



**Document Process Outsource Services
For
Exemption & Appeals Related Documents
Connecticut Health Insurance Exchange
Statement of Work**

Revision 1.3
Date 8/22/2013
Prepared by: Chris Smith



Scan-Optics, LLC (hereinafter "Scan-Optics") agrees to provide Services set forth in this Statement of Work (hereinafter "SOW") dated 8/22/2013 to Connecticut Health Insurance Exchange dba Access Health CT, hereinafter referred to as AHCT. This SOW incorporates the following sections:

- Project Description
- Scope of Services
- Schedule for Services
- Fees and Payment Terms

The Scan-Optics offer to provide the services under this SOW shall be valid for thirty days from the date of this SOW, and this SOW shall become binding on the parties upon receipt by Scan-Optics of an unaltered copy of this SOW signed by an authorized representative of AHCT.

This document defines the scope of work that Scan-Optics will deliver to AHCT for document processing outsource services. This document is based on the current understanding between AHCT and Scan-Optics and will describe the fundamental scope of the project. This SOW will act as the Contract vehicle and form the basis of the Project Plan to follow. Changes in scope will be handled by a project change request process.

This SOW shall be subject to all of the terms and conditions in MSA 10PSX0191, between Scan-Optics, LLC and the State of Connecticut, Department of Administrative Services, including but not limited to Section 57. Health Care Portability and Accountability Act of 1996 ("HIPAA").

Authorization to Proceed:

AHCT	Scan-Optics, LLC
<input type="text"/>	<input type="text"/>
Printed Name	Printed Name
<input type="text"/>	<input type="text"/>
Title	Title
<input type="text"/>	<input type="text"/>
Signature	Signature
<input type="text"/>	<input type="text"/>
Date	Date

Revision History

Revision	Date	Comments
1.0	8/1/2013	Initial creation.
1.1	8/6/2013	Miscellaneous changes
1.2	8/19/2013	Changed "exemption related" to "exemption and appeals related". Clarified reports section (page 7) to include Excel spreadsheet as one or more of the available reports. Added Forms and Reports Design Fees section – page 10.
1.3	8/22/2013	Changes to: Setup fee payment schedule; Seat license fee estimate and start date; Forms and reports design fee description; data storage fee estimate and start date; Document storage fee estimate and start date; Secure destruction fee estimate and start date.

Document Process Outsource Services

Description

The AHCT Health Insurance Exchange system includes the need to process exemption request forms, appeals forms and supporting documents related to exemptions and appeals. At the present time, these forms and documents cannot be added to the standard workflow (Scan-Optics – FileNet – Xerox – AHCT). From 10/1/2013 through 3/31/2014 these “exemption & appeals related” documents will be handled through a separate process described below. On or after 4/1/2014, when the FileNet system has been updated, it is anticipated that the “exemption & appeals related” document images and data will be merged from this proposed solution into the FileNet process. At that point in time, this proposed solution will no longer be required since all of the documents will flow through the standard AHCT process and workflows.

The volume of “exemption & appeals related” documents that will be received during the life cycle of this proposed solution is unknown.

Scope of Services

Scan-Optics will provide outsourced document scanning, indexing and image and data storage for AHCT. In addition, Scan-Optics will provide a browser based application to enable AHCT legal staff to view (via VPN and SSL) the data and images stored in the Scan-optics solution.

Scan-Optics expects to perform the following:

Operations

- Use the existing AHCT Manchester CT U.S.P.S. Post Office Box to receive “exemption & appeals related” mail.
- Provide appropriate staffing to handle the daily mail pickup at the U.S.P.S. Post Office.
- Use the existing AHCT dedicated fax line to receive documents.
- Accept couriered documents during normal business hours.
- Provide adequate work space within its secure production facility located in Manchester, Connecticut for the daily processing of “exemption & appeals related” documents.
- Provide mail opening hardware.
- Provide pre-scanning document preparation services.
- Provide document scanning hardware and software to capture 200dpi bi-tonal (black and white) images of paper documents. (Color scanning is not required)

- Provide PC workstations for indexing operations and processing of data.
- Scan and index documents and store images and data in the proposed solution for viewing by AHCT legal staff within 24 hours of receipt.
- OCR/barcode reading.
 - Automatically identify structured document types using barcodes.
 - Read industry-standard barcodes and populate the document metadata.
- Perform manual identification of semi-structured and unstructured client documents (e.g., identifying a client's bank statement as document type "Bank Statement"). Perform manual separation of merged client documents to allow each document to be indexed separately.
- Work with AHCT to define the required index fields for each "exemption & appeals related" document type and define which index fields are automatically populated and which fields are manually populated.
- Automatically populate the mutually agreed index fields through OCR and bar code reading.
- Manually populate the mutually agreed index fields.
- Provide mail processing, pre-scan document preparation, document scanning, indexing for both OCR and exception processing along with manual data entry as necessary.
- Provide a single Scan-Optics point of contact and Scan-Optics Project Manager.
- Coordinate all activities with the AHCT Project Manager.
- Comply with the methods, procedures, documentation, standards and controls for the Scanning and Indexing Operations identified by DSS and AHCT and mutually agreed upon by Scan-Optics.
- Upon request, provide the AHCT Project Manager, with status information/reports on work plans, schedules, deliverables, acceptance criteria and other work products related to the Scanning and Indexing Operations necessary for the completion of the project.
- Produce status reports and other measurements of status and progress for the Scanning and Indexing Operations and attend project meetings as directed by the AHCT Project Manager.
- Provide operational reports that detail the volume of documents scanned by date and source, quality/error rates, etc.

- Return certain critical documents (such as original passports and original driver's licenses) to clients via US mail within 7 days. Scan-Optics will forward undeliverable critical documents to AHCT legal staff for disposition.
- Advise the AHCT Project Manager on a timely basis of any and all issues and concerns which Scan-Optics becomes aware of relating to the conduct of the project.
- Store post-scanned AHCT paper documents for a maximum of 90 days. Provide secure destruction of the AHCT paper documents upon receipt of approval from AHCT.
- Work with AHCT to analyze the workflow to verify that the documents are readable and to verify the aging of the open workflow items.
- Identify and handle Return to Post Office (RPO) documents by scanning the envelope and the first page of document. RPOs will be routed through a predetermined work queue for knowledge worker follow up.
- Provide business continuity/disaster recovery.
- Support DSS and AHCT audits of the Scan-Optics facilities and operations.
- Quality Assurance
 - Perform pre- and post-scanning QA processes, including mutually agreed field-level quality thresholds on index fields (e.g. double-keying, OCR).
 - Resolve issues with unreadable post-scanned images.

System Design & Development

- Provision test and production environments for the proposed solution.
- Provision VPN firewall and SSL certificate to provide the AHCT legal team with secure access to "exemption & appeals related" images and data.
- Develop a browser application to be used by AHCT legal staff to view "exemption & appeals related" images and data and update selected fields.
- In normal operation, after viewing "exemption & appeals related" images, AHCT legal staff will use the HIX portal to create a case number, person ID and any other required identifiers (if they do not already exist in the HIX portal). AHCT will then enter the case number, person ID and other required identifiers into the SO database via the browser application.

Development and Integration

- Develop data entry applications.
- Develop data upload and download features. AHCT legal staff will use this feature (for example) to upload exemption certificates and append them to the relevant case files. Any files that are uploaded to the system will be available for download by AHCT legal staff.
- Develop up to 3 reports with content to be defined by AHCT. These reports can be requested anytime throughout project upon providing documented requirements to Scan-Optics. One or more of these defined reports can be in Excel spreadsheet format. Additional reports, if required, can be defined and developed via the PCR process – see Forms and Reports Design pricing.
- If required, Scan-Optics can provide Forms Design services - see Forms and Reports Design pricing.
- Maintain a complete solution integrated test environment throughout the life of this SOW.
- Establish and maintain VPN connection protocols.
- Develop User Acceptance Test scripts in conjunction with AHCT.
- Unit testing and complete solution testing.

Testing

- Use the integrated test environment to test the capture and indexing processes and associated workflows.
- Provide resources to support integration testing efforts and troubleshooting.
- Participate in user acceptance testing in conjunction with AHCT.
- Conduct training of Scan Optics personnel and AHCT legal staff.
- Create operational documentation.

Deployment

- Support Go-Live and production operations.

Post-Implementation Support

- Provide post-implementation support to process and resolve AHCT support requests (emails/phone calls) regarding system issues such as: unreadable images; images not received; incomplete batch of documents; etc.

FileNet Migration

At the present time, the requirements for the anticipated migration to FileNet are not defined. Therefore, the effort required to support this migration is outside the scope of this SOW and will be handled by a Project Change Request (PCR).

Project Change Requests

Should there be any changes outside the reasonable scope of this project; a formal change order process will be initiated. Prior to any changes to the project, Scan-Optics and AHCT will discuss:

- The description of the change.
- Why or why not the change is considered out of scope.
- Estimation of the effort required to make the change.
- Whether the change is chargeable.
- The change in scope will be clearly documented through a PCR.

Project Schedule

Task	Start	Finish
Design, Development and Integration	7/1//2013	9/30/2013
Testing	9/1/2013	9/20/2013
Deployment	9/14/2013	9/27/2013
Post Implementation Support	10/1/2013	3/31/2014
Production Operation	10/1/2013	3/31/2014
Migration to FileNet	TBD	TBD
Contract Extension (if required)	3/1/2018	TBD

Fees and Payment Terms

Setup Fees

The Project Setup Fee is divided into two equal parts. The Part 1 fee is payable upon execution of this Statement of Work by AHCT. The Part 2 fee is payable on October 1, 2013.

Description	Fee
Project Start-Up Part 1	\$57,625.00
Project Start-Up Part 2	\$57,625.00

The Project Start-Up fee includes:

- Provide VPN firewall and SSL certificate
- Develop browser application for AHCT legal staff use
- Develop upload and download features for AHCT legal staff use
- Infrastructure configuration
- Business rules design and development
- Workflow configuration
- Reports definition, design and development
- Test
- Documentation

*** Since the actual volume is unknown, the following volume calculations are based strictly on estimates. ***

Seat License Fees

The number of AHCT staff members who will need to access the "exemption & appeals related" images and data is dependent on the unpredictable volume of documents that will be received. The seat license fee structure allows AHCT to scale their operations and the associated costs based on the actual document volumes.

Description	Fee
Seat licenses	\$75.00 per seat per month X 3 expected licenses = \$225.00 X 12 Months = \$2,700 annually. The license fee will begin October 2013.

Forms & Reports Design Fees

Up to three reports are included in the setup fee for this SOW. One or more of these reports can be defined as an Excel spreadsheet. Additional reports can be designed upon request via the PCR process. In addition, Forms Design services can be provided on request.

Description	Fee
Design fee	\$175.00 per hour if applicable.

Processing Fees

Definitions

Task	Definition
Document Preparation	<p>Pre scanning handling of paper including: opening envelopes; removing staples and paper clips; repairing torn paper; copying undersize or oversize documents; sorting etc. Document Preparation also includes the research and resolution of any exception conditions that cannot be handled through the standard process.</p> <p>Document Preparation includes Professional Services support to AHCT to prepare document design for efficient, automated capture for new and existing forms.</p> <p>The Document Preparation fee is invoiced on a per hour basis as incurred.</p>
Scanning	<p>Each piece of paper that is scanned and processed will incur the per page scanning fee. The scanning fee includes pick up from the Post office box.</p>
OCR	<p>Optical Character Recognition – Each piece of paper that is scanned creates two images (the front and back of the page). Every image is processed through OCR for: image quality enhancement; blank page detection; data extraction. Each image will incur the per image OCR fee. The OCR fee includes manual entry of low confidence OCR reads and double key verify processing of up to three index fields per transaction.</p>
Coding	<p>Form Classification - Scan Optics will classify each document type that is processed resulting in the Coding fee. The base coding fee includes up to four documents per transaction. Each document may have an unlimited number of pages. Each additional document after the first four in a transaction will incur an additional coding fee equal to the base coding fee.</p>

Fees

	AG Contract Pricing	Ramp Up volume items 1 - 1,500,000 (Cummulative)	Ramp Up volume items 1,500,001- 4,500,000 (Cummulative)	Volume Pricing (1.5M pages or more per month)	Pricing Below 1.5M Pages per Month		
					1,000,000-1499,999	500,000-999,999	Less than 500,000
Per Page/Action							
Scanning (inc. pick up)	\$0.1230	\$0.1230	\$0.0984	\$0.0369	\$0.0443	\$0.0517	\$0.0590
OCR	\$0.0320	\$0.0320	\$0.0256	\$0.0096	\$0.0115	\$0.0134	\$0.0154
Coding	\$0.4280	\$0.4280	\$0.3424	\$0.1284	\$0.1541	\$0.1798	\$0.2054
Hourly Rate							
Document Preparation	\$19.8000	\$19.8000	\$19.8000	\$19.8000	\$19.8000	\$19.8000	\$19.8000

The volume of "exemption & appeals related" documents and pages will be added to the volume of "standard" documents and pages to determine the combined volume for fee determination.

The ramp up period is defined as the processing period from October 1, 2013 through March 31, 2014. Work that is processed during this period will be invoiced at the ramp up volume banding rates.

If the proposed solution for processing "exemption & appeals related" documents continues to be used after April 1, 2014, the work that is processed will be invoiced at the production volume banding rates.

Note

If AHCT requires more than 3 index fields per transaction for the "exemption & appeals related" documents this will result in a change in the fee structure for the OCR line item. In addition, if AHCT requires additional verification steps (e.g. triple key verify) this will result in a change in the fee structure for the OCR line item.

Data Storage Fee

Data that is uploaded by AHCT legal staff to the proposed solution will be stored and available for download.

Description	Fee
Data storage	<p>\$0.01 per Megabyte per month.</p> <p>10 images = approximately 1 Megabyte. Based on an average of 3 images per client:</p> <p>6,000 X 3 = 18,000 images / 10 = 1,800 MB.</p> <p>1,800 MB x \$0.01 x 12 months = \$216.00 estimated annual cost.</p> <p>Data storage will begin October 2013.</p>

Document Storage Fee

Document storage requirements are not explicitly defined at this time. However, Scan-Optics can provide secure post scanning storage for AHCT documents:

Description	Fee
Secure storage	\$1.50 per square foot per month. Estimated annual cost for secure storage of 18,000 pages is \$180.00 Document storage will begin October 2013.

Secure Destruction Fee

If required, Scan-Optics will provide secure destruction of the AHCT paper documents upon receipt of approval from AHCT. The secure destruction fee includes the cost of the container, managing the documents in the Scan-Optics chain of custody software, physically moving the documents from secure storage into the destruction container and actual destruction:

Description	Fee
Secure destruction	\$100.00 per 96 gallon secure destruction container. Estimated annual cost for secure destruction of 18,000 pages is \$300.00 Document destruction will begin January 2014.

Professional Services Fees

Scan-Optics can provide other Professional Services support as and when needed. These requirements, if any, are not defined at this time.

Payment Terms

Part 1 of the project start-up fee is payable upon execution of this Statement of Work by AHCT.

Part 2 of the project start-up fee is payable on October 1, 2013.

Invoices for seat license fees, processing, storage and destruction fees will be issued to AHCT on a bi-monthly basis. Payment terms are Net 30.