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Agency of Human Services

MEMORANDUM

To: Rep. Michael Fisher, Chair, House Committee on Health Care

From: Mark Larson, Commissioner

Cc: Doug Racine, Secretary, Agency of Human Services

Date: January 16, 2014

Re: Benaissance and Maximus Contract Questions

During committee testimony the afternoon of January 15, 2014, I was asked about our contracts with Benaissance and Maximus. Specifically, the duration of the Benaissance contract, how much we have paid Benaissance for their work to date and the amount that front-line Maximus staff are paid. The following are answers to those questions.

- The Statement of Work for Benaissance became effective May 1, 2013 and will expire on the third anniversary of that date unless the contract is terminated sooner. This Statement of Work was implemented in the form of an amendment to the contract between the State of Vermont and CGI, with Benaissance being a subcontractor of CGI.
- To date, we have paid CGI \$448,470.52 for the work complete by Benaissance, a CGI subcontractor. The total fixed price implementation fee for this work is budgeted for \$2,622,634.64.
- Maximus provided information about staff salaries. The Maximus customer service representatives (front-line staff) pay ranges from \$12 per hour (\$25k per year) to \$17 per hour (just over \$35k per year) depending on staff seniority and skill level. Maximus recently performed a salary review to compare their salaries with what is customary for each labor market and confirmed that this range is competitive for front line call center staff.

Previously, questions had been raised about whether Benaissance was chosen as a vendor through a competitive bid process. As I mentioned in committee, DHVA did issue a Request for Proposals (RFP) for premium processing services in October of 2012. Information about that RFP can be found here: <http://www.vermontbidsystem.com/BidPreview.aspx?BidID=9462>.

I will continue to make myself available to answer any questions you may have about this or any other matter involving the Department of Vermont Health Access.
