YH23-0021 AHCCCS SYSTEM INTEGRATOR RFQ

Attachment 2 PRICING STRUCTURE PROPOSAL

A – System Integration Platform Design, Development, and Implementation

Line Item	Proposed Price
SI Platform Design, Development, and Implementation Inclusive of system integration solution requirements, staffing and deliverables	$19,772,494.62

Pricing Assumptions:

- The price for DDI includes the scope of work identified in the RFQ for the build, including the initial 3-year load of data to the ODS. This effort will take place in the first year of the project (Year 1). M&O services will commence in month 9 of the project and continue for the remaining 3 years (Years 2-4).
- We have assumed that the initial independent third-party security and privacy assessment (including a penetration test) will occur before the historical data is loaded the ODS (Year 1). KPMG will perform an additional third-party assessment per year, for years 2-4 of M&O.
- Our DDI price includes System Integration Platform components and services identified in the RFQ. The KRIS Connected Platform Medicaid Feature Set, included in section 6.4.2, indicates those capabilities of the platform that will delivered to AHCCCS as part of this line item.
- The State will be responsible for any data changes to the source systems as a result of data quality checks or other factors.
- KPMG will integrate with the State's Azure Active Directory (AAD) to support the Identity, Credentialing, and Access Management requirements for the proposed SI Platform. The State's AAD will support various user types and ICAM capabilities expected as part of the scope of work. Changes needed to the State's AAD to meet the scope of work will be performed by State resources.
- Per the RFQ and the answers to Round 1 Questions, we have assumed that KPMG will use the AHCCCS Azure tenant and AHCCSC will provide KPMG with a blank subscription for all of the Azure tools and services. KPMG will provide the State with what Azure tools and services will be needed to accomplish the buildout and the State will procure those service. All other software needed for the Platform is included in our price.
- The EDMS solution from Box provide for 30 user licenses (admin) and 15 million API's/month.

B – Maintenance and Operations

Line Item	Proposed Price
SI Platform Maintenance and Operations - Year 1	$1,238,534.55
SI Platform Maintenance and Operations - Year 2	$5,254,962.33
SI Platform Maintenance and Operations - Year 3	$4,820,429.91
SI Platform Maintenance and Operations - Year 4	$4,592,313.96

Attachment 2 PRICING STRUCTURE PROPOSAL

C – Modification Pool

Line Item	Hourly Blended Rate	Total Proposed Price
Modification Hours Pool – 90,000 hours	$150.90	$13,580,698.70

D – Optional Pricing

Optional Pricing Component	Proposed Price
Electronic Data Interchange (EDI) Platform: Edifecs Transaction Manager with XEngine Server (XES)	$1,664,695 / Year

Pricing Assumptions:

- One (1) instance for up to 2,500,000 Members
- Includes and is limited to the following:
  - 100 Trading Partners
  - 10 Named Users
  - 1 Prod/3 NP/1 DR Environments (Total = 5)
  - TM Healthcare Administrative Module (X12N, HIPAA, NCPDP, HIX)
  - Eligibility/Benefit & Claims Starter Module
  - Prior Authorization & Referrals Starter Module
  - XES Add-on Pack 1 (WS, DB)
  - XES Translator Module
  - XEngine Server Manager (2 instances)
  - XEngine Server Connect
- SpecBuilder Standard Edition
  - 5 Named Users
  - Healthcare Administrative Module (X12N, HIPAA, NCPDP, HIX)
- Additional Assumptions
  - 8x5 standard support with Onshore/Offshore (standard)
  - Deal Term = 3 years
  - 5% Annual inflation starting with first renewal

Actual pricing for this component may be higher or lower based on anticipated volumes and user counts.

Optional Pricing Component	Proposed Price
Enterprise Content Management (ECM)	$270,000/year

Pricing Assumptions:
 	
- Our ECM and EDMS solution use the same technology - Box. Our DDI and M&O price includes 15 Million Box API's per month. The price above is for an additional 15 million APIs. If the ECM capabilities require additional capacity, additional tiers can be purchases as follows:
  o API's: 30M - price: $420,000/year
  o API's: unlimited - price: $530,000/year	

Optional Pricing Component	Proposed Price
Digital Fax Services	$4,000/100K pages
Pricing Assumptions: - Our solution for Digital Fax Services uses the eFax product from Consensus Cloud Solutions, Inc. This price can be reduced depending on the monthly fax traffic.	

Optional Pricing Component	Proposed Price
Enterprise Business Rules Engine: IBM Operational Decision Manager	$120,000 / year
Pricing Assumptions: - This price includes supporting a transaction rate of 2,000 transactions per second (TPS). We believe this volume would meet the State's needs. If higher volumes are needed, the price would increase.	

E – Vendor Rate Card

Type of Resource	Proposed Hourly Price
SI Executive Account Director	$373.57
SI Project Manager	$275.87

Attachment 2 PRICING STRUCTURE PROPOSAL

SI Solution Architect	$281.61
SI Implementation/Integration Manager	$247.13
SI Testing Manager	$172.42
Operations Manager	$178.16
Project Management Associate	$120.69
Senior Project Manager	$160.92
Project Manager	$151.73
Test Analyst	$91.96
Test Lead	$137.93
Senior Tester	$149.43
Test Manager	$183.91
Business Analyst 1	$89.66
Business Analyst 2	$136.78
Business Analyst 3	$166.67
Business Analyst 4	$212.65
Quality Assurance 1	$80.46
Quality Assurance 2	$101.15
Quality Assurance 3	$125.29
Quality Assurance 4	$155.18
ETL Analyst/ Developer 1	$97.70
ETL Analyst/ Developer 2	$140.23
ETL Analyst/ Developer 3	$189.66
ETL Analyst/ Developer 4	$235.64
Interface Developer 1	$132.19
Interface Developer 2	$152.88
Solution Architect 1	$124.14
Solution Architect 2	$163.22
Solution Architect 3	$224.14
Data Architect 1	$114.94
Data Architect 2	$147.13
Data Architect 3	$193.11
Security Architect 1	$128.74
Security Architect 2	$186.21
Security Architect 3	$250.58
Enterprise Architect 1	$135.63
Enterprise Architect 2	$210.35
Enterprise Architect 3	$287.36
Training Analyst	$88.51
Training Lead	$126.44
Senior Trainer	$168.97
Training Manager	$201.15

Pricing Assumptions:

- The use of the Carahsoft's Cloud Service Purchasing Program (CSPP) allows AHCCCS to execute a NASPO services contract, creating a bucket of funds via the NASPO contract that we can then charge based on the used hours from the rate card above. This provides as much

flexibility for AHCCCS and KPMG to provide what is needed at the time while easily tracking how much of the services funds have been used and how much remains. If additional services are needed that would exceed the awarded amount a simple change order can be issued to increase the funding, or to quickly add additional hourly rates for unforeseen circumstances.

- The blended rate provided in "C - Modification Pool" is our best estimate based on our understanding of the type of modifications that would be perform. KPMG would like to discuss further refinement of this rate once we understand the type of work we would be performing using this pool of resources.
- The State should assume a 3% rate escalation factor per year on this rate card.