STATE OF NEVADA
DEPARTMENT OF HUMAN RESOURCES
DIVISION OF HEALTH CARE FINANCING AND POLICY
1100 E. William Street, Suite 116
Carson City, Nevada 89701

BRIAN SANDOVAL
Governor

MICHAEL J. WILLDEN
Director

CHARLES DUARTE
Administrator

AMENDMENT #_1_TO CONTRACT CONV 7137
For External Quality Review Organization Services (Request for Proposal 1763)

Between the State of Nevada
Acting By and Through Its

Department of Health and Human Services,
Division of Health Care Financing and Policy
1100 East William Street, Suite 103
Carson City, Nevada 89701
Phone: (775) 684-3636
Point of Contact: Greg Tanner

and

Health Services Advisory Group, Inc.
3133 East Camelback Road, Suite 300
Phoenix, Arizona 85016-4501
Phone: (602) 801-6701 Facsimile: (602) 745-6357
Point of Contact: Dr. Mary Ellen Dalton

1. AMENDMENTS. For and in consideration of mutual promises and/or their valuable consideration, all provisions of the original contract, resulting from Request for Proposal #_1763, and dated _6/17/2009__attached hereto as Exhibit A, remain in full force and effect with the exception of the following:

A. **This amendment updates the contract pricing for various services listed in Section I and II of Attachment AA to RFP 1763.**

Amended Contract Language:

Attachment AA Sections I and II is amended as follows:

I. TERMS AND CONDITIONS

Except as otherwise amended within the Contract and Attachment AA, Contract Negotiated Items, of this contract, all the terms and conditions of RFP 1763 remain

in full force and effect as though fully set forth herein. **The state will not choose optional items that exceed the Contract or Budget Authority.**

II. EXTERNAL QUALITY REVIEW ORGANIZATION

A. Evaluation of the MCO's Internal Quality Assurance Programs (Title XIX) Costs for:

1. **Validation of Performance Improvement Project (2 MCOs)** – Health Services Advisory Group has ~~agreed to reduce their proposal cost from $39,819.00 to $36,833.00 for the year 2010 and reduce the cost from $41,607.00 to $38,486.00 for the year 2011~~ **negotiated a rate of $39,448.00 for State Fiscal Year 2012 and $40,403.00 for State Fiscal Year 2013 for these services.**

2. **HEDIS Audit (Validation of Performance Measures)** - Health Services Advisory Group has ~~agreed to reduce their proposal cost from $35,096.00 to $32,464.00 for the year 2010 and reduce the cost from $36,525.00 to $33,786.00 for the year 2011~~ **negotiated a rate of $34,631.00 for State Fiscal Year 2012 and $35,469.00 for State Fiscal Year 2013 for these services.**

3. **Validation of State's Quality Assessment and Performance Improvement Strategy (QAPI) - Health** Services Advisory Group has ~~agreed to reduce their proposal cost from $53,748.00 to $49,717.00 for the year 2010 and reduce the cost from $56,232.00 to $52,015.00 for the year 2011~~ **negotiated a rate of $53,315.00 for State Fiscal Year 2012 and $54,605.00 for State Fiscal Year 2013 for these services.**

4. **EQR Technical Report** - Health Services Advisory Group has ~~agreed to reduce their proposal cost from $58,201.00 to $53,836.00 for the year 2010 and reduce the cost from $60,096.00 to $55,589.00 for the year 2011~~ **negotiated a rate of $56,676.00 for State Fiscal Year 2012 and $58,157.00 for State Fiscal Year 2013 for these services.**

5. **Reporting and Education** - Health Services Advisory Group has ~~agreed to reduce their proposal cost from $24,546.00 to $22,705.00 for the year 2010 and reduce the cost from $25,620.00 to $23,699.00 for the year 2011~~ **negotiated a rate of $24,291.00 for State Fiscal Year 2012 and $24,879.00 for State Fiscal Year 2013 for these services.**

6. **Consulting** - Health Services Advisory Group has ~~agreed to reduce their proposal cost from $9,432.00 to $8,725.00 for the year 2010 and reduce the cost from $9,686.00 to $9,128.00 for the year 2011~~ **negotiated a rate of $9,356.00 for State Fiscal Year 2012 and $9,583.00 for State Fiscal Year 2013 for these services.**

7. **Meetings -** Health Services Advisory Group has ~~agreed to reduce their proposal cost from $22,940.00 to $21,220.00 for the year 2010 and reduce the cost from $23,848.00 to $22,059.00 for the year 2011~~ **negotiated a rate of $22,610.00 for State Fiscal Year 2012 and $23,158.00 for State Fiscal Year 2013 for these services.**

8. **IQAP Compliance Reviews for Two Managed Care Organizations (SFY 2012 only) - Health Services Advisory Group pre-negotiated a rate of $53,529.00 for State Fiscal Year 2012 for these services.**

B. Evaluation of the MCO's Internal Quality Assurance Programs (Title XXI) Costs for:

1. **Validation of Performance Improvement Project (2 MCOs)** – Health Services Advisory Group has ~~agreed to reduce their proposal cost from $12,575.00 to $11,632.00 for the year 2010 and reduce the cost from $13,139.00 to $12,154.00 for the year 2011~~ **negotiated a rate of $12,458.00 for State Fiscal Year 2012 and $12,759.00 for State Fiscal Year 2013 for these services.**

2. **HEDIS Audit (Validation of Performance Measures) (2 MCOs) -** Health Services Advisory Group has ~~agreed to reduce their proposal cost from $11,083.00 to $10,252.00 for the year 2010 and reduce the cost from $11,534.00 to $10,669.00 for the year 2011~~ **negotiated a rate of $10,936.00 for State Fiscal Year 2012 and $11,200.00 for State Fiscal Year 2013 for these services.**

3. **EQR Technical Report -** Health Services Advisory Group has ~~agreed to reduce their proposal cost from $18,379.00 to $17,001.00 for the year 2010 and reduce the cost from $18,978.00 to $17,555.00 for the year 2011~~ **negotiated a rate of $17,898.00 for State Fiscal Year 2012 and $18,366.00 for State Fiscal Year 2013 for these services.**

4. **Reporting and Education -** Health Services Advisory Group has ~~agreed to reduce their proposal cost from $7,751.00 to $7,170.00 for the year 2010 and reduce the cost from $8,090.00 to $7,483.00 for the year 2011~~ **negotiated a rate of $7,670.00 for State Fiscal Year 2012 and $7,856.00 for State Fiscal Year 2013 for these services.**

5. **Consulting -** Health Services Advisory Group has ~~agreed to reduce their proposal cost from $2,979.00 to $2,756.00 for the year 2010 and reduce the cost from $3,116.00 to $2,882.00 for the year 2011~~ **negotiated a rate of $2,954.00 for State Fiscal Year 2012 and $3,025.00 for State Fiscal Year 2013 for these services.**

6. **Meetings -** Health Services Advisory Group has ~~agreed to reduce their proposal cost from $7,244.00 to $6,701.00 for the year 2010 and reduce the cost from $7,531.00 to $6,966.00 for the year 2011~~ **negotiated a rate of $7,140 for State Fiscal Year 2012 and $7313.00 for State Fiscal Year 2013 for these services.**

~~**C. Reporting and Education:**~~

~~Health Services Advisory Group will conduct two (2) HEDIS classes for twenty (20) people each at no cost to the State of Nevada. The classes will be in Carson City, Nevada within the DHCFP's Conference Room.~~

C. Optional Fee for Service for Title XIX Costs:

1. **Clinical Focus Studies - Health Services Advisory Group has negotiated a rate of $123,936.00 for State Fiscal Year 2012 and $126,934.00 for State Fiscal Year 2013 for these optional services.**

2. **HEDIS Audit (Validation of Performance Measures) - Health Services Advisory Group has negotiated a rate of $94,993.00 for State Fiscal Year 2012 and $97,291.00 for State Fiscal Year 2013 for these optional services.**

3. **Encounter Data Validation & Omission Studies - Health Services Advisory Group has negotiated a rate of $105,898.00 for State Fiscal Year 2012 and $108,460.00 for State Fiscal Year 2013 for these optional services.**

4. **CAHPS (Consumer Assessment of Health Plan Surveys) - Health Services Advisory Group has negotiated a rate of $100,191.00 for State Fiscal Year 2012 and $102,034.00 for State Fiscal Year 2013 for these optional services.**

5. **Network Access Analysis (FY 2012 not yet approved) - - Health Services Advisory Group has negotiated a rate of $31,672.00 for State Fiscal Year 2012 for these optional services.**

D. Optional Medical Home Care Coordination :

1. On-Site review of Care Coordination Vendor - Health Services Advisory Group has negotiated a rate of $31,449.00 for State Fiscal Year 2012 and $32,210.00 for State Fiscal Year 2013 for these optional services.

2. Performance Measure Review - Health Services Advisory Group has negotiated a rate of $43,236.00 for State Fiscal Year 2012 and $44,282.00 for State Fiscal Year 2013 for these optional services.

E. Optional Aged, Blind, and Disabled (ABD) Managed Care:

1. Technical Assistance to Develop Performance Measures - Health Services Advisory Group has negotiated a rate of $58,742.00 for State Fiscal Year 2012 and $60,163.00 for State Fiscal Year 2013 for these optional services.

2. Information Systems Readiness Review Desk Review - Health Services Advisory Group has negotiated a rate of $54,669.00 for State Fiscal Year 2012 and $55,992.00 for State Fiscal Year 2013 for these optional services.

3. Evaluate MCOs Implementation of Performance Measures - Health Services Advisory Group has negotiated a rate of $44,078.00 for State Fiscal Year 2012 and $45,145.00 for State Fiscal Year 2013 for these optional services.

4. EQR Technical Report - Health Services Advisory Group has negotiated a rate of $16,266.00 for State Fiscal Year 2012 and $16,659.00 for State Fiscal Year 2013 for these optional services.

5. Consulting - Health Services Advisory Group has negotiated a rate of $13,309.00 for State Fiscal Year 2012 and $13,631.00 for State Fiscal Year 2013 for these optional services.

6. Meetings - Health Services Advisory Group has negotiated a rate of $5,057.00 for State Fiscal Year 2012 and $5,180.00 for State Fiscal Year 2013 for these optional services.

F. Optional Rural County Expansion:

1. Information Systems Readiness Review Desk Review - Health Services Advisory Group has negotiated a rate of $49,369.00 for State Fiscal Year 2012 and $50,564.00 for State Fiscal Year 2013 for these optional services.

2. EQR Technical Report - Health Services Advisory Group has negotiated a rate of $9,023.00 for State Fiscal Year 2012 and $9,241.00 for State Fiscal Year 2013 for these optional services.

2. INCORPORATED DOCUMENTS. Exhibit A (Original Contract) is attached hereto, incorporated by reference herein and made a part of this amended contract.

3. REQUIRED APPROVAL. This amendment to the original contract shall not become effective until and unless approved by the Nevada State Board of Examiners.

IN WITNESS WHEREOF, the parties hereto have caused this amendment to the original contract to be signed and intend to be legally bound thereby.

CONTRACTOR

Signature — Mary Ellen Dalton, PhD, MBA, RN

Date — 6/7/2011 — Chief Executive Officer — Independent's Contractor's Title

DEPARTMENT OF HEALTH AND HUMAN SERVICES
DIVISON OF HEALTH CARE FINANCING AND POLICY

Lynn Carrigan — Date — 8/31/2011 — Chief Fiscal Officer DHCFP — Title

Charles Duarte — Date — 8/31/11 — Administrator DHCFP — Title

Michael J. Willden — Date — 9/8/11 — Director DHHS — Title

Julia Teska for Jeff Mohlenkamp

Signature - Board of Examiners

APPROVED BY BOARD OF EXAMINERS

On 9/15/11 (Date)

Approved as to form by:

Deputy Attorney General for Attorney General

On 6/20/2011 (Date)

Nevada EQRO		
State Fiscal Year 2012, and 2013 The following is a cost summary of all projects to be performed in SFY 2012 and SFY 2013 for Title XIX & XXI		
COST PROPOSAL FOR EXTERNAL QUALITY REVIEW SFY 2012 and 2013 - Title XIX		
SFY July - June	**SFY 2012**	**SFY 2013**
Task	**Costs**	**Costs**
Validation of Performance Improvement Project (2 MCO's)	$39,448.00	$40,403.00
HEDIS Audit (Validation of Performance Measures (2 MCO's)	$34,631.00	$35,469.00
Validation of State's Quality Assessment and Performance Improvement Strategy (QAPI)	$53,315.00	$54,605.00
EQR Technical Report	$56,676.00	$58,157.00
Consulting	$9,356.00	$9,583.00
Meetings	$22,610.00	$23,158.00
Reporting and Education	$24,291.00	$24,879.00
IQAP Compliance Reviews for 2 MCOs (FY 2012 only)	$53,529.00	$ -
Total for EQRO Title XIX	**$293,856.00**	**$246,254.00**
COST PROPOSAL FOR EXTERNAL QUALITY REVIEW SFY 2012 and 2013 - Title XXI		
SFY July - June	**SFY 2012**	**SFY 2013**
Task	**Costs**	**Costs**
Validation of Performance Improvement Project (2 MCO's)	$12,458.00	$12,759.00
HEDIS Audit (Validation of Performance Measures (2 MCO's)	$10,936.00	$11,200.00
EQR Technical Report	$17,898.00	$18,366.00
Consulting	$2,954.00	$3,025.00
Meetings	$7,140.00	$7,313.00
Reporting and Education	$7,670:00	$7,856.00
Total for EQRO Title XXI	**$59,056.00**	**$60,519.00**
Total Mandatory Costs Titles XXI & XIX	**$352,912.00**	**$306,773.00**
COST PROPOSAL FOR EXTERNAL QUALITY REVIEW SFY 2012 and 2013 - Optional FFS Title XIX		
SFY July - June	**SFY 2012**	**SFY 2013**
Task	**Proposed Budget**	**Proposed Budget**
Clinical Focus Studies	$123,936.00	$126,934.00
HEDIS Audit (Validation of Performance Measures)	$94,993.00	$97,291.00
Encounter Data Validation & Omission Studies	$105,898.00	$108,460.00
CAHPS	$100,191.00	$102,034.00
Network Access Analysis (FY 2012 not yet approved)	$31,672.00	$ -
Total FFS Title XIX	**$456,690.00**	**$434,719.00**

1. COST PROPOSAL FOR EXTERNAL QUALITY REVIEW SFY 2012 and 2013 - Optional Medical Home Care Coordination		
SFY July - June	**SFY 2012**	**SFY 2013**
Task	**Proposed Budget**	**Proposed Budget**
Post On-Site Review of Care Coordination Vendor	$31,449.00	$32,210.00
Performance Measure Review	$43,236.00	$44,282.00
Total Medical Home Care Coordination	**$74,685.00**	**$76,492.00**
2. COST PROPOSAL FOR EXTERNAL QUALITY REVIEW SFY 2012 and 2013 - Optional ABD Managed Care		
SFY July - June	**SFY 2012**	**SFY 2013**
Task	**Proposed Budget**	**Proposed Budget**
Technical Assistance to Develop PM	$58,742.00	$60,163.00
Information Systems Readiness Review Desk Review	$54,669.00	$55,992.00
Evaluate MCOs Implementation of Performance Measures	$44,078.00	$45,145.00
EQR Technical Report	$16,266.00	$16,659.00
Consulting	$13,309.00	$13,631.00
Meetings	$5,057.00	$5,180.00
Total ABD Managed Care	**$192,121.00**	**$196,770.00**
3. COST PROPOSAL FOR EXTERNAL QUALITY REVIEW SFY 2012 and 2013 - Optional Rural County Expansion		
SFY July - June	**SFY 2012**	**SFY 2013**
Task	**Proposed Budget**	**Proposed Budget**
Technical Assistance to Develop PM	$	$ -
Information Systems Readiness Review Desk Review	$49,369.00	$50,564.00
HEDIS Audit (Validation of Performance Measures)	$	$ -
EQR Technical Report	$9,023.00	$9,241.00
Consulting	$	$ -
Meetings	$	$ -
Technical Assistance to Develop PM	-	$ -
Consulting	$	$ -
Meetings	$	$ -
Total Rural County Expansion	**$58,392.00**	**$59,805.00**
Total Optional Costs (Title XIX Optional FFS, Options 1,2,3)	**$781,888.00**	**$767,786.00**
Total Costs (Title XXI & XIX Mandatory Costs, Total Optional Costs)	**$1,134,800.00**	**$1,074,559.00**

Total Contract monthly payments-mandatory and approved tasks only		
Total SFY Cost breakdown of Title XIX and XXI	**SFY 2012**	**SFY 2013**
Mandatory Title XIX and XXI	$29,409.33	$25,564.42
Optional FFS Title XIX Costs	$38,057.50	$36,226.58
Option 1 Costs	$6,223.75	$6,374.33
Option 2 Costs	$16,010.08	$16,397.50
Option 3 Costs	$4,866.00	$4,983.75
Total Monthly Cost (July 1 to June 30)	**$94,566.67**	**$89,546.58**

*** Technical Assistance will be paid following approval by DHCFP of the tasks and budget submitted by the vendor.**
**** Billing will include detail for budgeted authority for Title XIX or XXI.**