

Connecticut Health Insurance Exchange

450 Capitol Avenue
 MS #52HIE
 Hartford, CT 06106-1379
 P: 860-418-6263
 F: 860-418-6397

PURCHASE ORDER

DATE PREPARED:
 DATE REQUIRED:
 P.O. #

09/25/2012
09/25/2012
BUA-HIX000062

VENDOR	SHIP TO
Deloitte Consulting LLP	Connecticut Health Insurance Exchange
2500 One PPG Place	450 Capitol Ave
Pittsburg, PA 15222	MS #52HIE
412-402-5265	Hartford, CT 06106-1379
Nagen Suriya	P: 860-418-6263

REQUISITIONER	SHIP VIA	F.O.B.	SHIPPING TERMS
		Delivery	

CATALOG, VENDOR #	DESCRIPTION OF GOODS/SERVICES	PAGE #	QTY	UNIT	UNIT PRICE	TOTAL
	<p>See attached Statement of Work, HIX/IE – Tier 1 Project dated 09/25/2012 pages 1 through 9 and attached Exhibit A Performance Criteria, Pages 1-119 which includes Appendix F, G and H requirements for the Deliverables, and Exhibit B, Project Implementation Schedule pages 1-7, submitted under the Information Processing Agreement Contract #09ITZ0042MA effective October 21, 2011, between the State of Connecticut and Deloitte Consulting LLP.</p> <p>Release 1 includes the Plan Management subsystem of the HIX. The planned go-live is June 2013 and shall provide for lead time for QHPs to be certified in the HIX prior to open enrollment.</p> <p>Release 2 planned go-live is October 1, 2013. This release complies with the ACA and supports Commercial, Advanced Premium Tax Credit, Cost Sharing Reduction and MAGI-based Medicaid health insurance eligibility determination, purchasing and enrollment as further described in Exhibit A and B.</p>					42,542,500

ATTACH PERTINENT BACKUP MATERIAL TO THIS FORM

Actual Estimated TOTAL: \$42,542,500



Deloitte Consulting LLP
185 Asylum St., 32nd Floor
Hartford, CT 06103-3402
Tel: +1 860 725 3000
www.deloitte.com

September 26, 2012

Peter VanLoon
450 Capitol Ave
Hartford, CT 06106-1379

RE: Submission of the Statement of Work for the State of Connecticut HIX/IE-Tier I Project

Dear Mr. VanLoon,

Attached to this letter please find a Statement of Work ("SOW") and associated Exhibits for the State of Connecticut Health Insurance Exchange/Integrated Eligibility – Tier I Project, which is being submitted under the Information Processing Agreement Contract # 09ITZ0042MA effective March 15, 2011, between the State of Connecticut and Deloitte Consulting LLP, to add this SOW and associated exhibits to the Product Schedule. Please approve this request to update the Product Schedule to include the SOW with Exhibits by providing a confirmatory response letter. Pursuant to Section 3 (c), I hereby confirm that, as a director of Deloitte Consulting LLP, I am authorized to represent Deloitte Consulting LLP.

We appreciate the opportunity and look forward to working with you on this project. Should you have any questions, please contact me at nsuriya@deloitte.com or +1 412 402 5265.

Enclosures:

SOW
Exhibit A
Exhibit B

Sincerely,

Nagen Suriya, Director
Deloitte Consulting LLP

Cc: Jim Wadleigh
Rachel Whitesell
Lou Polzella

Narrative Bid Waiver for Sole Source

Purchase Order to Contract #09ITZ0042MA

The Connecticut Health Insurance Exchange recognized the need to move quickly in designing and implementing an Integrated Eligibility Solution that could meet the Exchange's Go-Live date of October 1, 2013. The Exchange further determined that the only way it could meet this aggressive timeline and the required demonstration of progress/gate reviews necessary for certification by HHS as a State Based Exchange was to have its Systems Integrator under contract by October 1, 2012. In addition, the Exchange determined that to contract with a Systems Integrator by October 1, 2012, it would be necessary to leverage an existing state contract for substantially similar services. This leveraging is allowed under state procurement mechanisms. The decision to pursue this approach, which is technically classified as a sole-source procurement is also supported both by Exchange adopted procurement policies and procedures and by existing rules and statutory provisions outlined in Section 4a-58 of Connecticut Procurement Law for state agencies.

In reviewing state contracts for substantially similar services, four vendors were determined to qualify. Those four vendors were: Deloitte, LLP, IBM, Oracle and Xerox. On July 12, 2012, a letter was sent to each of these vendors asking them to confirm their interest in and their organization's readiness to perform the work required to support the development and operation of a fully-functioning, consumer-centric Exchange and Integrated Eligibility Solution for the State of Connecticut. Vendors were advised that their response must be received by the Exchange by July 18th, 2012 by 5:00 p.m. in an electronic format. Vendors were specifically required to acknowledge the following in the format provided below:

No.	Item	Yes	No
1	Readiness to perform the work to support the information technology and core business processes of the Exchange and the Integrated Eligibility system		
2	Readiness to provide the services in accordance with the existing Terms and Conditions of the following agreements with the State of Connecticut Vendor Contract # : _____		
3	Utilization of existing Rate Card negotiated as part of the contract listed in number 2 above		
4	Availability of dedicated key resources (Project Manager, Application Development Manager, Technical Manager, System Architect, and Implementation Manager) that will be committed to the Exchange and the Integrated Eligibility project. Please provide resumes for the key resources and demonstrate that the key resources have sufficient experience for the complexity and scope of this engagement.		

Vendors were further advised that their Initial confirmation should be limited to 20 pages and would be used for purposes of evaluation. In addition, the Exchange asked the vendors to provide a contactable reference(s) that could verify that within the last five (5) years, the vendor team has implemented the following functionality that is in production in the United States:

- Web-based comparison-shopping of health plan options
- An integrated eligibility system that includes Medicaid, SNAP and TANF programs

The reference should specifically include:

- Contact Name (must still be associated with the reference)
- Contact Title
- eMail/phone/address
- Contact's Role on the Project
- Brief Project Description
- Project Dates

On July 20, 2012 a letter was sent to the same four vendors with the Exchange's Statement of Work (SOW) Request. All vendors were advised of the following. Connecticut's goal was a single Integrated Eligibility system to be used to establish eligibility for all health and human services programs including Medicaid, Children's Health Insurance Program (CHIP), Supplemental Nutrition Assistance Program (SNAP), Temporary Assistance for Needy Families (TANF), and for subsidized and non-subsidized healthcare insurance provided by the Health Insurance Exchange (Exchange). This new Integrated Eligibility system must be in operation in support of Medicaid expansion and the Health Insurance Exchange by October 2013 for Connecticut to meet federally mandated deadlines. Eligibility determination development work for the Exchange, and for the impacted Medicaid and CHIP programs, will be closely coordinated and operate as a single project with integrated governance and project management. All vendors were also provided the following schedule and asked to respond to the SOW by August 13, 2013.

Vendors' Initial Confirmation Due	July 18, 2012
Vendors Receive Statement of Work Request	July 20, 2012
Vendors' SOW Response Due	August 13, 2012
System Integrator Award	September 14, 2012
Exchange Certification by the Center for Consumer Information and Insurance Oversight (CCIIO)	January 1, 2013
First release of Exchange solution	September 30, 2013
Accept pre-enrollment applications for the Modified Adjusted Gross Income (MAGI) population	October 1, 2013
Process applications and run eligibility for Non-MAGI benefits	January 1, 2014
Close Project	January 30, 2017

All four vendors responded and were evaluated on:

- Readiness to perform the work to support the information technology and core business processes of the CT HIX and the Integrated Eligibility system;
- Readiness to provide the services in accordance with the existing and agreed-to Terms and Conditions with the State of Connecticut;
- Utilization of an existing Rate Card negotiated as part of the existing contract (as noted in the bullet above);
- Availability of dedicated key resources (Project Manager, Application Development Manager, Technical Manager, System Architect, and Implementation Manager) that will be committed to the CT HIX and the Integrated Eligibility project;
- Ability to provide a suitable reference that demonstrates the vendor's capabilities.

The Connecticut Health Insurance Exchange selected Deloitte LLP for the following reasons:

- System Integrator Reuse Approach/Leveraging Prior Investments
- Solution's Level of Fit
- Compliance with CMS's Seven Standards and Conditions

1). System Integrator Reuse Approach/Leveraging Prior Investments

In response to Connecticut's Statement of Work (SOW), Deloitte proposed to the Exchange a solution that builds on and reuses the ConneCT HHS modernization platform with strategic additions from the firm's Health and Human Services NextGen™ platform. The proposed solution platform has been refined with foundational components from dozens of implementations, including the ongoing Washington State HIX initiative. As such, Connecticut will receive a solution that meets the Exchange's and the State's immediate business needs, complies with regulatory timelines and requirements (including compliance with CMS' 7 standards and conditions), and serves as an enterprise platform for future program needs.

HHS NextGen™ provides a solid foundation for HIX/IE upon which the State can build and expand with additional programs. The Enterprise Service Bus (ESB)-based Service Oriented Architecture (SOA) that is already present in the ConneCT through HHS NextGen™ allows Connecticut to effectively integrate the new Exchange programs with Medicaid and CHIP functionality, including support for MAGI rules. Connecticut can transition other planned programs and functions from EMS, ConneXions, and other subsidiary systems to the expanded HIX/IE solution in the future. In summary, the proposed solution builds upon the State's existing HIX/IE and ConneCT systems to deliver the comprehensive IE solution for Connecticut.

Specifically, the functional solution is driven by a system platform architecture that is layered, component-based, and built on open standards using SOA best practices. Deloitte's proposed architecture provides Connecticut the opportunity to use leading government-tested software, the flexibility to make specific changes to the solution without affecting the rest of the application

code, and the ability to scale as needs arise. More importantly, the solution reuses foundational components from “in production” systems in similar environments for the following implementations for Deloitte’s state clients: CA, CO, CT, FL, GA, IL, IN, LA, MA, MI, MT, NV, NH, NM, NY, OH, SD, TX, VA, WV, and WI. The thirty prior implementations of this architecture have also used a SOA-based approach to integrate the Web application with other eligibility-supporting systems. Additionally, the solution reuses the HIX and IE components from many states including MA, MI, MT, TX, VA, WA, and WV, reducing the cost, time and risk to implementation for the State.

Moreover, the CT HIX/IE system platform effectively leverages the State’s IT investments. Key features of Deloitte’s architecture are congruent with the State’s IT architecture. Deloitte’s CT HIX/IE architecture provides Connecticut:

- N-tier service-oriented architecture
- Flexibility, scalability and extensibility
- Alignment with Connecticut’s IT vision and MITA standards
- Compliance with CMS’s 7 conditions and standards
- A foundation built on strong architecture and design principles
- Support of multiple access channels
- Business-driven event management
- Flexible security and access control
- XML message-based inter-application communication
- Compliance with Connecticut’s security needs based on MIT, HIPAA, KPL, PCL, IRL, and other security standards

2. Solution’s Level of Fit

Deloitte responded to 546 specific requirements in the Connecticut SOW with one of the following four responses:

- Out of the Box (OOTB)
- Configuration
- Extension, or
- Not Provided

As noted below, approximately 58% of the State’s requirements are satisfied as either OOTB or configure and 37% require an extension to the base solution. Six percent of the State’s requirements are not provided.

3). Compliance with CMS's Seven Standards and Conditions

Deloitte confirmed their solution's specific compliance with CMS' Seven Standards and Conditions. Additionally, the Exchange included a specific requirement in the SOW that ties Deloitte to direct compliance with Section 1561 of the ACA and its associated conditions.

CERTIFICATION:

I, Kevin J. Counihan, CEO of the Connecticut Health Insurance Exchange certify that I am authorized to sign on behalf of the Connecticut Health Insurance Exchange the attached Purchase Order # BUA-HIX000062, in the amount of \$42,542,500 for work to be conducted under the Information Processing Agreement Contract # 091TZ0042MA effective March 15, 2011 between the State of Connecticut and Deloitte Consulting LLP as more particularly described in the Statement of Work ("SOW") and associated Exhibits for the State of Connecticut Health Insurance Exchange/Integrated Eligibility - Tier 1 Project.

I further certify that the selection of Deloitte Consulting LLP for this work was not the result of collusion, the giving of a gift or the promise of a gift, compensation, fraud or inappropriate influence from any person.

Sworn as true to the best of my knowledge and belief, subject to the penalties of false statement.



Signature

Sept 27, 2012

Date

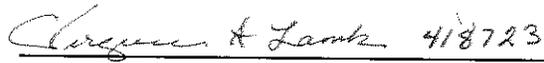
Kevin J. Counihan

Printed Name

CEO

Title

Sworn and subscribed before me on this 27th day of September, 2012.



Commissioner of the Superior Court
or Notary Public



STATE OF CONNECTICUT
NONDISCRIMINATION CERTIFICATION – Affidavit
By Entity
For Contracts Valued at \$50,000 or More

Documentation in the form of an affidavit signed under penalty of false statement by a chief executive officer, president, chairperson, member, or other corporate officer duly authorized to adopt corporate, company, or partnership policy that certifies the contractor complies with the nondiscrimination agreements and warranties under Connecticut General Statutes §§ 4a-60(a)(1) and 4a-60a(a)(1), as amended

INSTRUCTIONS:

For use by an entity (corporation, limited liability company, or partnership) when entering into any contract type with the State of Connecticut valued at \$50,000 or more for any year of the contract. Complete all sections of the form. Sign form in the presence of a Commissioner of Superior Court or Notary Public. Submit to the awarding State agency prior to contract execution.

AFFIDAVIT:

I, the undersigned, am over the age of eighteen (18) and understand and appreciate the obligations of an oath. I am Principal of Deloitte Consulting LLP, an entity
Signatory's Title Name of Entity

duly formed and existing under the laws of Delaware
Name of State or Commonwealth

I certify that I am authorized to execute and deliver this affidavit on behalf of
Deloitte Consulting LLP and that Deloitte Consulting LLP
Name of Entity Name of Entity

has a policy in place that complies with the nondiscrimination agreements and warranties of Connecticut General Statutes §§ 4a-60(a)(1) and 4a-60a(a)(1), as amended.

Sundhar Selch
Authorized Signatory

Sundhar Selchav
Printed Name

Sworn and subscribed to before me on this 5th day of August, 2011.

Julie Peters Hayward
Commissioner of the Superior Court/
Notary Public

JULIE PETERS HAYWARD, Notary Public
My Commission Expires May 26, 2015
Commission Expiration Date



STATE OF CONNECTICUT
CONSULTING AGREEMENT AFFIDAVIT

Affidavit to accompany a State contract for the purchase of goods and services with a value of \$50,000 or more in a calendar or fiscal year, pursuant to Connecticut General Statutes §§ 4a-81(a) and 4a-81(b)

INSTRUCTIONS:

If the bidder or vendor has entered into a consulting agreement, as defined by Connecticut General Statutes § 4a-81(b)(1): Complete all sections of the form. If the bidder or vendor has entered into more than one such consulting agreement, use a separate form for each agreement. Sign and date the form in the presence of a Commissioner of the Superior Court or Notary Public. If the bidder or vendor has not entered into a consulting agreement, as defined by Connecticut General Statutes § 4a-81(b)(1): Complete only the shaded section of the form. Sign and date the form in the presence of a Commissioner of the Superior Court or Notary Public.

Submit completed form to the awarding State agency with bid or proposal. For a sole source award, submit completed form to the awarding State agency at the time of contract execution.

This affidavit must be amended if the contractor enters into any new consulting agreement(s) during the term of the State contract.

AFFIDAVIT: [Number of Affidavits Sworn and Subscribed On This Day: _____]

I, the undersigned, hereby swear that I am the chief official of the bidder or vendor awarded a contract, as described in Connecticut General Statutes § 4a-81(a), or that I am the Individual awarded such a contract who is authorized to execute such contract. I further swear that I have not entered into any consulting agreement in connection with such contract, except for the agreement listed below:

Form fields for Consultant's Name and Title, Name of Firm (if applicable), Start Date, End Date, Cost, and Description of Services Provided.

Is the consultant a former State employee or former public official? [] YES [] NO

If YES: Name of Former State Agency, Termination Date of Employment

Sworn as true to the best of my knowledge and belief, subject to the penalties of false statement.

Deloitte Consulting LLP, Signature of Sundhar Sekhar, Date 8/5/11, Dept. of Administrative Services

Sworn and subscribed before me on this 5th day of August, 2011.

Signature of Julie Peters Hayward, Commissioner of the Superior Court or Notary Public



STATE OF CONNECTICUT AFFIRMATION OF RECEIPT OF STATE ETHICS LAWS SUMMARY

Affirmation to accompany a large State construction or procurement contract, having a cost of more than \$500,000, pursuant to Connecticut General Statutes §§ 1-101mm and 1-101qq

INSTRUCTIONS:

Complete all sections of the form. Submit completed form to the awarding State agency or contractor, as directed below.

CHECK ONE:

- I am a ~~person~~ ^{Contractor} seeking a large State construction or procurement contract. I am submitting this affirmation to the awarding State agency with my bid or proposal. [Check this box if the contract will be awarded through a competitive process.]
- I am a contractor who has been awarded a large State construction or procurement contract. I am submitting this affirmation to the awarding State agency at the time of contract execution. [Check this box if the contract was a sole source award.]
- I am a subcontractor or consultant of a contractor who has been awarded a large State construction or procurement contract. I am submitting this affirmation to the contractor.

IMPORTANT NOTE:

Contractors shall submit the affirmations of their subcontractors and consultants to the awarding State agency. Failure to submit such affirmations in a timely manner shall be cause for termination of the large State construction or procurement contract.

AFFIRMATION:

I, the undersigned person, contractor, subcontractor, consultant, or the duly authorized representative thereof, affirm (1) receipt of the summary of State ethics laws* developed by the Office of State Ethics pursuant to Connecticut General Statutes § 1-81b and (2) that key employees of such ~~person~~ ^{person}, contractor, ~~subcontractor or consultant~~ ^{performing} have read and understand the summary and agree to comply with its provisions.

* The summary of State ethics laws is available on the State of Connecticut's Office of State Ethics website at http://www.ct.gov/ethics/lib/ethics/contractors_guide_final2.pdf

Sundh Sekh
Signature

8/5/11
Date

Sundhar Sekhar
Printed Name

Principal
Title

Deloitte Consulting LLP
Firm or Corporation (if applicable)

200, Berkeley St
Street Address

Boston
City

MA 02116
State Zip

Dept. of Administrative Services
Awarding State Agency

