

STATEMENT OF WORK

ENTERPRISE TECHNOLOGY SERVICES / ETS

2018 ACA AUTOMATION SUPPORT

Version 1.00

ETS.002

STATE OF HAWAII

OVERVIEW

This Statement of Work (“SOW”) document identifies the responsibilities between the Enterprise Technology Services (ETS), (“STATE”) and the Hawaii Information Consortium, LLC (“HIC”), the Internet Portal provider for the State of Hawaii. This document is subordinate to the requirements stated in RFP-08-11-SW, Internet Portal Manager and Service Provider, HIC’s Proposal and the contract between the State of Hawaii and HIC dated December 3, 2007 (collectively referred to as the “CONTRACT”).

The SOW is subordinate to the Service Level Agreement (“SLA”) between the STATE and HIC signed and dated on September 6, 2012. This SOW is subject to all terms and conditions thereof unless specifically designated as exceptions in this document.

TERM AND TERMINATION

This SOW shall begin on the date it is signed by all parties (hereinafter referred to as “Effective Date”), and shall continue in effect until the expiration/termination of the CONTRACT. Termination of this SOW shall not operate to terminate any other SOW between the parties, and such termination shall not, by itself, operate to terminate the CONTRACT.

This SOW may be terminated pursuant to the terms and conditions in the AG’s General Conditions.

CURRENT PROCESS

In 2015, the ETS contracted with HIC to assist with the development associated with generating and transmitting Federal tax reporting data to the IRS. During the engagement, the HIC developed a program that was used to generate an xml data file to meet 2015 Affordable Care Act (ACA) reporting requirements.

Employee data is extracted from the Executive Branch’s Human Resource Management System (HRMS) and passed through HIC’s xml conversion program, creating an xml data file which is transmitted to the IRS.

PURPOSE STATEMENT

In 2017 and 2018, the ETS requires the services of HIC to be the technical support organization responsible for (1) modifying the 2016 ACA xml data file to meet the 2017 ACA requirements obtained from the Affordable Care Act Information Returns (AIR) webinar on September 19, 2017 and (2) resolving problems associated with modifications made to the xml program.

DEFINITIONS

Acceptance: Acceptance refers to the partner's written approval of the functionality delivered in the production environment.

CMS (Content Management System) site: the front-end user interface that allows a user, even with limited expertise, to add, modify, and remove content from a website without the intervention of a webmaster; primarily allows the user to perform actions.

Delivery: Delivery refers to when HIC delivers the entire functionality per the SOW requirements into the production environment.

Final Acceptance: Final Acceptance refers to the partner's written approval of the entire project.

Fixed Rate (Business Model): When transaction fees are not feasible HIC can still offer services with a fixed rate. In most cases, this funding model is used when an agency wants to develop an online service that has an existing funding model (i.e. federal grants) or the service doesn't generate any revenue but requires significant development and maintenance.

Hybrid (Business Model): A hybrid approach is using both the self-funded and fixed rate models together. There are development costs, however, they are discounted as there is also a self-funded component to the application.

Self-funded (Business Model): HIC absorbs the risk and cost of developing & maintaining the service in return for future revenue over the lifecycle of the service. HIC generates revenue through portal fees that are added on to the online services we build. These fees can be passed to the fee payer or absorbed in part or whole by the partner.

Services: Web site and application development; Web site and application maintenance; Web site and application hosting; Marketing; Customer service; Payment portal and account management; Portal development and maintenance; Mobile web applications. See SPO Vendor List Contract No. 08-13 for entire list of services.

Software: Web applications, CMS websites and APIs. For purposes of clarity, the following off-the-shelf, SaaS solutions are developed, owned and maintained by HIC affiliates and expressly excluded from the definition of "Software": (1) payment processing services and subscriber billing; (2) the Gov2Go® Platform and related services; (3) a proprietary application development platform referred to as "Application Engine," which enables expedited application design services; and (4) any other enterprise SaaS solutions developed outside of the CONTRACT and provided for PARTNER use under the CONTRACT.

Web application or application: a client-server software application in which the client (or user interface) runs in a web browser; primarily allows the user to perform actions.

Work plan: a timeline of the deliverables outlined in the SOW that is developed by HIC and approved by the State.

SCOPE OF WORK AND DELIVERABLES

Specifications for the project are attached as Exhibit A and made a part of this SOW.

DELIVERY, ACCEPTANCE AND FINAL ACCEPTANCE

DELIVERY

Prior to launch of the service, HIC will provide the STATE with an Authorization to Deploy Letter describing that the service has been built to the STATE requirements. The STATE shall sign and return the Authorization to Deploy Letter to HIC within 5 business days.

After receiving the signed Authorization to Deploy Letter, HIC will deploy the entire functionality per the SOW requirements into the production environment on the date specified in the Authorization to Deploy Letter.

ACCEPTANCE (Deliverables)

The STATE shall not exceed fifteen (15) working days to review each deliverable and to either notify HIC of acceptance, or to provide HIC a detailed list of deficiencies that must be remedied prior to payment being made. In the event the STATE notifies HIC of material, non-compliance with the functional specifications, HIC shall correct the error within a period not to exceed fifteen (15) working days, unless the STATE consents in writing to a longer period of time.

FINAL ACCEPTANCE

STATE should notify HIC of any errors or bugs when discovered during testing in the 90-day post-launch period. HIC shall fix any specifications not met by the project completion date specified in the Work Plan, plus the 10 business days to fix all issues at no extra cost or charge to STATE, or any longer time specified as mutually agreed upon in writing.

Once all the errors and bugs, if any, have been fixed and the Software or service has been retested, or at the end of the 90-day post-delivery period, whichever occurs later, HIC shall provide an acceptance letter to STATE with a checklist of the deliverables/specifications for approval. STATE shall sign and return the acceptance letter to HIC within 5 business days at which time the maintenance period begins.

MAINTENANCE AND SUPPORT

There is no annual maintenance or hosting as the end-product is installed on an ETS Virtual Machine.

F E E S

HIC RATES

RATE CHART – RFP 08-011

Job Specialty	Hourly Rate
General Manager	\$240.00
Software Architect	\$120.00
Senior Project Manager	\$120.00
Project Manager	\$80.00
Senior Business Analyst	\$100.00
Business Analyst	\$70.00
Senior Developer	\$100.00
Developer	\$80.00
Web/Creative Designer	\$60.00
Print Designer	\$75.00
Marketing Executive	\$80.00
Marketing Associate	\$50.00
Financial Management/Billing Specialist/Support Staff	\$70.00
Database Administrator	\$100.00
Security Administrator	\$100.00
Systems Administrator	\$100.00

DEVELOPMENT FEES

The project development cost plus Hawaii General Excise Tax (GET) shall be stated in Exhibit A.

MAINTENANCE AND SUPPORT FEES

This project shall not incur maintenance & support and hosting fees as there is no maintenance, hosting, or support service provided by HIC.

TRANSACTION FEES

There is no associated Transaction Fee for this project.

Any and all fees and payment policies may be altered by mutual agreement in writing between PARTNER and HIC via an SOW Amendment.

INVOICE AND PAYMENT SCHEDULE

Invoice process - HIC shall send invoice to STATE upon acceptance of HIC deliverables; STATE has 30-days to pay.

See Exhibit A for details of Invoice and Payment Schedule.

RESPONSIBILITIES OF THE STATE/COUNTY

STATE will designate a Project Manager with responsibility and authority for review and approval of deliverables under this SOW.

To accomplish the tasks outlined in this SOW and provide the deliverables defined in the Deliverables/Milestones section of this document, STATE Project Manager will work with HIC Project Manager/Project Liaison to establish a project plan/timeline in conjunction with Deliverables/Milestones, HIC will require the following from STATE by the agreed upon dates in the Work Plan. If STATE does not provide any of these items by the required date, delivery dates for HIC deliverables will be revised accordingly. HIC will not be held responsible for delays in the timetable due to unavailability of data or resources from STATE.

- STATE will provide timely authorization for the project and for each approval required during the project.
- STATE agrees to designate content-knowledgeable reviewer(s) to review each deliverable prior to acceptance to ensure that acceptance represents an informed commitment.

- STATE will provide knowledge transfer of necessary IT knowledge, environment and business processes. Verbal walkthroughs and documentation will satisfy this responsibility.
- STATE will perform testing and give approval of acceptance
- See additional responsibilities in Exhibit A

RESPONSIBILITIES OF THE HAWAII INFORMATION CONSORTIUM

HIC will provide a Project Manager to serve as the primary point of contact and coordination with the STATE project team for the duration of the implementation of this project. STATE will require the following from HIC by the agreed upon dates. If HIC does not provide any of these items by the required date, delivery dates, then STATE will not be held responsible for delays in the timetable due to unavailability of data or resources from HIC. HIC will provide all the HIC deliverables detailed in the Deliverables section and will:

- Provide day-to-day management of the project work plan
- Host periodic team meetings to review the status of project activities against the plan
- Provide Project Plan Updates
- Provide Executive Briefing as needed
- Provide ongoing monitoring of system efficiency and effectiveness and correct deficiencies in a prompt manner
- Provide resources to design, create, test, and implement the service
- Provide services as specified in the SOW
- Includes acceptance testing criteria and process
- See additional responsibilities in Exhibit A

REMEDIES

Failure to Perform

If HIC substantially fails to perform the SOW, STATE will give HIC written notice describing such failure. Thereafter, HIC shall have 10 days (or a longer period of time if set forth in the written notice) to remediate such failure. If HIC has not remediated such failure within the allotted time period, STATE may terminate this SOW.

Pursuant to section 9.16.2 of the CONTRACT, substantial failure of HIC to perform the SOW may cause the STATE to terminate the SOW. In this event, the STATE may require HIC to reimburse the monies paid (based on the identified portion of unacceptable work received) and may seek associated damages.

MODIFICATIONS AND AMENDMENTS

This SOW may be modified, amended or extended only by mutual agreement signed by both parties.

STAKEHOLDERS

Enterprise Technology Services

1151 Punchbowl Street

Honolulu, HI 96813

Hawaii Information Consortium, LLC.

201 Merchant Street.

Suite 1805

Honolulu, HI 96813

CHAIN OF COMMAND

Enterprise Technology Services

Executive Sponsor: Shane Arakaki, Systems Analysis Manager

Project Sponsor: Shane Arakaki, Systems Analysis Manager

Project Manager: Liane Lakin, IT Specialist

HIC

Burt Ramos, General Manager

Janet Pick, Director of Portal Operations

Zheng Fang, Director of Development

SIGN OFF

I, the undersigned, have the authority to make binding decisions and have the authority to sign on behalf of my respective agency/department regarding projects in collaboration with HIC.

Date: Mar 9, 2018

Date: Mar 9, 2018

Shane Arakaki

Burt Ramos

Shane Arakaki
Systems Analysis Manager
Office of Enterprise Technology Services

Burt Ramos
General Manager
Hawaii Information Consortium, LLC

REVIEWED AND APPROVED:

Date: Mar 11, 2018

ACCESS HAWAII COMMITTEE

Todd Nacapuy

By: Todd Nacapuy
Chief Information Officer
Office of Enterprise Technology Services
State of Hawaii

Exhibit A

SOW-ETS-ACA Automation Support

State Agency: Enterprise Technology Services (ETS)
Agency Contact: Liane Lakin
Agency Email: Liane.K.Lakin@hawaii.gov
Agency Address: 1151 Punchbowl Street
Honolulu, HI 96813
Agency Phone: (808) 586-1850 x755
HIC PM: Ken Wada
HIC PM Email: ken@ehawaii.gov
HIC PM Phone: (808) 687-6134
Application Name: ACA Automation Support
Business Model: Fixed Rate (Time & Materials)
Estimated Deployment Date: March 31, 2018

Scope of Work and Deliverables

Scope:

XML changes:

Change the payment year in the manifest from 2016 to 2017.

Change the year in the xml schema header from ty16 to ty17.

Form 1095-C

- 1) Change the CorrectedRecordInfoGrp tag to CorrectedRecordRecipientGrp
- 2) Increase the CorrectedRecordUniqueId field from 24 to 26 bytes. This will increase the record length by 2 bytes.
- 3) Change the CorrectedRecordPayeeName tag to CorrectedRecRecipientPrsnName
- 4) Insert new fields/tags and convert only if data is passed in these fields (spaces is not data):
 - CorrectedRecRecipientName
 - BusinessNameLine1Txt (75 bytes)
 - BusinessNameLine2Txt (75 bytes)

Insert the above new fields/tags after SuffixNm and before CorrectedRecordPayeeTIN.
This will increase the record length by 150 bytes and is only used for corrections.

- 5) Change the CorrectedRecordPayeeTIN tag to CorrectedRecRecipientTIN

- 6) Change the AnnlShrLowestCostMthlyPremAmt tag to AnnlEmployeeRequiredContriAmt
- 7) Change the MonthlyShareOfLowestCostMonthlyPrem tag to MonthlyEmployeeRequiredContriGrp
- 8) Change the final record length from 1304 to 1456.

Form 1094-C

- 1) No longer using tags Section4980HReliefInd and ALEsect4980HTTrnstReliefCd. We will be passing spaces so don't need to convert fields anymore.

Phase I

Milestone Schedule						
Task Duration	Description	Deliverable	Role	Hours	Rate (h)	Total
TBD	Signed Statement of Work	Signed SOW	N/A		N/A	N/A
Kickoff Meeting	Determine Start of Project Work	Work Plan with dates for each deliverable presented				
Sept 19, 2017 – Jan 31, 2018	Identify changes for 2017 ACA reporting	Requirements	Developer	4	\$80	\$320
			PM	6	\$80	\$480
1 week	Approval to proceed	Sign off				
Throughout project	Monitor, identify, and report IRS changes to ETS	Updated requirements	Developer	12	\$80	\$960
			PM	2.5	\$80	\$200
Feb 5 – 21, 2018	Modify XML code	Program deployed in TEST environment	Developer	22	\$80	\$1,760
	Unit Testing		Developer	1	\$80	\$80

Feb 22 - 23, 2018			Project Manager	0.5	\$80	\$40
Feb 26 - 28, 2018	Documentation	Manual for ETS	Developer	0.5	\$80	\$40
			Project Manager	2.75	\$80	\$220
Mar 8 - 9, 2018	Turn Over / Training (Delivering/Installing script)	1 training session for ETS personnel	PM	2.25	\$80	\$180
Mar 12 - 13, 2018	Perform installation of the ACA xml program on a virtual machine designated by ETS	Sign off	Sys Admin	0.25	\$100	\$25
			PM	0.5	\$80	\$40
Work Totals				54.25		\$4,345.00
Total with 4.712% GET						\$4,549.74

Phase II – Contingent Hours

ETS will only be invoiced for actual contingent hours spent on the project and will not exceed \$4,952.88.

Milestone Schedule				
---------------------------	--	--	--	--

Task Duration	Description	Deliverable	Role	Hours	Rate (h)	Total
Throughout project	Monitor, identify, and report IRS changes to ETS	Updated requirements	Developer	4	\$80	\$320
			PM	2	\$80	\$160
Feb 22 – 23, 2018	Unit Testing		Developer	2	\$80	\$160
Mar 12 – 13, 2018	Perform installation of the ACA xml program on a virtual machine designated by ETS	Sign off	Sys Admin	2.5	\$100	\$250
Mar 14 – Jun 30, 2018 (90-day post-delivery of	Research problem, Determine corrective action, Implement corrective action, Test to confirm	Problem resolution on PROD	Developer	42	\$80	\$3,360
			PM	6	\$80	\$480

ACA xml program) problem has been corrected

			Work Totals	58.5		\$4,730.00
Total with 4.712% GET						\$4,952.88

Work Plan/Deliverables:

HIC is to provide a detailed description of all the tasks that are to be completed to accomplish each of the deliverables in the table above. This will serve a road map for the project.

Specific completion dates to be included for each deliverable within 2 days after the project kickoff meeting.

The following is an example of the deliverables to be provided by Contractor to Customer under this SOW:

Milestone 1 – Identify IRS changes for 2017 ACA reporting (Sept 19, 2017 – Jan 31, 2018)

- Attend IRS webinar on Sept 19, 2017 and any subsequent webinars concerning the 2017 ACA reporting changes
- Review the xml and schema documents from IRS to determine requirement changes

Milestone 2 - Development (Feb 5, 2018 – Feb 21, 2018)

- Implement 2017 ACA Reporting changes

Milestone 3 – Unit Testing (Feb 22 – 23, 2018)

Milestone 4 – Installation of ACA xml program / PROD deployment (March 12 - 13, 2018)

- Perform installation of ACA xml program on ETS virtual machine
- Assist STATE during the file transfer process

Milestone 5 – Monitor Application / Partner Testing (March 14, 2018 – March 30, 2018)

- Monitor, identify, and report IRS changes to ETS that impact project
- Fix any issues

Milestone 6 – 90-day post delivery period (March 31, 2018 – June 30, 2018)

- Fix any issues reported by ETS (hours worked will be reported as Contingent Hours and invoiced to ETS accordingly)

HIC shall, at the commencement of project discussions, also identify and define all dependencies that may occur for each stage of the project and present those dependencies in writing, as part of this section, prior to signing of the SOW.

Fees

Applicability of Transaction Fees: N/A

Other HIC Fees:

- Development Fees = \$4,345.00 + GET (4.712%) = \$4,549.74
- Contingent Development Fees = \$4,730.00 + GET (4.712%) = \$4,952.88

Maintenance and Support Fees: N/A

Invoice and Payment Schedule

The total not-to-exceed cost for this project is \$9,502.62 and will be invoiced and paid 30-days after invoice is received according to the following schedule:

Invoice Schedule				
Date	Deliverable	Price	GE Tax	Total
March 12, 2018	Payment upon installment of ACA program on ETS virtual machine	\$869.00	\$40.95	\$909.95 (20%)
March 23, 2018	Payment upon completion of STATE testing	\$869.00	\$40.95	\$909.95 (20%)
March 30, 2018	Payment after acceptance letter signed by STATE	\$869.00	\$40.95	\$909.95 (20%)

June 30, 2018	Payment at end of 90-day warranty period	\$1,738.00	\$81.89	\$1,819.89 (40%)
	TOTAL			\$4549.74
June 30, 2018	Contingent Work	*TBD	*TBD	*TBD

*dependent on contingent work performed by HIC; up to a maximum of \$4,952.88

Additional Responsibilities of State:

List set of responsibilities for STATE that are specific to this project.

Additional Responsibilities of HIC:

List set of responsibilities for HIC that are specific to this project.

- HIC will attend IRS webinar on September 19, 2017
- HIC determined the requirements listed in this SOW based on the information obtained from the IRS

Checklist of Services HIC Will Provide

Idea Development

- Analysis of existing processes, workflows and systems
- Roadmap creation
- Workflow process re-engineering
- Alternative solution exploration

Customer Service

- 24/7 customer service via phone, web chat, and email
- Monthly customer service statistics
- Technical support for users

Strategic Marketing

- Business cards and postcards
- Email and text notifications and reminders
- Posters and multimedia presentations
- Content modifications for online and offline collateral

- Social media integration

Project Management

- Agile process and experienced project teams
- Requirements collection and development
- Workflow reengineering
- Solution estimating
- Alternative approach planning and development

Web Design and Development

- Accessibility and 508 compliance
- 24/7 customer service support
- Java application development
- Mobile applications (Android and iOS)
- Responsive web design
- User feedback data pipelines
- User centered design
- User experience, user interface, and visual design
- Web Content Management Systems

Servers & Security

- Endeavor Data Center with 99.99% uptime
- Secured redundant UPS power systems
- Regular server monitoring and tracking
- 24/7 security and video surveillance
- Smoke detection and dry pipe fire systems

3rd Party Merchant Processing

- Level-3 PCI DSS compliance
- Secure configuration with external PCI scans
- Credit card and electronic check payments
- ACH and manual disbursements
- Chargeback and refund support
- Collection and frontline customer support for all payments
- Reporting modules