

STATE OF VERMONT
CONTRACT AMENDMENT

It is hereby agreed by and between the State of Vermont, Green Mountain Care Board (the "State") and Mathematica Inc., with a principal place of business in 955 Massachusetts Avenue, Suite 801, Cambridge, MA 02139, (the "Contractor") that the contract between them originally dated as of October 3, 2022, Contract #44349, as amended to date, (the "Contract") is hereby amended as follows:

- I. Maximum Amount.** The maximum amount payable under the Contract, wherever such reference appears in the Contract, shall be changed from \$459,557.00 to \$474,557.00, representing an increase of \$15,000.
- II. Scope of Work:** Attachment A to the Contract is hereby deleted in its entirety and replaced by the Attachment A attached to this amendment. This amendment adds detail to "Other national or related data sources" bullet in 4.a. in the Attachment of Work. The need for additional data sources resulted in the change in maximum amount.
- III. Payment Provisions.** Attachment B to the Contract is hereby deleted in its entirety and replaced by the Attachment B attached to this amendment.

Taxes Due to the State. Contractor certifies under the pains and penalties of perjury that, as of the date this contract amendment is signed, the Contractor is in good standing with respect to, or in full compliance with a plan to pay, any and all taxes due the State of Vermont.

Child Support (Applicable to natural persons only; not applicable to corporations, partnerships or LLCs). Contractor is under no obligation to pay child support or is in good standing with respect to or in full compliance with a plan to pay any and all child support payable under a support order as of the date of this amendment.

Certification Regarding Suspension or Debarment. Contractor certifies under the pains and penalties of perjury that, as of the date this contract amendment is signed, neither Contractor nor Contractor's principals (officers, directors, owners, or partners) are presently debarred, suspended, proposed for debarment, declared ineligible or excluded from participation in federal programs, or programs supported in whole or in part by federal funds.

Contractor further certifies under pains and penalties of perjury that, as of the date this contract amendment is signed, Contractor is not presently debarred, suspended, nor named on the State's debarment list at: <http://bgs.vermont.gov/purchasing-contracting/debarment>

Cybersecurity Standard Update 2023-01: Contractor confirms that all products and services provided to or for the use of the State under this Agreement shall be in compliance with *State of Vermont Cybersecurity Standard Update 2023-01*, which prohibits the use of

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certain branded products in State information systems or any vendor system that is supporting State information systems, and is available on-line at: <https://digitalservices.vermont.gov/cybersecurity/cybersecurity-standards-and-directives> .

This Contract Amendment consists of 9 pages. Except as modified by this Contract Amendment # 3, all provisions of the Contract remain in full force and effect.

The signatures of the undersigned indicate that each has read and agrees to be bound by this amendment to the Contract.

STATE OF VERMONT

By: DocuSigned by:
Susan Barrett
98AD7DD27001403...
Name: Susan Barrett
Title: Executive Director
Date: 12/15/2023

MATHEMATICA

By: DocuSigned by:
Lisa B Sheldone
833AF3FCEE0F443...
Name: Lisa B Sheldone
Title: Director, Contract Administration
Date: 12/6/2023

ATTACHMENT A – STATEMENT OF WORK

1. Background

The Green Mountain Care Board (State) is an independent five-member Board whose mission is to improve the health of Vermonters through a high-quality, accessible, affordable, and sustainable health care system.

In 2021, DK Healthcare Consulting LLC was hired by the Vermont legislative Task Force on Affordable, Accessible Health Care to develop a report with recommendations to manage costs and improve Vermont's health care delivery system to the Senate Health and Welfare Committee. The objective of the report included assessing the availability and gaps in information that can identify factors driving healthcare cost in Vermont, best opportunities to reduce cost or cost growth, and their regulatory structure implications.

The full report can be found here:

<https://ljfo.vermont.gov/assets/Uploads/9e3a5a8e00/REPORT-FOR-HROC-OPPORTUNITIES-FOR-REGULATORY-EVOLUTION-REVISED-12.20.2021.pdf>.

Priority recommendations from this report include the assessment of comparative spending per capita and low-value care analysis to provide insight on where to improve value and lower cost in the system.

The need to understand how Vermont compares in health care expenditures is intended to inform the development of spending targets on health care, as originated in Massachusetts and adopted by other states. Vermont seeks to compare its per capita spending to national trends, including relevant subgroup comparisons (e.g., similar states, high-performing states, Accountable Care Organizations). In conjunction, a low-value care analysis will be conducted to determine how Vermont compares with peers. By identifying and quantifying low-value care in Vermont, it can help improve quality of care, decrease adverse outcomes, and reduce per capita spending on health care.

2. Personnel

The Contractor will notify the State of any personnel changes in writing within 30 days and will file changes to the contract file.

Mathematica Key Personnel:

- Vincent Pohl, Project Director

3. Contractor Sub-agreements

The State acknowledges and understands that Contractor will enter into a sub-agreement with Health Care Cost Institute for the performance of Services hereunder. Contractor shall deliver a copy of all such sub-agreements to the State for review upon request. The State hereby consents to the use by Contractor of Health Care Cost Institute, provided however that any such consent is not deemed acceptance of the terms of any sub-

agreement by the State. Provided further, that the Contractor will ensure that any sub-agreement meets State requirements, including, but not limited to, Attachment C, section 19, and Attachment D, section 2.3.

4. Benchmark and Low-Value Care Analysis

Contractor shall provide:

- a. Data analysis and aggregation of data, potentially including:
 - Claims data analysis using the Vermont Health Care Uniform Reporting and Evaluation System (VHCURES), Vermont's All-Payer Claims Database;
 - State fiscal estimates using the Vermont Health Care Expenditure Analysis (VHCEA);
 - Hospital discharge records Vermont Uniform Hospital Discharge Data System (VUHDDS);
 - Other national or related data sources including, but not limited to:
 - National Medicaid data
 - National and Vermont Medicare data
- b. Detailed methodology for estimating Vermont's spending, which:
 - must apply to "all providers and payers in the healthcare system" and be measurable on a statewide, per capita, and healthcare entity basis.
 - must be age and risk-adjusted for providers and payers to account for differences in health status.
 - must include software code, reference files, and raw data files used to derive estimates whenever possible.
 - must include the data dictionary and code books.
- c. Detail documentation of definitions used in the analysis
- d. Consideration of replicating established and standardized benchmark model (Massachusetts model)
- e. Comparison of Vermont spending to other states, better performers, national values, as well as recommended comparative peer groups, such as expenditure differences among provider groups
- f. Summary of Vermont per capita spending by mutually agreed upon geographic groups

- g. Detailed methodology of low-value care analysis, including:
 - software code, reference files, and raw data files used to derive estimates whenever possible
 - documentation of definitions used in low-value care analysis
 - data dictionary and code books
- h. Consideration of replicating existing low-value care methodology used by the States of Virginia, Oregon, Colorado, and Maine
- i. Analysis of low-value care by cost, volume, and unique lives impacted
- j. Publish report that summarizes comparison of Vermont's per capita spending, proportion of low-value care, as well as significant cost drivers with recommendations for opportunities to reduce low-value care and/or potentially avoidable utilization.

5. Deliverables:

Deliverables will be mutually agreed upon using the Deliverable Expectation Document (DED) in Attachment F of this contract. Contractor shall submit a DED for review and approval prior to work beginning and the Delivery Acceptance Forms (DAF) in Attachment F of this contract must be signed by both parties prior to payment.

Contractor shall provide the following deliverables in the form of a formal written report, which includes the following:

- a. Provide comparative spending analysis summary that includes:
 - i. Vermont statewide health care spending per capita
 - 1. Age and risk-adjusted analysis
 - 2. Over time (2017 to 2021, or other mutually agreed upon time period)
 - ii. Health care spending per capita by hospital service area or other mutually agreed upon geographic unit
 - 1. Age and risk-adjusted analysis
 - 2. Over time (2017 to 2021, or other mutually agreed upon time period)
 - iii. Expenditure comparisons
 - 1. By health insurance type, including commercial insurer differences
 - 2. By provider, especially regulated hospitals

- iv. Comparisons of estimates to national value, other states, better performers, and other mutually agreed upon reference groups.
- b. Provide low-value care and/or potentially avoidable utilization analysis summary that includes:
 - i. Expenditure Summary, which shall include
 1. Total expenditures
 2. Proportion of overall expenditures
 3. Stratification by geography (e.g., Hospital service areas)
 4. Stratification by type of service or procedure
 5. Stratification by type of payer
 6. Longitudinal trends
 7. Expenditures from insurers compared with estimated expenditures by patients
 - ii. Volume Summary, which shall include
 1. Total number of expenditures considered low-care value and/or potentially avoidable
 2. Percent of services
 3. Stratification by payer type (e.g., private, Medicare, etc.)
 4. Stratification by geography (e.g., Hospital service areas)
 5. Stratification by type of service or procedure
 6. Stratification by type of payer
 7. Longitudinal trends
 - iii. Unique Lives Impacted Summary, which shall include
 1. Number and percent of people with low-value care service or potentially avoidable utilization
 2. Longitudinal trends
 3. Stratification by type of service or procedure
 4. Stratification by type of payer
- c. Provide an analysis summary that explores the prevalence of outlier reimbursements from hospitals and their overall estimated magnitude in care delivered to Vermonters.

6. Approach

Contractor shall provide a project manager to work as the primary point of contact with the State. As a part of its project management duties, the Contractor Project Manager will attend an agreed upon number of informational and status meetings and, when appropriate, call and lead such meetings. Such meetings may include the Project Management Team, the Contract Administrator, other consultants, elected officials, and other stakeholders as designated by the State. The Contractor Project

Manager shall work directly with the State GMCB representative to define, manage, and control the project scope, timeline, issue escalation and resolution processes. Contractor shall deliver written status reports on a weekly basis.

Status information shall include, at a minimum: all planned tasks accomplished, planned tasks that are incomplete, or behind schedule in the previous week (with reasons given for those behind schedule); all tasks planned for the upcoming two weeks; an updated status of tasks (entered into the project plan and attached to the status report – e.g., percent completed, resources assigned to tasks, etc.); and the status of any corrective actions undertaken. The report will also contain items such as the current status of the project's technical progress and contractual obligations; achievements to date; risk management activities; unresolved issues; requirements to resolve unresolved issues; action items; problems; installation and maintenance results; and significant changes to Contractor's organization or method of operation, to the project management team, or to the deliverable schedule, where applicable.

In addition, Contractor will create and routinely update the project plan, if any, to reflect changes in the nature and timing of project activities, all changes being subject to the State Project Manager's approval. Project deliverables and activities will be subject to the State's quality management process to be defined by the State prior to the project kick-off.

ATTACHMENT B – PAYMENT PROVISIONS

The maximum dollar amount payable under this contract is not intended as any form of a guaranteed amount. The Contractor will be paid for products or services actually delivered or performed, as specified in Attachment A, up to the maximum allowable amount specified on page 1 of this contract.

Contract Type: Fixed Price Deliverable Based

1. Prior to commencement of work and release of any payments, Contractor shall submit to the State:
 - a. a certificate of insurance consistent with the requirements set forth in Attachment C, Section 8 (Insurance), and with any additional requirements for insurance as may be set forth elsewhere in this contract; and
 - b. a current IRS Form W-9 (signed within the last six months).
2. Payment terms are **Net 30** days from the date the State receives an error-free invoice with all necessary and complete supporting documentation.
3. Contractor shall submit invoices that are itemized in accordance with the agreed upon Deliverables and Payment Schedule to include the name of the deliverable(s) and the price(s) associated with it. All invoices must include the Contract # for this contract.
4. Contractor shall submit invoices to the State in accordance with the schedule set forth in this Attachment B. Unless a more particular schedule is provided herein, invoices shall be submitted not more frequently than monthly.
5. **EXPENSES:** The fee for services shall be inclusive of Contractor expenses.
6. The payment structure for delivered products is as follows:

Description	Fixed Price
Deliverable 5.a: Comparative Spending Analyses	\$ 209,896
Deliverable 5.b: Low-Value Care and Potentially Avoidable Utilization Analyses	185,661
Deliverable 5.c: 5x the 20th % percentile	40,000
Total Deliverables Cost	\$ 435,557.0
Other Data Fees	39,000
Total Cost	\$ 474,557

7. Invoices shall be submitted to the State at GMCB.Invoice@vermont.gov.

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8. The payment schedule for delivered products, or rates for services performed, and any additional reimbursements, are as follows: payment and invoicing for deliverables requested by the State shall be as set forth in the applicable DED.