

From: Johnson, Harriet
Sent: Monday, August 11, 2014 5:02 PM
To: 'pkomline@gmail.com'
Subject: Public Records Request

Dear Representative Komline,

Attached please find records in response to your public records act request of Lawrence Miller dated July 28, 2014. I understand you have also made a request of DVHA. This response contains records specific to Lawrence Miller. We have withheld certain records pursuant to 1 VSA 317(c)(1) and (c)(4) as executive privileged communications between and among the Governor, his senior staff, and the Governor's cabinet. We have also withheld certain records that relate to the negotiation of a contract, are attorney-client communications, and/or contain security-related information – these records have been withheld pursuant to 1 VSA 317(c)(3), (4), (15), and (25).

If you feel that any records have been withheld in error, you may appeal to Secretary Jeb Spaulding at Jeb.Spaulding@state.vt.us.

Thank you,

Harriet Johnson

Harriet Johnson | Agency of Administration
109 State Street | Montpelier, VT 05609-0201
ph: 802.828.3322 | fax: 802.828.3320

From: Miller, Lawrence
Sent: Wednesday, July 30, 2014 9:22 AM
To: 'Patti Konline'
Cc: London, Sarah; Larson, Mark
Subject: RE: Public Records Request

Representative Konline,

Given the breadth of your request it will take me additional time to be able to complete a review of my correspondence and answer your request relative to items in my custody. I will work to complete this as quickly as possible but it may take up to 10 days.

DVHA is the custodian of most of what you have requested and while I am copying Commissioner Larson you should repeat the request directly. I have asked that the specific reports mentioned be finalized and provided at the earliest opportunity but I expect that the "all public records and communication" piece will also be a lot of work and take time.

--

Lawrence Miller
Senior Advisor, Chief of Health Care Reform
Office of the Governor, State of Vermont

Mobile: (802) 989-0569
lawrence.miller@state.vt.us

From: Patti Komline [<mailto:pkomline@gmail.com>]
Sent: Monday, July 28, 2014 4:03 PM
To: Miller, Lawrence
Subject: Public Records Request

Dear Lawrence,

Under the Vermont Public Records Law §315 et seq., I am requesting copies of all public records and communication that pertain to the contract the state entered into with OptumInsights on June 9th. This contract, at a cost of \$5,690,000 called for the following from Optum:

- Conduct an operational analysis and deliver a "stabilization plan" to the state by June 27.
- Assess and deliver recommendations for technology improvements by July 3 .
- Provide supplemental operational assistance to reduce the backlog of change of circumstance requests from its current level of 10,000 to "normalized levels" by Aug. 30.
- Provide program management staff to help the state provide "ongoing oversight and discipline to Vermont Health Connect.

I understand you don't feel the draft is ready but since the date for the analysis and recommendations is far overdue and this incurring taxpayer money, and a LOT of taxpayer money I feel there is compelling reason to make this request. I have serious concerns that it is taking over a month to massage the draft data in order to make it ready for the public.

Thank you for considering my request.

Sincerely,

Representative Patti Komline

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*Representative Patti Komline ~ Bennington Rutland 1
Campaign Manager - Lt. Gov. Phil Scott
908-938-1616 (mobile)*

Optum Background for State of Vermont

Optum Overview

- Optum is a diversified health services company, with a global team of approximately 75,000 people, working collaboratively across the health system to improve care delivery, quality, and cost-effectiveness.
- Our mission is to help the health system work better for everyone. Our customers include over 60M individuals, 62K hospital facilities; 64K pharmacies; 250K health professionals; 300 commercial insurance companies; and 350 government agencies.
- Optum includes health services capabilities that span care delivery support, care management, consumer engagement, health care product distribution, health financial services, pharmacy, health care technology and operational support. These capabilities and experiences enable us to develop and implement new, integrated and comprehensive solutions to complex problems..

Optum Health Exchange Work and Clients

- Optum has a proven track record in delivering successful solutions to state and federal health insurance marketplaces. Whether it's information technology, operations, contact centers, program management, leadership or consulting, Optum brings extensive market knowledge, health care resources and experience to the range of challenges governments face implementing these complex projects.
- Optum has significant experience partnering with state and federal agencies in all phases of marketplace development, from establishing and operating contact centers to assessing and improving marketplace functionality, operations, enrollment capability and information technology. Our experience with complex, fast-moving projects like Healthcare.gov and other state exchange programs has given us strong insight into the unique challenges and complexities of this type of project, and we look forward to applying our technical, operational, and health care expertise to Vermont Health Connect
- Optum is currently engaged with several states, among them Massachusetts, Maryland, Hawaii and Rhode Island, to develop and enhance marketplace capabilities (we have also done an assessment for the State of Minnesota). Our accomplishments include developing and implementing a new data entry tool for paper applications, drafting short- and long-term technology plans and establishing an operations command center to monitor marketplace operations 24/7 and address problems in enrollment, billing and operations management.
- In October 2013, Optum took responsibility for leading site improvements for HealthCare.gov. The government turned to Optum based on our unique experience in data and technology, management of large, complex projects and successful implementation of the federal Data Services Hub — a routing tool used to verify eligibility for selected plans and financial assistance. By December 1, 2013, HealthCare.gov was a stable and robust site and supported more than 1.8 million daily users. Upon taking on the expanded role of general contractor, Optum immediately put in place a team of on-site technology and program management experts, prioritized a defined list of issues to be solved and established a rigorous management structure

with real time, 24/7 decision making. As a result of this work, performed in collaboration with CMS, HealthCare.gov achieved substantially improved functionality, leading to improved customer experience and significant increases in online enrollments. Today, Optum continues to serve as senior advisor for future marketplace enhancements.

Specific Services Optum Provides on Exchanges

- **Contact centers that enroll and retain members through active engagement:**
Optum high-touch contact centers provide consumers the personal attention they need to make informed decisions about their health care. We offer multiple communications vehicles, such as walk-in centers, phone, text and web, to encourage interaction and engagement. Unlike the typical call center, Optum employs only highly trained consumer engagement specialists and nurses. Our contact center specialists educate consumers on their health plan choices, walk them through the enrollment process and proactively engage with them after they select their health plan. We teach consumers how to use their benefits and provide tools and assistance to help them make better health care decisions. This proactive approach promotes better health habits and outcomes. Contact center services are flexible — we can add or modify services quickly, as need arises.

- **Broad-based marketplace support and implementation meeting a multitude of needs:**
Optum has the depth of resources and marketplace experience to provide a range of solutions, including IT assessments, operational support and project management. Our experience encompasses:
 - ** Hardware/software assessments, data analysis and reporting, testing and release management
 - ** Supplementing IT processes with project management and oversight, release management, and independent testing and validation
 - ** Establishing a state-based operations center to monitor marketplace infrastructure

- **Provider information management (PIM) that verifies provider data:**
PIM supplies the health insurance marketplace with standardized provider data for all participating qualified health plans (QHPs). This allows consumers to quickly access the information they need to compare options and choose a health plan using the marketplace search tool. PIM uses more than 600 data sources to match, validate and augment provider data. Rigorous format validation, standardization and integrity checks are part of the process. Optum works with participating health plans to correct inaccurate or incomplete data. Ultimately the data are collapsed into one comprehensive file, which powers the search tool on the marketplace website.

- **Policy and program expertise specific to the health care marketplace:**
Our consulting organization helps states achieve their short- and long-term program and operations goals. By developing analytic frameworks incorporating a variety of data sets and conducting complex data analyses, we can identify performance measures, variations, patterns and consumer preferences.

What Others Say About Optum



"We now have a fabulous partnership with Optum."

Sarah Iselein, March 17, 2014, Special Assistant to the Governor for MA Connector (Exchange) during press availabilities after Exchange Board Meetings



"We went with them because of their successful experience with healthcare.gov. . . they've been a great partner in-keeping our system moving forward, and thinking about the future."

Sec. Joshua Sharfstein, the Maryland health secretary, in a telephone interview.



"Optum is building a reputation that may give them an edge in the future in the \$1.1 billion business of building computer systems for social services agencies, analysts and state officials say."

Bloomberg, March 31, 2014



"Building [a] reputation for tackling the most complex problems in health care and fixing them is *exactly* what Optum is about and is precisely why we were among the first to position UNH as *the most likely entity to fundamentally, absolutely and permanently fix what is broken in our health care payment and delivery system*...Optum to the rescue....it's not a bad way to brand a company."

Analyst Sheryl Skoinick, March 27, 2014

(See Addendum, Next Page)

Addendum with More Specific Exchange Info

(Do not distribute; only to be used in briefings or response to direct questions)

- The Maryland Health Benefit Exchange (MHBE) engaged Optum to provide operations and IT support beginning in December 2013
 - IT support provided included:
 - Conducting an assessment of the existing IT solution, resulting in a recommendation to transition to alternative platform.
 - Evaluated costs and risks for 5 scenarios specified by the State. State selected the Connecticut transfer solution for the 2015 open enrollment period.
 - Optum replaced Noridian as prime systems integrator
 - Instituted Optum leadership for system stabilization, DDI and M&O
 - Implemented new project / release management, and testing processes
 - Overseeing data analytics & reporting to CMS & IRS
 - Optum also provided operations support to process applications for consumers who experienced technical difficulties enrolling through the MHBE website.
 - Designed, executed and monitored outreach campaigns to get consumers enrolled in coverage that they were unable to enroll earlier in the open enrollment period.
 - Providing oversight for execution of all 834 transmissions to carriers
 - Designed and executing process for 6K backlog change in circumstance requests
- The Massachusetts Health Connector engaged Optum to provide operations and IT support beginning in February 2014. The activities conducted for the Connector included:
 - An assessment of HIX/Medicaid solution, program processes, and operations
 - Implementing an operations command center to address production stabilization
 - Emergency operations support to address 70K+ backlog of paper applications
 - Taking on lead systems integrator role
 - Completing long-term options assessment, resulting in CMS approval of a two part strategy – creating a new state based exchange while concurrently preparing for migration to the FFM as a contingency strategy.
- Optum launched the Contact Center for HealthSourceRI in October 2013, enrolling 93,000 consumers in the State of Rhode Island.
 - Optum completed local hiring, staffing, training, and build out of new Contact Center facility in Providence, Rhode Island in 63 days.
 - Optum has supported 1,100 enrollments in small group policies through 175 small employers via Rhode Island's SHOP exchange.
- The Hawaii Health Connector engaged Optum to provide operations and IT support beginning in April 2014. IT support provided included:
 - Conducting a technical assessment of the current software platform to determine the viability as a long term solution for Hawaii, including an evaluation of the Exeter OneGate suite implemented in Hawaii.
 - Developed recommendations for the Connector Board addressing the four long-term solution options for the Connector.

- Optum also provided contact center support to conduct outreach to groups of consumers who had been denied Medicaid coverage but had not enrolled in a QHP.
- In June 2014, MNSure engaged Optum to provide operations support to help the Exchange reduce its backlog of change in circumstance cases.

Optum's Role in the Federal Exchange

- On October 25, 2013, Optum, along with our subsidiary QSSI, was named General Contractor for HealthCare.gov and challenged to rapidly improve the site to enable people who needed coverage to enroll for insurance by the December deadline with appropriate subsidies and Medicaid assistance.
- Optum oversaw technology improvements, consumer experience improvements, improvements to data and operations received by payers / issuers, and assisted in the enrollment of Medicaid recipients.
- As General Contractor, Optum/QSSI helped identify, prioritize and manage the key steps needed to improve the site's performance, working across many vendors. Every contractor on the project was required to work in the same location 24 hours a day, 7 days a week and perform as a team on priority fixes.
- Optum/QSSI also developed and successfully implemented the Data Services Hub, a central function of the federal exchange which connects and routes information among trusted data sources.
- Progress was closely monitored and transparently reported from October through the December enrollment period. Results included:
 - Page error rates dropped from over 6% to less than 0.5%
 - Response rates improved from over 8 seconds to less than 1 second
 - The site handled 83,000 users simultaneously and over 800K total users at its December peak
 - More than 1M selected health insurance plans through the federal website in December, compared with just 137,000 in October and November
- In the wake of the short-term assignment as General Contractor for the Federal exchange, Optum was awarded a new CMS contract to be the Senior Advisor on HealthCare.gov. The ongoing work includes ensuring that issuer and financial management systems are performing well in addition to the front-end website.

Miller, Lawrence

From: Dawn Schneiderman <schneidd@bcbsvt.com>
Sent: Monday, June 09, 2014 4:16 PM
To: Miller, Lawrence
Subject: BCBSVT priorities

Hi Lawrence –

You may already be aware of this issue, but if not, want to ensure you're looped in – particularly as VHC establishes priorities for Optum resources.

You may recall that BCBSVT established a "shell plan" to provide access to care for customers whose enrollment was "stuck" at VHC. It basically provides customers with an ID card, and allows them to obtain prescriptions. However, none of their medical claims pay; and we are accruing no premium. We had initially envisioned that the shell plan would be in place for a month or two at most – however, # customers has grown significantly over last several months, and as of last Friday, we had roughly 700 customers in this "program". This is beginning to create issues with providers - as we now have almost \$1 million in provider claims pending for shell plan customers.

From the limited research done to date, it seems some are easy "re-triggers", and some require more extensive research (with support from CGI). I escalated the broader issue with Lindsey about a week and a half ago, and there has been some positive movement in the last week – but the focus needs to continue.

Just want you to be aware that this shell plan is creating broader market issues (with providers) and we really need to retire it ASAP. Thanks in advance for supporting us in this effort.

Dawn

Dawn Schneiderman
Blue Cross and Blue Shield of Vermont
P.O. Box 186 • Montpelier, VT 05601-0186
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(802) 371-3222



We'll see you through.

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Miller, Lawrence

From: Miller, Lawrence
Sent: Thursday, June 12, 2014 1:41 PM
To: Morgan True
Subject: RE: your vm

I am with the committee from 2:15 to 3:00, or later, then meetings until 5. I will try if I catch a break.

--
Lawrence Miller
Senior Advisor, Chief of Health Care Reform
Office of the Governor, State of Vermont
Mobile: (802) 989-0569
lawrence.miller@state.vt.us

From: Morgan True [<mailto:mtrue@vtdigger.org>]
Sent: Thursday, June 12, 2014 1:38 PM
To: Miller, Lawrence
Subject: Re: your vm

Hey, I'm meeting with Comm Dupre until 2:30, can I give you a call then? Should only need 10-15.

Sent from my iPhone

On Jun 12, 2014, at 1:34 PM, "Miller, Lawrence" <Lawrence.Miller@state.vt.us> wrote:

I can catch up with you briefly after the 2:15 health care oversight committee meeting, or after 5:00 today.

Optum contract is at:

<http://dvha.vermont.gov/administration/1optuminsight-contract-signed.pdf>

--
Lawrence Miller
Senior Advisor, Chief of Health Care Reform
Office of the Governor, State of Vermont
Mobile: (802) 989-0569
lawrence.miller@state.vt.us

Miller, Lawrence

From: Miller, Lawrence
Sent: Thursday, August 07, 2014 8:25 AM
To: Coriell, Scott
Subject: Fwd: document request
Attachments: 3606_001.pdf

Lawrence Miller
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----- Original Message -----

Subject: FW: document request
From: "Larson, Mark" <Mark.Larson@state.vt.us>
To: "Miller, Lawrence" <Lawrence.Miller@state.vt.us>
CC:

Here is the modified bid process justification for Optum.

Mark

From: Jones, Kate
Sent: Thursday, August 07, 2014 7:58 AM
To: Larson, Mark
Subject: RE: document request

Yes – here you are

Kate Jones
DVHA BO
(o) 802-879-8256
(c) 802-355-1355

From: Larson, Mark
Sent: Thursday, August 07, 2014 7:09 AM
To: Jones, Kate
Subject: document request

Kate,

When we signed the Optum contract, I believe there was a memo to AoA regarding an exception from Bulletin 3.5. Am I correct? Can you send that to me this am?

Thanks!

Mark



State of Vermont
Department of Vermont Health Access
312 Hurricane Lane, Suite 201
Williston VT 05495-2807
dvha.vermont.gov

[Phone] 802-879-5900
[Fax] 802-879-5651

Agency of Human Services

MEMORANDUM

TO: Jeb Spaulding, Secretary of Administration

THRU: Doug Racine, Secretary of Agency of Administration

FROM: Mark Larson, Commissioner (DVHA)

DATE: June 6, 2014

RE: Bulletin 3.5 Waiver request to allow a simplified bid process to procure Vermont Health Connect evaluation, remediation and operational support services. OptumInsight, Inc., Contract # 26801 Duration: 6/9/14-12/31/14, Contract Amount: \$5,642,000

DHVA is requesting a waiver from Bulletin from 3.5 to use a procurement methodology similar to a simplified bid process to obtain a vendor to provide evaluation, remediation and operational support services for Vermont Health Connect (VHC) in order to achieve a successful open enrollment in Fall 2014.

On December 13, 2012 the DVHA entered into a contract with CGI Technologies and Solutions, Inc. (CGI), to perform software integration and hosting services for the creation of the State of Vermont health insurance marketplace known as Vermont Health Connect (VHC), as required under the Affordable Care Act (ACA). While VHC was rolled out October 1, 2013 as required by law, many individuals experienced challenges signing up or making changes to their coverage, in large part due to limitations in the functionality of the VHC information technology (IT) platform. Currently the VHC system functionality does not include the following things: 1) "change of circumstance" (COC) functionality, meaning there is no ability to modify an application for any reason (e.g. change of address, newborn, death, plan selection) in the system once it has been submitted; 2) functionality to allow employers and their employees to enroll in VHC plans was not deployed successfully, as a result, VHC has directed those individuals to enroll directly in VHC plans through the VHC insurance carriers.

The VHC's system limitations have created operational challenges and data integrity issues and have required the development of work around processes that consume a significant amount of staff time for both the State and CGI. The ability of the State to clear these backlogs and successfully prepare the VCH for open enrollment on October 1st, 2014 is jeopardized by these limitations and processes.

In order to clear the backlogs and understand the needs to successfully operationalize the open enrollment period, DVHA determined that it is necessary to engage another vendor to do an



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Agency of Human Services

evaluation of Vermont Health Connect, to help remediate the current challenges, and provide operational support. Given the need to quickly execute this contract, DVHA used the following process to select a vendor. DVHA engaged a consultant to do a market assessment to determine what vendors other states have used to procure contracts for similar work. Based on this assessment DVHA sought to engage a vendor that met the following criteria: knowledge and experience of the platform; experience providing remediation in other marketplaces; and experience in the insurance marketplace. Through this process DVHA requested two vendors submit bids to contract for this work. After reviewing the bids, DVHA selected OptumInsight, Inc. as the Vender to provide the IT analysis, operations support, and remediation need to achieve a successful open enrollment period in October.

The funding for this amendment will be covered by Federal Funding Participation complies with all mandatory provisions of AOA Bulletin 3.5. DVHA looks forward to the approval of this waiver request.

Approval: E-SIGNED by Michael Clason on 2014-08-07 19:11:11 GMT June 07, 2014
 JEB SPAULDING, AGENCY OF ADMINISTRATION DATE