>9. Outreach</p>	<p>Continue stakeholder engagement and outreach support to ensure stakeholder involvement with the “Increased Transparency in the Pricing of Medical Services” (ITPMS) efforts in Arkansas including:</p> <ul style="list-style-type: none"> • Data governance • Data submission support • Data release management • Regulatory development/support • Sustainability support 	<ul style="list-style-type: none"> • AAC agendas • AAC meeting notes • AAC meeting materials • Carrier engagement planning • Data Use Agreements* <p>*For new data submitters as they are added to the APCD</p>

ATTCHMENT B

TIMELINE

Task	Milestone Section	Start	End
Engage consumer focus group contractor to support consumer reporting design and plan	Section 1	June 2015	June 2015
Conduct literature review to support consumer reporting design and plan	Section 1	June 2015	August 2015
Build consumer focus group contractor goals, approach, success criteria, and statement of work, to support consumer reporting design and plan	Section 1	June 2015	June 2015
Execute consumer focus groups to assess the types of information that consumers want and most effective display techniques	Section 1	July 2015	September 2015
Present literature review, focus group results, draft measure recommendations and proposed display criteria	Section 1	September 2015	October 2015
Build and deploy repeatable benchmarking and validation assessment on APCD using Spring 2015 update	Section 2	June 2015	August 2015
Build and deploy benchmarking and validation assessment on APCD using Fall 2015 update	Section 2	August 2015	September 2015
Develop Consumer Reporting Analytic Plans for all required reports	Section 3.1 Section 3.2	June 2015	August 2015
Develop Consumer Report - Procedure price look-up by named provider or setting-of-care. Stratify by geography, high, low, and median price.	Section 3.1	January 2016	April 2016
Deliver Consumer Report - Procedure price look-up by named provider or setting-of-care. Stratify by geography, high, low, and median price	Section 3.1	April 2016	April 2016
Develop Consumer Report - Procedure price look-up allowing comparison by named setting-of-care. Stratify by geography	Section 3.2	May 2016	August 2016
Deliver Consumer Report - Procedure price look-up allowing comparison by named setting-of-care. Stratify by geography	Section 3.2	August 2016	August 2016
Develop and deploy Provider Report Review protocol. Produce feedback report.	Section 4	August 2015	September 2015

ATTACHMENT B**TIMELINE**

Task	Milestone Section	Start	End
Execute Spring 2016 APCD update	Section 5	March 2016	April 2016
Execute Fall 2016 APCD update	Section 5	September 2016	October 2016
Prepare wireframes or mockups of the consumer look-up available through mobile devices reflecting AAC and AID/HIRRD recommendations.	Section 6	September 2015	November 2015
Prepare work plan & stakeholder discussion materials	Section 7	June 2015	July 2015
Develop public launch strategy for Consumer reports	Section 8	January 2016	January 2016
Execute public launch for Consumer Reports 3.1	Section 8	April 2016	April 2016
Execute public launch for Consumer Reports 3.2	Section 8	August 2016	August 2016
Execute Outreach Activities	Section 9	June 2015	October 2016

ATTACHMENT C

STAFFING

JOB CATEGORY AND TITLE		HOURLY LABOR RATE (including Fringe Benefits by Calendar Year)			Anticipated Project Hours*
		PERSONNELL	CATEGORY	2015	
Joe Thompson, ACHI Director	M	\$155	\$158	\$162	228
Kenley Money, HDI Director	M	\$61	\$62	\$63	546
Mickey Loeb, Project Manager	S	\$38	\$38	\$39	1,674
Elizabeth Whittington, Project Coordinator	S	\$25	\$26	\$26	1,674
Brady Rice, Applications Analyst Sr.	E	\$37	\$38	\$38	1,674
TBD, Applications Analyst Int.	E	\$35	\$35	\$36	1,674
Shanoa Miller, Database Specialist	T	\$28	\$28	\$29	694
Judy Bennett, Sr. Data Analyst	T	\$41	\$42	\$42	1,674
TBD, Clinician	T	\$126	\$128	\$131	286
Dr. Tommy Bird	T	\$67	\$69	\$70	459
Heather Rouse, Phd, ACHI Health Policy Research Director	M	\$53	\$54	\$55	91
Craig Wilson, Director Healthcare Access	M	\$49	\$50	\$51	143
Jennifer Wessell, Senior Policy Analyst	T	\$30	\$31	\$32	1,862
Research Assistant, New hire	T	\$28	\$29	\$29	1876
Debra Pate, Communications Specialist	S	\$41	\$41	\$42	143
Keesha Hart, Admin Analyst	S	\$18	\$19	\$19	134
Jason Sparks, IT support	S	\$35	\$35	\$36	1,428
Rachel Phillips, Technical Editor	S	\$35	\$35	\$36	143

***Clarifications:**

- Cycle III dates - 6/20/2014 through 12/19/2015
- Cycle IV dates - 6/1/2015 through 10/31/2016
- Cycle III and Cycle IV will overlap between June 1, 2015 through December 19, 2015
- 7 business days (56 working hours) exist between 12/20/2015 and 1/1/2016
- 2016 hours include the 56 working hours between 12/20/2015 and 1/1/2016
- 2015 hours exclude the 56 working hours between 12/20/2015 and 1/1/2016
- 2015 hours and 2016 hours were calculated separately and combined into Anticipated Project Hours.
- Because of the Cycle III and Cycle IV overlap, the project management and technical team allocations have the potential to exceed project hours. Mitigation includes:
 - Project management tasks requiring over 10% allocation during 2015 will be managed by Kenley Money, HDI Director
 - Technical tasks requiring over 10% allocation during 2015 will be distributed between Kenley Money, HDI Director, Shanoa Miller, database specialist, Judy Bennett, Sr. Data Analyst

ATTACHMENT D
CONTRACT PAYMENT SCHEDULE

HIRRD will pay to ACHI ten monthly payments in the amount of \$105,000 for a total payment of \$1,050,000. The first monthly payment will become due thirty days following the official contract approval date. This approval will be made by the Arkansas Legislative Council (ALC) or the Joint Budget Committee (JBC). The 'day of the month' of the first payment will become the payment date for each succeeding month.

Thereafter, a monthly payment of \$105,000 will be made each month until the \$1,050,000 has been paid in full, assuming contractual obligations are met. HIRRD/AID will have no further financial obligations to ACHI following the total payment of \$1,050,000.00.

The UAMS Treasurer's Office will invoice HIRRD on a monthly basis and shall direct those invoices to both:

Lowell Nicholas
Deputy Commissioner
Arkansas Insurance Department
Rate Review Director
1200 W. Third
Little Rock, AR 72201
501 683-3638 (direct line)
501 683-1299 (fax)
Lowell.nicholas@arkansas.gov

Carla Kincannon
Accounts Payable
Arkansas Insurance Department
Accounting
1200 W. Third
Little Rock, AR 72201
501 371-2612
501 682-6679 (fax)
Carla.kincannon@arkansas.gov

ATTACHMENT E

Miscellaneous Provisions

- A. **Amendment**. The parties mutually agree to take such action to amend this Agreement from time to time as is necessary for the parties to comply with the requirement of federal or state law or regulation, bulletin, or directive. Any amendment shall be mutually agreed in writing and executed by both parties.
- B. **Legislative Inquiries**. HIRRD/AID shall be the responding entity for legislative inquiries or requests with respect to this Agreement and the requirements herein, including but not limited to any proposed or existing federal or state statute, regulation, bulletin, or directive regarding mandatory data submission.
- C. **Data Privacy and Security**. Privacy and security protocol and confidentiality requirements established by ACHI or required by data use agreements with data contributors shall be presented to HIRRD/AID for consideration and a written, mutually agreed upon document shall be executed. Notwithstanding the foregoing, the parties may make disclosures of information in compliance with federal or state law or regulation.
- D. **Travel Expenses**. Neither HIRRD nor ACHI will bear any financial responsibility for travel expenses or per diems for stakeholders, members of advisory committees or the APCD governance board during the term of this Agreement.
- E. **Data Rights**. ACHI shall not obtain any right, title, or interest in any of the data furnished under this Agreement. ACHI shall name an individual, subject to approval by the Commissioner of the Arkansas Insurance Department, who will be designated as custodian of the data file(s) provided under this Agreement, and this person shall oversee and comply with the observance of all conditions of use and the establishment and maintenance of security arrangements to prevent unauthorized use. ACHI shall provide written notification to HIRRD/AID of the contact information for this person upon fifteen (15) days prior to designation and fifteen (15) days prior to any change of custodianship. Upon the termination of this Agreement, ACHI shall either destroy or return to HIRRD/AID all tapes, diskettes, or other media upon which the HIRRD/AID's data is stored, and all copies thereof, if any. If the data is destroyed rather than returned, ACHI shall certify in a writing to be delivered to HIRRD/AID within five (5) business days following such destruction that such destruction has been completed. The disposition of data provided by insurance carriers or other entities to ACHI to fulfill ACHI's obligations under this Agreement will be governed by and subject to data use agreements between ACHI and the entities providing the data including oversight of the Governance Board.
- F. **No Third Party Beneficiaries**. This Agreement is solely for the benefit of the parties hereto. No provision of this Agreement shall be deemed to create any rights in, be deemed to have been executed for the benefit of, nor confer upon any other person or entity not a party hereto any remedy, claim, liability, reimbursement, cause of action or other rights.
- G. **Waiver**. No provision of this Agreement may be waived except by an agreement in writing signed by both Parties. A waiver of any term or provision shall not be construed as a waiver of any other term or provision.

- H. **Conflict.** In the event of any conflict between the terms and conditions stated within this Agreement and those contained within any other agreement or understanding between the parties, written, oral or implied, the terms of this Agreement shall govern.
- I. **Governing law.** This Agreement shall be governed by and construed under the laws of the State of Arkansas. Any ambiguity in this Agreement shall be resolved to permit the Parties to comply with federal or Arkansas law or regulation, including without limitation the Privacy Rule of the Health Insurance Portability and Accountability Act of 1996, as amended.
- J. **Change Management Process.** Both parties recognize that unexpected events may occur and those events may have the outcome of changing scope and milestone dates. If either party recognizes a Material Change that party shall notify the other party of that Material Change in writing within five (5) business days. A Material Change is defined as a change to the project scope that impacts the project timeline. The parties shall have seven (7) days to mutually acknowledge the Material Change and agree in writing to any necessary revisions to the scope and milestone dates. Given that the overall project has a fixed budget, Material Changes shall have no impact on budget during the course of the contract term; provided, however, that ACHI reserves the right to reject requests for Material Changes that add solution features or additional deliverables, which the Parties agree will impact the budget and milestones outlined in the Agreement.
- K. **Assignment.** The Agreement shall be binding upon and shall inure to the benefit of the parties hereto, their respective successors and assigns, provided that neither party may assign any of its rights or delegate or subcontract any of its duties hereunder without the prior written consent of the other party which consent shall not be unreasonably withheld.
- L. **Waiver of Breach.** No waiver by either party of a breach of any provision of this Agreement by the other party shall operate as a waiver of any subsequent breach.
- M. **Severability.** If any one or more provisions of this Agreement are held invalid by any court of competent jurisdiction or are voided or nullified for any reason, such provision shall be reformed so as to be effective as nearly as intended by the Parties, and together with the other remaining provisions and paragraphs shall continue in full force and effect and shall be binding upon the Parties so as to carry on the intents and purposes of the Parties as nearly as possible.
- N. **Compliance with Law.** Each party to the Agreement shall, with respect to performance of its obligation under this Agreement, comply with all applicable laws and regulations. Each party shall be responsible for its own conduct and not that of the other party.

ATTACHMENT F

PROJECT ASSUMPTIONS

- A. The ongoing APCD project and the new "Increased Transparency in the Pricing of Medical Services" (ITPMS) project will be inexorably linked and integrated.
- B. Project timelines and milestones are determined by HIRRD.
- C. HIRRD is responsible for providing contract oversight, approval of stakeholder membership, timely feedback, and approval of deliverables. HIRRD has final authority over all aspects of the APCD development, implementation and operations.
- D. Governor Hutchinson has the authority to appoint all members to the APCD Governance Board (AGB). Until Governor Hutchinson makes the appointments and the Governance Board is fully functioning, HIRRD will maintain all contract oversight and control over all aspects of the APCD contract and the "Increased Transparency in the Pricing of Medical Services" (ITPMS) contract. Existing stakeholder groups will continue to function.
- E. Solution requirements and design require HIRRD approval before project development begins.
- F. ACHI is responsible for drafting and successfully executing an HIRRD-approved data use agreement with applicable data submitters.
- G. HIRRD/AID will support integration across public and private sector data for other state agency needs.
- H. To the extent possible, existing legislative and regulatory authority will be leveraged to support and facilitate the development of the APCD.
- I. Changes to project scope, including but not limited to carrier engagement, data use agreement execution, data source receipt, solution design, solution requirements, website design, website requirements, solution deliverables, reporting/data mart requirements and design, will be managed with the 'Change Management Process' defined in Attachment E (Miscellaneous Provisions), Section J.

ATTACHMENT G

Cycle IV

“Increased transparency in the pricing of medical services”

ACHI Contractual Reporting Requirements

The ACHI Project Manager shall be responsible for submitting mandatory written reports to the HIRRD Director no less frequent than bi-weekly beginning thirty days following ALC or JBC initial contract approval.

These reports should be concise, informative, and well organized. The reports should closely resemble the APCD reports currently being generated. The reports should be submitted as attachments to e-mails directed to both the HIRRD Director and HIRRD liaison. This reporting requirement will create a continuous informational and reporting system between ACHI and HIRRD.

ACHI APCD Meeting Notes or Status Reports will be provided for the following:

- Development Status Meetings
- Design Meetings
- Core Team Status Meetings
- Stakeholder Engagement Meetings
- Large Group Stakeholder Meetings
- Carrier Meetings
- Governance Meetings

Attachment H Scope of Work

“Increased Transparency in the Pricing of Medical Services” (ITPMS) will utilize the APCD foundation composed of aggregate medical claims across patients, payers, and providers into consumable formats, including but not limited to dissemination of medical reimbursement data transparency reporting and the enhancement of rate review processing. Reports will help consumers navigate the variability of services and rates among health care providers by reporting potential out-of-pocket costs and provider quality for medical provider and service selection.

The changing health care environment in Arkansas has created a heightened need for a shared tool to assist consumers in making health care decisions. The Health Insurance Rate Review Division (“HIRRD”) will allow expansion of the APCD reporting tools through the proposed ITPMS Project. The Cycle IV grant supports the development and implementation of a consumer-facing decision support tool and a validation and review process for the stakeholders (providers and carriers) named in reports. The strength and credibility of HIRRD’s approach are highly transparent methodologies and processes to ensure providers and payers fully vet actual data before public release in any form.

In the first phase of the ITPMS project, APCD will pull data collected in late 2014 and the first half of 2015 (the first year of operations) to reliably support consumer decision tools that focus on price variation by geography and care setting. The second phase will include the addition of provider-specific information to the reporting tools. If the Arkansas state legislature enacts mandatory data submission to the APCD by commercial health plans during the 2015 session, then a grouper is required to provide meaningful ITPMS comparisons for deliverables to be issued in 2016. ACHI will consult with HIRRD about its proposed strategy at the conclusion of the 2015 Legislative Session. If the Arkansas state legislature does not enact mandatory data submission to the APCD by commercial health plans during the 2015 session, then a grouper will not be required to calculate information in ITMPS reports before October 1, 2016.

The proposed work will roll out in two phases. The first phase will offer Arkansas residents aggregated information about average or median costs for price-sensitive medical services based on a geographic area or region. As the APCD Data Center vendor, Arkansas Center for Health Improvement (ACHI) will provide the information in an accessible, user-friendly tool, including web-based look-ups and a mobile app. In designing this tool, ACHI will consult with the APCD Advisory Group, conduct focus groups, and incorporate best practices from other APCD states and health literacy research. ACHI will test all tools for appropriate access for people with varying levels of health literacy. The APCD Data Center will achieve transparency by publishing detailed information about how prices are calculated, as well as the strength and credibility of the underlying data. ACHI will update pricing information every six months, in conjunction with the refresh of the APCD warehouse.

The second phase of Cycle IV will build on the initial phase by adding provider specific information. Preparation for this phase includes leveraging the provider directory that ACHI is currently developing; evaluating the strength of the data and assessing the validity of the variation reported; and previewing the reports with the affected providers.

In keeping with best practices, such as those demonstrated with the Colorado and Massachusetts APCD public reporting efforts and the Qualified Entity Program, Arkansas reporting projects should strive to maintain strong relationships with stakeholders throughout the development and delivery portions of the project.

At the end of Cycle IV Phase 1, the APCD Data Center will have a web-based, user-friendly interactive tool or mobile application that shows the variation by geography and site of service for common procedures. For example, a user could compare the cost of seeing a provider for a sore throat at a clinician’s office, an emergency department, or an urgent care clinic. This information would begin to educate consumers about the range of expected costs of care, as well as where to obtain the same level of care at a lower cost.

ATTACHMENT I
Memorandum of Understanding
AGREEMENT

This Agreement is entered into between the Arkansas Insurance Department (AID) and the Board of Trustees for the University of Arkansas acting for and on behalf of the University of Arkansas for Medical Sciences' Arkansas Center for Health Improvement (ACHI) (referred to jointly as "the Parties").

WHEREAS, AID seeks to contract with ACHI to build and implement the "Increased Transparency in the Pricing of Medical Services" (ITPMS) funded by the Cycle IV HHS grant that will provide consumer-friendly, highly accessible healthcare information about the cost of specific medical services based on data collected and analyzed. There will be extensive benefits for consumers, health care providers, state agencies, insurers, policy makers, and healthcare researchers.

WHEREAS, ACHI has agreed to provide the proposed work in two phases: The first phase will offer Arkansas residents aggregated information about average or median costs for price-sensitive medical services based on a geographic area or region. The second phase will build on the initial phase by adding provider specific information. Preparation for this phase includes leveraging the provider directory that ACHI is currently developing; evaluating the strength of the data and assessing the validity of the variation reported; and previewing the reports with the affected providers.

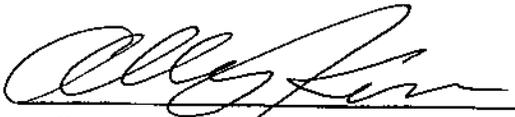
WHEREAS, ACHI, in keeping with best practices, shall strive to maintain strong relationships with stakeholders throughout the development and delivery portions of the project. At maturity, ACHI will produce a web-based, user-friendly interactive tool or mobile app that shows the variation by geography, cost, and site of service for common procedures.

THEREFORE, in consideration of the foregoing, the mutual obligations of the Parties, and other good and valuable considerations, the receipt and sufficiency of which are hereby acknowledged, the Parties agree to the following:

1. **This Agreement is entered into between AID and ACHI, effective and beginning March 30, 2015, and ending on June 30, 2015 (hereinafter the "Term"). This contract may be extended until June 30, 2018, by written mutual agreement of both parties and subject to: approval of the Arkansas Department of Finance and Administration/Director of Office of State Procurement, appropriation of necessary funding, and review by any necessary state or federal authority.**
2. **The following attachments, and the requirements contained therein, shall be considered as integral parts of this agreement:**
 - Attachment A – Milestones**
 - Attachment B – Projected Timelines**
 - Attachment C – Staffing**
 - Attachment D – Payment Schedule**
 - Attachment E – Miscellaneous Provisions**
 - Attachment F – Project Assumptions**
 - Attachment G – Contract Reporting**
 - Attachment H – Scope of Work**

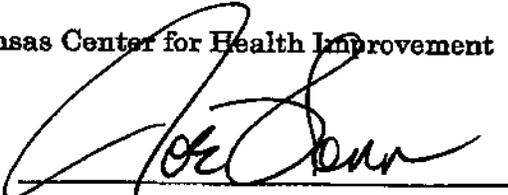
We the undersigned so agree.

Arkansas Insurance Department

By: 
Allen Kerr, Commissioner

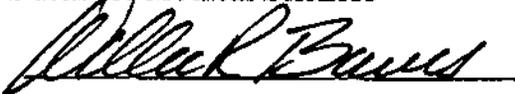
Date: _____

Arkansas Center for Health Improvement

By: 
Joseph W. Thompson, MD, MPH
Director

Date: 3/2/15

The Board of Trustees for the University of
Arkansas for and on behalf of the University
of Arkansas for Medical Sciences

By: 

Date: 3-3-15

WILLIAM R. BOWES, CFO
VICE CHANCELLOR FOR FINANCE & ADMINISTRATION