

**NEW MEXICO HEALTH INSURANCE
EXCHANGE AMENDMENT# 1
PROFESSIONAL SERVICES AGREEMENT**

This AMENDMENT# 1 (Amendment) to the PROFESSIONAL SERVICES AGREEMENT between the New Mexico Health Insurance Exchange (NMHIX) and Public Consulting Group, Inc. (Contractor), dated January 15, 2019 (Agreement), is made and entered into by and between the parties. The Amendment shall be effective as of the date it is executed by the NMHIX.

RECITALS

WHEREAS, under the terms of the Agreement, Contractor has agreed to provide project management consulting services to the NMHIX; and

WHEREAS, pursuant to Article 13 of the Agreement, the Agreement may be altered, changed, or modified by an amendment in writing executed by the parties; and

WHEREAS, the parties to the Agreement hereby agree to amend the Agreement, for good and valuable consideration, the receipt and sufficiency of which are acknowledged by the parties, as follows:

Section 1, Scope of Work, is hereby amended to read as follows:

1. **Scope of Work.**

- A. The Contractor shall perform all services detailed in Exhibit A, Scope of Work, attached hereto and incorporated herein by reference.
- B. In addition to any other reporting provisions required by this Agreement or by law, Contractor shall report to the NMHIX monthly, or according to a different schedule as mutually established by the NMHIX and Contractor, regarding Contractor's performance and fulfillment of its obligations under this Agreement.

Section 2, Deliverables and Consideration, is hereby amended to read as follows:

1. **Compensation.**

- A. **Compensation Schedule.** Under this Agreement, the Agency shall pay to the Contractor in full payment for services satisfactorily performed and all allowable expenses, compensation at the hourly rates and as set forth in Exhibit A, such compensation not to exceed two million three hundred seventy-eight thousand, one hundred and twenty-one dollars (\$2,378,121.00), excluding gross receipts tax, for the Term of the Agreement, as further described in Exhibit A. Expenses must be

approved by this Agreement or in writing by the Agency. The New Mexico gross receipts tax levied on the amounts payable under this Agreement totaling one hundred twenty-eight thousand one hundred twenty-five dollars (\$128,125.00) shall be paid by the Agency to the Contractor. The total amount of the monies payable to the Contractor under this Agreement, including gross receipts tax, shall not exceed two million five hundred thousand dollars (\$2,500,000.00).

DESCRIPTION	AMOUNT
Original Contract	\$8,515,450.00
Amendment # 1	(\$6,015,450.00)
Contract to Date	\$2,500,000.00

Section 33, License for Office Space, is deleted in its entirety from the Contract.

Exhibit A, Scope of Work, is amended to describe the services to be performed and to further define the project costs during the Term of the Contract, as attached hereto.

Agreement in Full Force

Except as specifically provided in this Amendment, the Agreement remains and shall remain in full force and effect, in accordance with its terms.

IN WITNESS WHEREOF, the parties have executed this Amendment #1 on the date of signature set forth below.

New Mexico Health Insurance Exchange:



12/18/2020

 Jeffery Bustamante
 Chief Executive Officer

 Date

Public Consulting Group, Inc. (CONTRACTOR):



12/17/2020

 Date

EXHIBIT A
SCOPE OF WORK
INDIVIDUAL EXCHANGE PMO

A-1. Scope of Work.

The Contractor will execute the following Tasks:

1. Project Management Services
2. Blueprint Assistance and Tracking
3. Requirements Management
4. User Acceptance Testing Services
5. Professional Consultant and Staff Support Services

1. Project Management Services

Project management activities include project initiation and tasks to determine the nature and scope of the project and identifying stakeholders, project planning for plan time, cost, quality, resources, risks, and communications to estimate the project work, project execution, project controlling. An orderly closeout of the contract will be part of the project closing phase. The Contractor will establish a standardized framework to aid the project management process, understand, document and communicate the goals, and be proactive in collaborating with NMHIX leadership, staff and vendors. The Contractor will ensure that projects are delivered on time, in scope and on budget. The Contractor will use PMBOK® universally accepted best practices.

Preliminary Planning and Initiation

The Contractor will schedule and facilitate initial project Kick-Off activities, which will include all key NMHIX stakeholders, project staff, and relevant NMHIX vendors. The kick-off meeting will cover the preliminary project schedule, key plans/deliverables, and review project roles and responsibilities for all associated project staff and contributors. The Contractor will present the draft scope of the project and charter at the kick-off. In advance of the PMO Kick-Off meeting, the Contractor will work collaboratively with the project staff, NMHIX staff, relevant NMHIX vendors, and key NMHIX stakeholders to promote a shared understanding of the PMO's project organization, scope, schedule, approach, roles and responsibilities, project tasks, and deliverables. The Contractor will utilize the kick-off meeting to level set expectations across functional project teams to achieve a thorough understanding and agreement of standards to be deployed during all aspects of the project.

The Contractor will set expectations as early as possible with project staff, NMHIX staff, relevant NMHIX vendors, and key NMHIX stakeholders during the initiation phase of the project. The Contractor will oversee the project to ensure that the agreed upon processes, policies, and procedures are being followed. The Contractor will offer its Project

Management Methodology as a framework, but also accommodate any existing processes or tools that NMHIX may have in place as well as work with NMHIX to define project standards. As a result, the Contractor will establish the project management framework, processes, and procedures.

The Contractor will work with NMHIX, its vendors, and other stakeholders as they manage their work, report on progress, and measure the quality of ongoing deliverables. The Contractor will outline and initiate a communications plan, introduce project teams, detail items that are part of the work scopes, and prepare all teams for project initiation on the contract start date. During project initiation, The Contractor will establish a comprehensive and cohesive Communications Management Plan. The plan will include such elements as type of project information communicated, cadence for regularly scheduled project meetings, communication methods such as meetings, email, phone, web portal, etc., frequency of formal and informal project communications, flow of communications. In addition, the communications plan will address internal or external constraints that affect project communications, standard templates, document formats, and most importantly an escalation process for resolving any communication-based conflicts or issues. Contractor will not be responsible for managing communications after project initiation, but will track communications in the project plan.

Deliverable Management

The Contractor will provide project oversight and the necessary Project Life Cycle (PLC) process discipline, including defining and implementing a comprehensive deliverable management process. The Contractor will develop a thorough deliverable sign-off procedure and a set of templates. The Contractor will customize the sign-off template based on the NMHIX governance model for approval authority. The Contractor commits to submitting a final deliverable sign-off procedure and template within five (5) business days of commencing work with NMHIX.

The Contractor will coordinate with NMHIX to implement and manage the deliverable review process for all project deliverables. The Contractor will coordinate directly with the deliverable contributors and the deliverable reviewers as defined and designated by NMHIX to ensure that agreed upon deliverables and work products are received, reviewed and processed through final disposition in a timely manner.

The Contractor will ensure all deliverables meet the quality standards and formats established by the NMHIX in a consistent manner using the best practices and experience from similar engagements. For each deliverable, the Contractor will utilize the following approach to align the deliverables with NMHIX specifications:

1. Establish deliverable expectations and acceptance criteria
2. Deliver interim work product
3. Submit final deliverable
4. NMHIX review

5. Update deliverable and resubmit for approval
6. Validate re-submission for approval
7. Capture final sign-off by designated approval stakeholders

As a part of tracking all project deliverables, the contractor will coordinate with the NMHIX in the development of a Deliverables Tracking Log. This log will list all contract deliverables for the NMHIX SBM IT vendor and deliverable details and attributes.

Document Management

The Contractor will recommend a repository structure and manage the NMHIX project document library using SharePoint for project collaboration and a document repository. The Contractor will ensure that all documents and artifacts are maintained as per best practices. The Contractor will also ensure that the documented managed processes are followed by NMHIX vendor partners. Where necessary, the contractor will scan and store required hard copy documentation in .pdf format, scan hard copy documents for storage in the library, and validate that project documentation is available to NMHIX staff and other users by conducting semi-annual audits of the SharePoint repository. The Contractor will develop and utilize a Document Management Plan to ensure that all best practices are maintained and properly utilized, and create a living document library index based on a logical, hierarchical folder structure.

Project Work Plan

The Contractor will submit a preliminary Work Breakdown Structure (WBS) to NHMIX for review. The approved WBS will be used to create a detailed project schedule in MS Project. Using the project schedule, the Contractor will establish the baseline for the PMO to quickly and efficiently manage completion of tasks and deliverables. The Contractor will leverage the WBS as a starting point for final deliverable development.

Status Meetings and Reporting

The Contractor will schedule and facilitate project meetings as agreed upon in the Communications Management Plan. The Contractor will ensure that meeting minutes include key decisions, outcomes and action items. The Contractor will facilitate project meetings that cover a variety of topics from initial planning, requirements & design, to weekly status meetings. Regardless of the meeting topic, The Contractor will follow best practices in providing proper notice, clear agendas, and tools for in-person or remote facilitation and participation.

The Contractor will standardize the status reporting approach to ensure it provides efficient updates and addresses the specific needs expressed NMHIX. Status reports will provide current trends and key metrics, such as schedule, risks, and resources. The Contractor will show additional metrics as needed. Status reports will also provide information regarding deliverables as well mitigation efforts for any risks or issues currently being tracked for the project. The contractor will work with NMHIX to derive the optimal reporting format and content. Status reporting framework will be documented in the Communications Management Plan.

2. Blueprint Assistance and Tracking

The Contractor will provide limited assistance with the development of the federally-required Exchange Blueprint and related documents. The Contractor will track Blueprint submission in the project plan.

3. Requirements Management

The Contractor will provide business analysis services and employ a requirements management methodology for the Individual Exchange and Call Center project. The Contractor will gather and develop requirements and work with NMHIX to collect and review available documentations, including a comparative analysis of existing requirements from other state exchanges and call centers. The Contractor will define necessary business, technical, and regulatory requirements and incorporate new ones throughout the requirements life cycle. The Contractor will work with NMHIX and project partners to validate and documents the requirements in a Requirements Traceability Matrix (RTM).

4. User Acceptance Testing Services

The Contractor will use industry best practices to plan and execute User Acceptance Testing (UAT), which includes providing testers for the UAT execution phase of the Individual Exchange project. The Contractor will coordinate with NMHIX, the IV&V vendor and the Technology Solution Provider, to develop a common set of "testing standards" and ensure that these standards are in alignment with any existing testing standards as provided by the Solution Vendor, to promote consistency across all testing activities. The contractor will document the Entry and Exit criteria agreed to by NMHIX, IV&V, the PMO and other vendors.

The Contractor will be closely involved in the development of UAT test Cases. The contractor will assist NMHIX in ensuring that all quality and test plans require test cases that have been developed using industry best practices and target either a very specific piece of functionality early in the lifecycle or a broad swath of system functionality, which focus on how complex system components interact. The Contractor will validate that there is traceability from requirement all the way to test case. The Contractor will ensure that each requirement is linked directly to a test case, and each test case is executed during some portion of UAT.

The Contractor will employ defect reporting metrics. Daily reporting will provide all stakeholders insight into the daily progress of testing, to can quickly and easily analyze which areas require the most attention and corrective action. The contractor will work with the technology solution vendor to provide such insight throughout the testing effort.

5. Professional Consultant and Staff Support Services

The Contractor will provide or assist NMHIX with the following activities on an as needed, but limited, basis:

- Strategic analysis, planning and assistance with decision making on key areas involved with the implementation of state-based marketplaces.
- Analysis and research in various areas, including providing access to the Contractor's nationwide pool of subject matter experts.

A-2. Project Cost

The Contractor shall provide the services as described in Contractor's Proposal and at the rates set forth therein:

Role	Rate/hr
Project Manager	\$265
HIX Advisor	\$265
Functional Lead	\$185
Technical Lead	\$185
Business Analysis Lead	\$265
Testing Lead	\$185
Project Coordinator	\$170
Business Analyst	\$170
QA analyst/Tester	\$125
Subject Matter Expert	\$265

The table below includes the total not-to-exceed amount for the project estimated by calendar year, and incorporates all costs, fees, staffing costs, overhead, travel, taxes, and other expenses. The allocation across the three years is an estimate, and as such, may vary, but the total contract shall not exceed \$2,500,000.00.

Calendar Year	PMO Services
2019	\$650,000
2020	\$850,000
2021	\$1,000,000
TOTAL	\$2,500,000

Payment shall be made only for services actually performed after receipt and approval by NMHIX of a detailed invoice which shall include sufficient information to enable the NMHIX to verify all work has been performed.