



Contract by Authorized Board

Commodity or Service:

Contract No.:

Data Warehouse (DW) Solution & Visual Business
 Intelligence (VBI) Solution


ETG0004 & ETG0006 – Amendment #2 dated August 17,
 2018

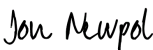
Authorized Board: Group Insurance Board (GIB)

Contract Period: January 1, 2019 through December 31, 2020 with the option for renewal of one (1) two (2) year period.

1. This Contract Amendment #2 is entered into by the State of Wisconsin Department of Employee Trust Funds (Department or ETF), on behalf of the State of Wisconsin Group Insurance Board (Board) and the Contractor, whose address and principal officer appear on page 2 below. The Department is the sole point of contact for this Contract.
2. Whereby the Department agrees to direct the purchase and the Contractor agrees to supply the Contract requirements cited in accordance with the State of Wisconsin standard terms and conditions and in accordance with the Contractor's proposal dated September 13, 2016 hereby made a part of this Contract by reference.
3. Contract Amendment #1 dated March 22, 2018 adds new Contract requirements regarding reporting and performance guarantees and replacing Interactive Reporting/management reporting with Dynamic Health Insights which will be accessed via the IBM CXL portal.
4. This Contract Amendment #2 dated August 17, 2018
 - (a) Revises Contract Appendix 10C Mandatory Requirements Performance Standards, Section H 1) Customer Service Center to replace the requirement of recording and maintaining 100% of all calls to tracking all customer service calls from the Department.
 - (b) Revises Contract Appendix 10C Mandatory Requirements Performance Standards, Section J, which was added under Amendment 1, which established the operational dates for Phases 2 and 3 as July 31, 2018, and now revises those operation dates for Phases 2 and 3 to August 31, 2018;
 - (c) Adds to Contract Appendix 10C Mandatory Requirements Performance Standards Section K, which requires Contractor to provide notice to the Department before services are performed when services result in additional invoicing outside the scope of RFP ETG0004/0006 or approved Change Request or such services shall be deemed to be included in the scope of the contract, with no additional payment for such service due to the Contractor.
 - (d) Effective August 1, 2018, International Business Machines Corporation (IBM) hereby expressly assumes, confirms, and agrees to perform and observe all the obligations, agreements, terms and conditions, duties, and liabilities under this Contract. IBM will perform such obligations through IBM Watson Health, a division of IBM.
 - (e) Extends the Contract for two (2) years, from January 1, 2019 through December 31, 2020.
5. For purposes of administering the Contract, the Order of Precedence is:
 - A) This Contract Amendment #2 dated August 17, 2018;
 - B) The Contract Amendment #1 dated March 22, 2018;
 - C) The Contract between the Department and Truven Health Analytics LLC dated March 2, 2017;
 - D) Exhibit A, Changes Agreed to by the Parties during contract negotiations and from the Request for Proposal (RFP) ETG0004 & ETG0006;
 - E) RFP ETG0004/ETG0006 dated August 5, 2016;
 - F) Contractor's proposal dated September 13, 2016; and;
 - G) Contractor's Best and Final Offer (BAFO), dated November 15, 2016. [This is the revised price proposal based on RFP spreadsheet corrections made by ETF.]

Contract Number & Service: ETG0004 & ETG0006 Data Warehouse (DW) Solution & Visual Business Intelligence (VBI) Solution
Amendment #2 dated August 17, 2018

State of Wisconsin	
Department of Employee Trust Funds	
By Authorized Board (Name) State of Wisconsin Group Insurance Board	
Signature	DocuSigned by:  450109001742402...
Name/Title Michael Farrell, Chair State of Wisconsin Group Insurance Board	
Phone 608.266.9854 (A. John Voelker, Deputy Secretary)	
Date (MM/DD/CCYY) 8/20/2018 1:38:32 PM CDT	

Contractor	
Legal Company Name International Business Machines Corporation	
Trade Name	
Taxpayer Identification Number 13-0871985	
Company Address (City, State, Zip) 100 Phoenix Drive Ann Arbor, MI 48108	
By (print Name) Jon Newpol	
Signature	DocuSigned by:  E242960B7608481...
Title Vice President for Government Health and Human Services – North America	
Phone 734.913.3000 Email: jnewpol@us.ibm.com	
Date (MM/DD/CCYY) 8/20/2018 7:48:04 AM CDT	

ETG0004/ETG0006 Amendment #2

(a) Revise Contract Appendix 10C Mandatory Requirements Performance Standards as follows:

The Parties agree to delete H. 1) Customer Service Center 1) 100% of incoming and outgoing calls shall be recorded and recordings maintained and add H 1) Customer Service Center 1) track 100% of calls from the Department.

Detailed Requirement Description	Penalties
<p>H. Customer Relationship Management (CRM) – Two (2%) Percent Penalty The Contractor(s) shall provide monthly performance data on a quarterly basis for the below performance category. The total penalty for this category shall not exceed two (2%) of the total administrative fee for the quarter.</p>	
<p>1) Customer Service Center: 1) Track 100% of calls from the Department and include in report, when provided during the call:</p> <ol style="list-style-type: none"> 1. The date of the inquiry 2. The individual who initiated the contact 3. The reason for the contact 4. Status of the inquiry 5. The date the inquiry was resolved/completed. 	<p>\$2,500 for each full percentage point below the requirement to be assessed monthly</p>

(b) Revise Contract Appendix 10C Mandatory Requirements Performance Standards as follows:

The Parties agree to modify the operation or ‘Go-live’ dates for Phases two and three events from July 31, 2018 to August 31, 2018.

The following performance standard, J., and associated penalties are added to Appendix 10C and are subject to the twenty-five (25%) percent penalty cap on the Contractor’s total administrative fee paid under the Contract in any given quarter.

Detailed Requirement Description	Penalties
<p>J. Implementation and Go-Live Dates Subject to the 25% penalty cap on the Contractor’s total administrative fee paid under the Contract in any given quarter.</p>	
<p>All services shall take effect/’go live’ and be operational on the due date mutually agreed upon by the Department and the Contractor – presently May 31, 2018 for Phase one, August 31, 2018 for Phase two, and August 31, 2018 for Phase 3. Dates may be modified by approved Change Request. The Contractor shall notify the Department upon realization that a due date will not be met, prior to the deadline. The Contractor shall not be penalized for delays beyond control of the Contractor as determined by the Department. Delays shall result in extending deadlines by a number of business days coextensive to the delay. Contractor and the Department shall mutually agree upon User Acceptance Testing criteria.</p>	<p>Ten thousand dollars for the first DAY and \$10,000 for each subsequent WEEK beyond the deadline that services are not fully operational.</p>

(c) Add the following to Contract Appendix 10C Mandatory Requirements Performance Standards

Detailed Requirement Description	Penalties
<p>K. Notice from Contractor to the Department for services performed outside scope of ETG0004/ETG0006 that require additional invoicing.</p>	
<p>1) Should services require additional invoicing outside the scope of RFP ETG0004/0006 or a Change Request previously accepted by the Department, Contractor shall provide notice to the Department, before the service is performed. Such notice shall state that such service will constitute an out-of-scope condition that could result in a Change Request with additional cost to the Department. If such notice is not provided, work will be deemed to be included within the scope of the base contract, and Contractor will have no claim against the Department for such work.</p>	<p>Department shall have no obligation to pay for such services.</p>