

OPTION LETTER #2

State Agency Department of Health Care Policy and Financing	Option Letter Number 2
Contractor International Business Machines Corporation	Original Contract Number 201500002126
Current Contract Maximum Amount	Option Contract Number 201500002126OL2
Initial Term State Fiscal Year 2015 \$2,162,500.00	Contract Performance Beginning Date May 1, 2015
Extension Terms State Fiscal Year 2016 \$9,860,250.00 State Fiscal Year 2017 \$4,768,951.23 State Fiscal Year 2018 \$20,856,823.67 State Fiscal Year 2019 \$13,591,483.89 State Fiscal Year 2020 \$11,791,920.57 State Fiscal Year 2021 \$11,002,957.11 State Fiscal Year 2022 \$11,611,104.53	
Total for All State Fiscal Years \$85,645,991.20	Current Contract Expiration Date June 30, 2022

Funding Changes with Option Letter 2

- Adding additional funding in the amount of \$800,000 to FY 2022 for additional pool hours needed for enhancements and ongoing maintenance and operations. This additional funding must be expended for enhancements and ongoing maintenance and operations in FY2022.

1. OPTIONS:

- A. Option to change the quantity of Services under the Contract.

2. REQUIRED PROVISIONS:

- A. In accordance with Section(s) 4.3 of Exhibit A of the Original Contract referenced above, the State hereby exercises its option to increase the quantity of Non-Key Personnel FTE hours for FY2021-22 at the rates stated in Section 1.1.3.1 of Exhibit E of the Original Contract, as amended. The Contract rates attached to this Option Letter reflect the annual rate increase as described in Section 1.1.3.3 of Exhibit E of the Original Contract, as amended.
- B. Additional Non-Key Personnel FTE hours will support the implementation and ongoing maintenance of system functionality related to change requests made by the Department in SFY2021-22 through the change management process as agreed to in the Change Management Plan (contract req #3780). Change requests for FY2021-22 include, but are not limited to, system enhancements related to the following existing contract scope:
- i. Integration of new member clinical data from community sources (per reqs #3908, #3311) and incorporation of that data into the HEDIS-certified measurement tool (per Amendment 8-2019)
 - ii. Data model and reporting layer updates due to changes in data transmitted by the Core MMIS (per req #3303)
 - iii. T-MSIS updates to support improved data quality (per reqs #3711, #3712)
 - iv. MMA file interface updates to support daily submissions to CMS (per reqs #3681)
- C. The Contract Maximum Amount table on the Contract's Signature and Cover Page is hereby deleted and replaced with the Current Contract Maximum Amount table shown above.

3. OPTION EFFECTIVE DATE:

- A. The effective date of this Option Letter is upon approval of the State Controller.

<p>STATE OF COLORADO Jared S. Polis, Governor Department of Health Care Policy and Financing Kim Bimestefer, Executive Director</p> <p>DocuSigned By:  By: _____ 0B6A84797EA8493</p> <p style="text-align: center;">4/7/2022</p> <p>Date: _____</p>	<p>In accordance with C.R.S. §24-30-202, this Option is not valid until signed and dated below by the State Controller or an authorized delegate.</p> <p>STATE CONTROLLER Robert Jaros, CPA, MBA, JD</p> <p>DocuSigned By:  By: _____ BB69F4C888DC46E...</p> <p style="text-align: center;">4/7/2022</p> <p>Option Effective Date: _____</p>
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(from Section 1.1.3.1 of Exhibit E)

ENHANCEMENT PROJECT RATE TABLE

Enhancement Project Position	Base Hourly Rate	SFY2015-2016	SFY2016-2017	SFY2017-2018	SFY2018-2019	SFY2019-2020	SFY2020-2021	SFY2021-2022
Analytics Staff	\$138.00	\$142.14	\$146.40	\$150.79	\$155.31	\$159.97	\$164.77	\$169.71
Operations Staff	\$116.00	\$119.48	\$123.06	\$126.75	\$130.55	\$134.47	\$138.51	\$142.67
System/Interface Staff	\$138.00	\$142.14	\$146.40	\$150.79	\$155.31	\$159.97	\$164.77	\$169.71
Testing and Validation Staff	\$98.00	\$100.94	\$103.97	\$107.09	\$110.30	\$113.61	\$117.02	\$120.53
Business Analyst Staff	\$116.00	\$119.48	\$123.06	\$126.75	\$130.55	\$134.47	\$138.51	\$142.67
Technical Writing and System Documentation Staff	\$88.00	\$90.64	\$93.36	\$96.16	\$99.04	\$102.01	\$105.07	\$108.22
Project Management Staff	\$138.00	\$142.14	\$146.40	\$150.79	\$155.31	\$159.97	\$164.77	\$169.71
Administrative Support Staff	\$76.00	\$78.28	\$80.63	\$83.05	\$85.54	\$88.11	\$90.75	\$93.47

The Base Hourly Rate shall apply to hours actually expended directly on the Enhancement project work, as accounted for by the Contractor.