

POST

*** NOTICE OF PUBLIC MEETING ***

BOARD OF EXAMINERS

LOCATION: Capitol Building
The Guinn Room
101 N. Carson Street
Carson City, Nevada 89701

VIDEOCONFERENCE: Grant Sawyer State Office Building
555 E. Washington Avenue, Ste. 5100
Las Vegas, Nevada 89101

DATE AND TIME: March 18, 2014 at 2:30 p.m.

Below is an agenda of all items to be considered. **Action will be taken on items preceded by an asterisk (*)**. Items on the agenda may be taken out of the order presented, items may be combined for consideration by the public body, and items may be pulled or removed from the agenda at any time at the discretion of the Chairperson.

AGENDA

1. PUBLIC COMMENTS

*2. FOR POSSIBLE ACTION –CONTRACT

BOE #	DEPT #	STATE AGENCY	CONTRACTOR	FUNDING SOURCE	AMOUNT	EXCEPTIONS FOR SOLICITATIONS AND/OR EMPLOYEES
1.	960	SILVER STATE HEALTH INSURANCE EXCHANGE - SILVER STATE HEALTH INSURANCE EXCHANGE ADMINISTRATION	DELOITTE CONSULTING, LLP.	FEDERAL	\$1,500,000	PROFESSIONAL SERVICE EXEMPTION
	Contract Description:	This is a new contract, to conduct an assessment and evaluation of the Silver State Health Insurance Exchange's BOS (Business Operations System) functionality. During this analysis, the contractor will evaluate to identify the gaps, issues, and risks as well as propose remediation steps.				
		Term of Contract:	Upon Approval - 12/31/2014	Contract # 15403		

DETAILED AGENDA

March 18, 2014

1. PUBLIC COMMENTS

Comments:

*2. FOR POSSIBLE ACTION –CONTRACTS

One independent contract was submitted to the Board for review and approval.

Clerk's Recommendation: I recommend approval.

Motion By: _____ **Seconded By:** _____ **Vote:** _____

Comments:

3. BOARD MEMBERS' COMMENTS/PUBLIC COMMENTS

*4. FOR POSSIBLE ACTION – ADJOURNMENT

Clerk's Recommendation: I recommend approval.

Motion By: _____ **Seconded By:** _____ **Vote:** _____

Comments:

3. BOARD MEMBERS' COMMENTS/PUBLIC COMMENTS

*4. FOR POSSIBLE ACTION – ADJOURNMENT

Notice of this meeting was posted in the following locations:

Blasdel Building, 209 E. Musser St., Carson City, NV

Capitol Building, 101 N. Carson St., Carson City, NV

Legislative Building, 401 N. Carson St., Carson City, NV

Nevada State Library and Archives, 100 Stewart Street, Carson City, NV

Notice of this meeting was emailed for posting to the following location:

Capitol Police, Grant Sawyer State Office Building, 555 E. Washington Ave, Las Vegas, NV

Brad Carson bcarson@dps.state.nv.us

Notice of this meeting was posted on the following website:

<http://budget.nv.gov/Meetings>

Any questions regarding the agenda or supporting material for the meeting please contact Director Mohlenkamp at (775)684-0222 or you can email us at budget@admin.nv.gov. We are pleased to make reasonable accommodations for members of the public who are disabled and would like to attend the meeting. If special arrangements for the meeting are required, please notify the Department of Administration at least one working day before the meeting at (775)684-0222 or you can fax your request to (775)684-0260.

CONTRACT SUMMARY

(This form must accompany all contracts submitted to the Board of Examiners (BOE) for review and approval)

I. DESCRIPTION OF CONTRACT

1. Contract Number: **15403**

Agency Name: SILVER STATE HEALTH INSURANCE EXCHANGE	Legal Entity Name: DELOITTE CONSULTING LLP
Agency Code: 960	Contractor Name: DELOITTE CONSULTING LLP
Appropriation Unit: 1400-70	Address: 980 9TH ST STE 1800
Is budget authority available?: Yes	City/State/Zip: SACRAMENTO, CA 95814-2738
If "No" please explain: Not Applicable	Contact/Phone: null415/783-5374
	Vendor No.: T27024237B
	NV Business ID: NV20081436471

To what State Fiscal Year(s) will the contract be charged? **2014-2015**

What is the source of funds that will be used to pay the contractor? Indicate the percentage of each funding source if the contractor will be paid by multiple funding sources.

General Funds	0.00 %	Fees	0.00 %
X Federal Funds	100.00 %	Bonds	0.00 %
Highway Funds	0.00 %	Other funding	0.00 %

2. Contract start date:

a. Effective upon Board of Examiner's approval? **Yes** or b. other effective date: **NA**

Anticipated BOE meeting date 03/2014

Retroactive? **No**

If "Yes", please explain

Not Applicable

3. Termination Date: **12/31/2014**

Contract term: **305 days**

4. Type of contract: **Contract**

Contract description: **Deloitte Consulting**

5. Purpose of contract:

This is a new contract to conduct an assessment and evaluation of the Silver State Health Insurance Exchange's BOS (Business Operations Systems) functionality. During this analysis, the contractor will evaluate to identify the gaps, issues, and risks as well as propose remediation steps.

6. NEW CONTRACT

The maximum amount of the contract for the term of the contract is: **\$1,500,000.00**

II. JUSTIFICATION

7. What conditions require that this work be done?

In March 2010, the Patient Protection and Affordable Care Act of 2010 (the PPACA) was enacted by Congress and signed into law by the President. The PPACA creates an opportunity to reform the health insurance marketplace in order to provide all Americans with quality, affordable health insurance coverage. The law mandates the creation of Health Benefit Exchanges that allow consumers to access and evaluate plans from commercial insurers and to apply for health subsidy programs (e.g., Medicaid, the Children's Health Insurance Program (CHIP), and subsidized commercial health insurance) that best meet their needs through an online marketplace. The contract, is contingent upon mandates, requirements and funds of the PPACA, which may be changed, discontinued, or revoked at any time.

8. Explain why State employees in your agency or other State agencies are not able to do this work:

State employees are not qualified to do this work.

9. Were quotes or proposals solicited? **No**

Was the solicitation (RFP) done by the Purchasing Division? **No**

State of Nevada
Department of Administration

Purchasing Division

515 E. Musser Street, Suite 300
Carson City, NV 89701



Brian Sandoval
Governor

Jeff Mohlenkamp
Director

Greg Smith
Administrator

Purchasing Use Only:	
Approval#:	140302

SOLICITATION WAIVER JUSTIFICATION AND REQUEST FORM

ALL FIELDS ARE REQUIRED – INCOMPLETE REQUESTS WILL BE RETURNED TO THE AGENCY

1a	Agency Contact Information - Note: Approved copy will be sent to only the contact(s) listed below:		
	State Agency: <i>Silver State Health Insurance Exchange</i>		
	<i>Contact Name and Title</i>	<i>Phone Number</i>	<i>Email Address</i>
	<i>Shawna DeRousse, Chief Operations Officer</i>	<i>775-687-9927</i>	<i>sderousse@exchange.nv.gov</i>

Vendor Information:	
Identify Vendor:	<i>Deloitte Consulting LLP</i>
Contact Name:	<i>Debasis Saha</i>
Address:	<i>980 9th Street, Suite 1800 Sacramento, CA 95814</i>
Telephone Number:	<i>415-783-5374</i>
Email Address:	<i>dsaha@deloitte.com</i>

1c	Type of Waiver Requested – Check the appropriate type:	
	Sole or Single Source:	
	Professional Service Exemption:	<input checked="" type="checkbox"/>

Contract Information:					
1d	Is this a new Contract?	Yes	<input checked="" type="checkbox"/>	No	<input type="checkbox"/>
	Amendment:	#			
	CETS:	#15403			

1e	Term:			
	One (1) Time Purchase:			
	Contract: <input checked="" type="checkbox"/>	Start Date:	<i>BOE Approval</i>	End Date:

1f	Funding:	
	State Appropriated:	
	Federal Funds:	<i>100%</i>
	Grant Funds:	
Other (Explain):		

1g	Total Estimated Value of this Service Contract, Amendment or Purchase:
	<i>\$ 1,500,000.00</i>

	<p>Provide a description of work/services to be performed or commodity/good to be purchased:</p> <p><i>The Nevada Health Link website has experienced numerous issues leading to significantly fewer enrollments than expected during its initial open enrollment period. Frustrated citizens, Exchange Enrollment Facilitators and brokers have encountered systemic issues, including the inability to complete successful enrollments, problems with premium payments and failures when trying to make changes associated with qualifying life events.</i></p>
2	<p><i>The services to be acquired are for an independent assessment of the Exchange solution coupled with recommendations that will enable the Silver State Health Insurance Exchange to implement a recovery plan that addresses these system as well as business operations issues. This assessment is essential for the State of Nevada to make the changes necessary to provide a positive enrollment experience and to realize enrollment goals for the next open enrollment period that commences in the Fall of 2014.</i></p> <p><i>The services to be performed are to assist the Nevada Silver State Health Insurance Exchange to conduct an assessment of the Nevada Health Link Business Operations Solution. The assessment is comprised of two main phases Discovery and Analysis. The Discovery phase focuses on gathering data and information to evaluate functionality, whereas the Analysis phase identifies the gaps, issues and risks. The final report will recommend remediation steps in the four categories of Project Management & Governance, Technology & Infrastructure, Solution Functionality, and People & Processes.</i></p>
3	<p>What are the unique features/qualifications required for this service or good that are not available from any other vendor:</p> <p><i>In 2012, the State performed a solicitation for a contract for the development and implementation of the State's web-based insurance marketplace in response to the Affordable Care Act (ACA). The two top-scoring vendors were Xerox and Deloitte. At the time, there were no successful ACA-compliant exchanges upon which to base the State's review of the responses to the solicitation. While Xerox was awarded the contract, Deloitte was scored a very close second.</i></p> <p><i>Since the time the State evaluated the responses to the solicitation for the Exchange solution, Deloitte has implemented state-based Health Insurance Exchange solutions for the states of Washington, Kentucky, Connecticut, and Rhode Island. As of 1 October 2013, Deloitte has implemented ACA-related solutions in a total of 23 states.</i></p> <p><i>Deloitte has:</i></p> <ol style="list-style-type: none"> <i>1. in-depth ACA and Exchange experience with other states,</i> <i>2. been instrumental in the successful implementation of Nevada's Eligibility Engine, Medicaid and Children's Health Insurance Program (CHIP) solution under ACA,</i> <i>3. considerable expertise in conducting system assessments as a business practice, and</i> <i>4. a technical team ready to deploy immediately given the urgency of this effort.</i> <p><i>In addition, since 2010, Deloitte has completed multiple projects for Nevada's Division of Welfare and Supportive Services including the recent Nevada Eligibility Engine, Medicaid and CHIP solution under ACA.</i></p>
4	<p>Explain why this service or good cannot be competitively bid and why this purchase is economically only available from a single source:</p>

The ACA is a vast and complicated set of guidance, regulation and laws wherein few organizations can be considered experts. Add in the requirement that the organization must have the Information Technology expertise, the Business Operations knowledge and the ready access to the Eligibility Engine and its access to the Federal Hub, the Deloitte team is uniquely qualified to perform this assessment. Because of their initial response to the solicitation, Deloitte is intimate with the technical and business requirements of the Exchange solution. This experience enables them to perform the assessment faster and with a better understanding of the needs of the State than any other vendor.

In addition, the time factor of this review is critical. The next open enrollment begins in November 2014. With the end of the current open enrollment being March 31, that gives the state approximately 7 months to perform a needs assessment, create a timeline for recovery, and implement the plan. With development, testing, and the various requirements of an IT project, this is an extremely short amount of time to accomplish this task. With the end goal of providing a working solution to Nevada's citizens in time for the second open enrollment, a solicitation for services, with its minimum 120 day timeline, is not feasible. With the time constraints of having Nevada Health Link functional by the next open enrollment, the immediacy of knowledge means less time bringing their team "up to speed".

Were alternative services or commodities evaluated? Check One.		Yes:	<input type="checkbox"/>	No:	<input checked="" type="checkbox"/>
5	a. <i>If yes, what were they and why were they unacceptable? Please be specific with regard to features, characteristics, requirements, capabilities and compatibility.</i>				
	b. <i>If not, why were alternatives not evaluated?</i>				
<p><i>The SSHIX did not evaluate other available services because Deloitte is considered to be a vendor with a high success rate in the implementation of state-based exchanges, they have knowledge of the current technical and operational requirements and they have the ability to perform the assessment within the required timeframe. This vendor was a responder to the original Request for Proposal for this Exchange solution. They were scored as a very close second to the current vendor and as such clearly understand and has demonstrated competency in understanding the original requirements of this project.</i></p> <p><i>Deloitte has implemented state-based Health Insurance Exchange solutions for the states of Washington, Kentucky, Connecticut, and Rhode Island. As of 1 October 2013, Deloitte has implemented ACA-related solutions in a total of 23 states.</i></p>					

Has the agency purchased this service or commodity in the past? Check One. Note: If your previous purchase(s) was made via solicitation waiver(s), a copy or copies of ALL previous waivers must accompany this request.		Yes:	<input type="checkbox"/>	No:	<input checked="" type="checkbox"/>
6	a. <i>If yes, starting with the most recent contract and working backward, for the entire relationship with this vendor, or any other vendor for this service or commodity, please provide the following information:</i>				
	<i>Term Start and End Dates</i>	<i>Value</i>	<i>Short Description</i>	<i>Type of Procurement (RFP, RFQ, Waiver)</i>	
		\$			
		\$			
	\$				

			\$		
			\$		

	<p>What are the potential consequences to the State if the waiver request is denied and the service or good is competitively bid?</p> <p><i>This assessment and associated recommendations is the first major activity on the critical path to preparing the Exchange for the next open enrollment period in November 2014. Any delay in preparing the remedial action plan will adversely impact Nevada's ability to conduct a successful enrollment experience for its citizens during this next enrollment period. With almost 100,000 enrollments not yet achieved as expected, it is imperative that the Exchange solution be successful so the citizens of Nevada can access affordable healthcare without additional or undue delay.</i></p> <p><i>For an Information Technology project of this scope, with the requirements of development, testing, and promotion of code, time is of the essence.</i></p>
7	

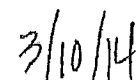
	<p>What efforts were made or conducted to substantiate there is no competition for the service or good and to ensure the price for this purchase is fair and reasonable?</p> <p><i>The SSHIX reached out to other states that demonstrated successful implementations of health insurance exchanges. These states all indicated Deloitte implemented their Exchange. With Deloitte's previous experience with the Exchange solicitation and requirements, with their success in other states, and with their ability to start the assessment upon contract award, it is therefore in the best interest of the State to engage these services with Deloitte.</i></p>
8	

	<p>Will this purchase obligate the State to this vendor for future purchases? Check One.</p> <p>Yes: <input type="checkbox"/> No: <input checked="" type="checkbox"/> X</p>
9	<p>a. <i>If yes, please provide details regarding future obligations or needs.</i></p>

By signing below, I know and understand the contents of this Solicitation Waiver Request and Justification and attest that all statements are true and correct.


 Agency Representative Initiating Request


 Print Name of Agency Representative Initiating Request


 Date


 Signature of Agency Head Authorizing Request

Steve Fisher

Print Name of Agency Head Authorizing Request

3/10/14

Date

PLEASE NOTE: In an effort to avoid possible conflict with any equipment, system or process already installed or in place by the State of Nevada or to assist in our due diligence, State Purchasing may solicit a review of your request from another agency or entity. The signature below indicates another agency or entity has reviewed the information you provided. **This signature does not exempt your agency from any other processes that may be required.**

Name of agency or entity who provided information or review:

Representative Providing Review

Print Name of Representative Providing Review

Date

Please consider this memo as my approval of your request. This exemption is granted pursuant to NAC 333.150(2)(a)(b)(c), NRS 333.400. This exemption may be rescinded in the event reliable information becomes available upon which the Purchasing Administrator determines that the service or good sought may in fact be contracted for in a more effective manner. Pursuant to NRS 284.173(6), contracts for services do not become effective without the prior approval of the State Board of Examiners (BOE).

If you have any questions or concerns please contact the Purchasing Division at 775-684-0170.

Signed:

Greg Smith

Administrator, Purchasing Division or Designee

3/11/2014

Date

a. List the names of vendors that were solicited to submit proposals (include at least three):

Not Applicable

b. Solicitation Waiver: **Not Applicable**

c. Why was this contractor chosen in preference to other?

d. Last bid date: Anticipated re-bid date:

10. Does the contract contain any IT components? No

III. OTHER INFORMATION

11. a. Is the contractor a current employee of the State of Nevada or will the contracted services be performed by a current employee of the State of Nevada?

No

b. Was the contractor formerly employed by the State of Nevada within the last 24 months or will the contracted services be performed by someone formerly employed by the State of Nevada within the last 24 months?

No

c. Is the contractor employed by any of Nevada's political subdivisions or by any other government?

No If "Yes", please explain

Not Applicable

12. Has the contractor ever been engaged under contract by any State agency?

No If "Yes", specify when and for which agency and indicate if the quality of service provided to the identified agency has been verified as satisfactory:

Not Applicable

13. Is the contractor currently involved in litigation with the State of Nevada?

No If "Yes", please provide details of the litigation and facts supporting approval of the contract:

Not Applicable

14. The contractor is registered with the Nevada Secretary of State's Office as a:

LLC

15. a. Is the Contractor Name the same as the legal Entity Name?

Yes

16. a. Does the contractor have a current Nevada State Business License (SBL)?

Yes

17. a. Is the legal entity active and in good standing with the Nevada Secretary of State's Office?

Yes

18. Agency Field Contract Monitor:

19. Contract Status:

Contract Approvals:

Approval Level	User	Signature Date
Budget Account Approval	scas1	03/05/2014 16:44:29 PM
Division Approval	sderouss	03/06/2014 14:30:08 PM
Department Approval	sderouss	03/06/2014 14:30:11 PM
Contract Manager Approval	sderouss	03/06/2014 14:30:14 PM
Budget Analyst Approval	nhovden	03/12/2014 13:24:31 PM
BOE Agenda Approval	nhovden	03/12/2014 13:24:36 PM
BOE Final Approval	Pending	