

**EXHIBIT 3**  
**STATEMENT OF WORK #2**  
**SOW #2 – Maintenance & Operations**

Contents

**1. Statement of Work.....2**

**1.1 Overview.....2**

**1.2 Maintenance & Operations (M&O) Services .....2**

1.2.1 Major Activities included in Maintenance & Operations .....2

1.2.2 Major Tasks included in Maintenance & Operations .....3

1.2.2.1 M&O Status Report .....3

1.2.2.2 M&O Status Meetings .....4

1.2.2.3 Post-Implementation Evaluation Report .....5

1.2.2.4 M&O Manual Updates .....5

1.2.2.5 M&O Release Management Plan .....5

1.2.2.6 Technical Help Desk.....5

1.2.2.7 Application Support.....5

1.2.2.8 Contractor Workspace and Hosting Environment / Facility .....6

1.2.2.9 Work Requests .....7

1.2.2.10 Contractor’s Maintenance.....7

1.2.3 M&O Reports.....8

**1.3 Procedures for Routine Changes and Modifications .....8**

1.3.1 Routine Changes or Modifications Training .....9

1.3.2 Routine Changes or Modifications Implementation .....9

1.3.3 Routine Changes and Modifications Required Processes and Document.....9

**2. Turnover, Transition, and Termination Assistance.....10**

**2.1 Turnover Definitions .....10**

**2.2 Pre-Turnover .....10**

**2.3 Execute Turnover .....10**

**2.4 Turnover Deliverables .....11**

**3. Customer Engagement Center Operations.....11**

**4. Fee and Payment Terms .....11**

**5. M&O Term .....12**

# 1. Statement of Work

## 1.1 Overview

This Statement of Work #2 (for the purposes of this document, the “SOW #2”) is incorporated into the Master Agreement (“*Agreement*”) dated August 30 2019, and is entered into by and between hCentive, Inc. (“hCentive” or “Contractor”) and New Mexico Health Insurance Exchange (“NMHIX” or “beWellnm”). This document provides detailed description of hosting, maintenance and operations to be provided by hCentive pursuant to the Agreement, as well as the fees associated therewith. All capitalized terms used and not expressly defined in this SOW #2 shall have the meaning set forth in the Agreement.

hCentive, as the selected vendor from the New Mexico Health Insurance Exchange (NMHIX) Request for Proposal for an Individual Marketplace and Customer Engagement Center, RFP No. 2019/001 (“RFP”), will develop, supply, implement, host, maintain, and provide information technology products, business support services and end user supports specific to Individual Marketplace operations including web portal (and user interfaces) provisioning and management, eligibility and enrollment management, financial management and billing, customer engagement center, plan management, noticing, mailroom functions, and administrative and reporting functions. Additionally, hCentive will provide account management that help ensure successful provision of the aforementioned products, services and end user supports.

Under SOW #1, hCentive will provide Design, Development and Implementation (DDI) Services for the end-to-end health insurance exchange System; the full scope of the System is outlined in SOW #1. The terms of this Statement of Work (SOW #2) will govern hCentive’s delivery of System maintenance and operations (“M&O”) services for the System, as described herein.

## 1.2 Maintenance & Operations (M&O) Services

The following section provides a description of the work required to plan and execute the activities related to M&O.

### 1.2.1 Major Activities included in Maintenance & Operations

The Contractor shall be responsible for M&O services for the System beginning at Go-Live through the Term of the Agreement. The Contractor shall provide qualified personnel, resources, facilities and supplies for M&O of the System and to meet the Service Level Agreements (SLA) and other requirements set forth in the Agreement, or as agreed to by the parties. Specifically, M&O consists of the following three major activities:

#### 1.2.1.1 Maintenance

Maintenance shall include supporting the Individual Exchange and Customer Engagement Center, once implemented in the production environment. This support shall include the following activities, and may include other activities as agreed to by the parties:

- Providing for continuous effective and efficient operation of the system to ensure the platform is always ready to perform at the standard for which it was approved, including ongoing load testing;
- Ensuring that all data and functionality are current and errors are corrected;
- Adding of new values and changes to existing system tables, reference data tables and conversion of prior records, as necessary;
- Managing file growth and partitioning and ensuring System capacity is always adequate to meet NMHIX needs and SLA expectations can be met;

- Scheduling and monitor ongoing tasks to ensure system tuning, performance, response time, database stability and processing;
- Updating and/or changing the scripts or system parameters concerning the frequency, number and media of reports;
- Updating software, operating systems or other system components requiring version updates, manufacturer “patches,” and other routine manufacturers’ updates to software;
- Maintaining security for user accounts which entails all administrator and backend account provisioning, access reviews and access revocation to system;
- Responding to production problems and emergency situations according to NMHIX-approved guidelines;
- Investigating and correcting batch job failures and defects;
- Repairing jobs scheduled or run incorrectly, problems due to system hardware or software failures, problems due to operator/scheduler error, problems due to program or control language errors, security problems, corrupted files/databases, documentation and/or problems due to jobs run with incorrect data; and
- Responding to requests to restore functionality of the System in response to an emergency in accordance with Section 2.11 of the Agreement.

#### ***1.2.1.2 Operations***

The Contractor shall provide qualified personnel, resources, facilities, and supplies to support the operation of the Individual Exchange and Customer Engagement Center to meet the SLAs in the Agreement, or as otherwise agreed to by the parties. Operations include customer service support through the Customer Engagement Center and Mailroom functions.

#### ***1.2.1.3 Routine Changes and Modifications***

In addition to Maintenance, Contractor is required to make Routine Changes and Modifications as described in Section 1.3 below.

### **1.2.2. Major Tasks included in Maintenance & Operations**

Contractor shall perform the following specific M&O tasks:

#### ***1.2.2.1 M&O Status Report***

The Contractor shall produce a M&O status report (“Status Report”), at least monthly or at a frequency required by NMHIX but no more than weekly. The Contractor and NMHIX will establish the content and format of the Status Report prior to Go-Live. M&O status reporting shall include the following, as may be modified from time to time by NMHIX and agreed by the Contractor:

##### ***a. Operations Performance***

Operations performance includes information that demonstrates the Contractor’s compliance with applicable and agreed upon SLAs.

##### ***b. Operations Problems***

Problems are defined as any issue identified, the proposed repair or remedy, impact of the repair or remedy, and the mitigation strategy implementation date. The Contractor must report on operations problems as described in the Agreement and SOWs.

***c. Operations Performance Reporting***

The Contractor must monitor and report performance against the NMHIX-specified SLAs found in Exhibit 4 Service Level Agreements and Associated Liquidated Damages to the Agreement.

The Contractor must provide access to real-time System performance status, such as a dynamic dashboard for data visualization and data reporting by NMHIX.

The Contractor shall develop reports to demonstrate compliance with SLAs. The Contractor shall develop and make available to NMHIX a weekly dashboard of system performance. Contractor shall, on a monthly basis or as requested by NMHIX, review the performance report, which may be separate from the Status Report, detailing SLAs from the previous month. The report's specifications shall be approved in advance by NMHIX prior to Go-Live, and NMHIX shall, at least annually, independently validate the data in the report. The performance report shall be discussed at monthly M&O status meetings as determined by NMHIX.

If an SLA is not met, which shall be determined by both parties within ten (10) business days after the end of the reporting period, the Contractor must provide NMHIX a written report, unless otherwise directed by NMHIX, within fourteen (14) business days after determination of failure to meet an SLA, which describes:

- The missed SLA;
- A full description of the issue;
- The root cause(s) of the problem;
- All possible resolutions;
- Risks related to the issue; and
- The proposed corrective action to avoid missing the KPI in the future.

Upon invoice from NMHIX, which contains supporting detail that confirms the missed SLA and the applicable liquidated damage to be paid, the Contractor shall remit the associated liquidated damage within thirty (30) business days.

***d. Operational Problem Management***

The Contractor must have a repeatable process for proactively identifying, documenting, triaging, resolving and preventing the reoccurrence of problems related to System maintenance and operations. The Contractor shall employ software tools that enable the tracking of a specific problems from identification through correction, including all testing performed to help ensure the correct fix is in place.

***1.2.2.2 M&O Status Meetings***

The Contractor must attend M&O performance meetings, at least monthly or more frequently as requested by NMHIX, which may be combined with other regular status meetings. The Contractor and NMHIX will determine the schedule, format, and frequency of these meetings. At the M&O status meeting, the Contractor shall provide:

- An overview of Individual Exchange and Customer Engagement Center performance and issue management activities; and
- The status of all work requests, Maintenance, Routine Change, and Modification activities.

This will include reporting of progress against schedules, any proposed schedule revisions, discussion of specific details on work requests, maintenance and modifications and review of deliverables.

### **1.2.2.3 Post-Implementation Evaluation Report**

The Contractor shall develop and deliver a post-implementation evaluation report. The reports must include the status of all functionality required to meet the requirements of SOW #1. For any functionality not working, the report must provide a Corrective Action Plan and timeline for correction to be approved by NMHIX.

### **1.2.2.4 M&O Manual Updates**

The Contractor shall update the M&O manual to reflect the results of the approved post-implementation evaluation report and after each major release. The Contractor must provide these updates within ten business days of the approved post-implementation evaluation report and each major release.

### **1.2.2.5 M&O Release Management Plan**

As a part of maintenance, the Contractor will provide NMHIX with an M&O release management plan that outlines System releases that are planned, including the critical activities required to ensure proper development and testing has occurred. The release management plan should identify critical activities required for release implementation to ensure all releases are conducted systematically. Version upgrades should be applied in a controlled manner to prevent disruption to the System and to permit continuing functionality of the System for the user. The release management plan will be evaluated and reviewed routinely by NMHIX and shall include:

- All software and hardware releases planned;
- Documentation of the on-time delivery of application releases per due dates outlined in the most recently approved work plan;
- Approach to informing NMHIX when emergency security patches are made available. The Contractor shall develop a plan to apply those patches as soon as possible following plan review and approval by NMHIX. In the case of true emergency security patches, provide NMHIX with notice prior to system shutdown. After patching, provide NMHIX with a listing of the patches/updates applied reasoning, and impacts, if any;
- Provide the capability to roll back data and software releases/programs as requested by NMHIX during testing cycles; and
- In accordance with Section 2.7.1 of the Agreement, in its releases the Contractor will design product features to allow the NMHIX to implement or disable features at NMHIX's discretion.

### **1.2.2.6 Technical Help Desk**

As part of maintenance, the Contractor will address all reported inquiries from NMHIX staff and Exchange partner agencies and organizations related to the technical and functional operation of the system. The Contractor must provide tiered, toll-free telephone support during standard business hours of 8:00 A.M. to 6:00 P.M. (Mountain Time) Monday to Friday. A qualified technician will respond via phone to address all calls in accordance with the importance and criticality of the question being asked and/or the problem being reported.

### **1.2.2.7 Application Support**

The Contractor must perform application support for Individual Exchange to keep it operating as expected, including the following services, and may include other services as agreed to by the parties:

- System performance monitoring and reporting;
- Investigation into unprocessed data;
- Computer resource usage monitoring and reporting;
- Application/system problem review meetings;
- Preparation of special holiday, year-end, and production calendar schedules;
- Preliminary investigation of problems not identified by NMHIX or consumers;
- Environments support;
- Ad hoc schedule changes;
- Data resource management;
- Yearly/Quarterly/Semi-annual changes;
- Mass changes; and
- Business rules changes.

Other application support services shall be performed on an agreed upon frequency. Contractor will maintain and provide for NMHIX review a list of reoccurring batch jobs and their run schedule.

#### **1.2.2.8 Contractor Workspace and Hosting Environment / Facility**

The Contractor shall host and maintain System environments in AWS cloud data center, and such environments shall be subject to the security assessment or certifications in accordance with the Agreement. AWS cloud hosting shall meet the requirements for AWS Provided Services including the following, any changes will be notified to customer:

- AWS cloud service provides certification of compliance to FedRAMP requirements (or equivalent standards should FedRamp certification be replaced by other standards);
- The Contractor must ensure control of electronic security, including providing adequate virus and spam control security suites, intrusion detection, threat analysis, and routine security testing;
- AWS Provided Service: Physical access points to server rooms are recorded by Closed Circuit Television Camera (CCTV). Images are retained according to legal and compliance requirements. Physical access is controlled at building ingress points by professional security staff utilizing surveillance, detection systems, and other electronic means. Authorized staff utilize multi-factor authentication mechanisms to access data centers. Entrances to server rooms are secured with devices that sound alarms to initiate an incident response if the door is forced or held open. Electronic intrusion detection systems are installed within the data layer to monitor, detect, and automatically alert appropriate personnel of security incidents. Ingress and egress points to server rooms are secured with devices that require each individual to provide multi-factor authentication before granting entry or exit. These devices will sound alarms if the door is forced open without authentication or held open. Door alarming devices are also configured to detect instances where an individual exits or enters a data layer without providing multi-factor authentication. Alarms are immediately dispatched to 24/7 AWS Security Operations Centers for immediate logging, analysis, and response.

- AWS Provided Service: Facilities are equipped with adequate measures and means to ensure prompt detection of any disaster. The Contractor must maintain appropriate processes for reporting disasters to appropriate authorities and the emergency handling of fire, water intrusion, explosion, terrorist attack, or other disasters, natural or man-made;
- AWS Provided Service: AWS data centers are equipped with automatic fire detection and suppression equipment. Fire detection systems utilize smoke detection sensors within networking, mechanical, and infrastructure spaces. These areas are also protected by suppression systems.
- AWS Provided Service: AWS data center electrical power systems are designed to be fully redundant and maintainable without impact to operations, 24 hours a day. AWS ensures data centers are equipped with back-up power supply to ensure power is available to maintain operations in the event of an electrical failure for critical and essential loads in the facility.
- AWS Provided Service: Processes are in place to ensure that any communication switches and network components outside the central computer room must receive the level of physical and/or electronic security necessary to prevent unauthorized access and are equipped with appropriate back-up power supplies;
- Processes are in place that ensure all Contractor staff abides by all federal, State and local security policies and procedures in force at each site such as connecting equipment or other devices to the NMHIX's data network without prior approval of NMHIX; and
- Processes are in place to provide access to all authorized Individual Exchange users (including selected Contractor and selected Contractor staff) within one (1) work day of employment/notification, following all required security checks and protocols.

#### **1.2.2.9 Work Requests**

The Contractor or NMHIX may submit work requests for changes to the Individual Exchange and related components, in accordance with the NMHIX-approved change management plan. Work requests must be classified as Maintenance, Routine change, or Modification.

Work requests must be reviewed by the Contractor and NMHIX on, at least, a weekly basis at designated meetings with NMHIX staff. The Contractor must provide an online application, accessible by NMHIX staff, for work requests to be submitted, logged, tracked and reported on. The online tracking application must provide a detailed description of the effort as well as the status from submittal through implementation and documentation. The Contractor must maintain a summary log, updated weekly, of all work requests, including information specified by NMHIX. The report must be available online for access by both NMHIX and the Contractor staff. Work requests will be evaluated through the Change Management process.

#### **1.2.2.10 Contractor's Maintenance**

The Contractor shall perform maintenance activities that improve the performance of the System, as well as investigate and fix potential problems that have not yet occurred. Maintenance is defined as changes made in the ordinary course of the Contractor's provision of M&O services pursuant to the Agreement, such as a change to operating procedures, schedules, and equipment configurations of the System. Maintenance includes the following services, and may include other services as agreed to by the parties:

- Improving the performance, maintainability, or other attributes of an application system;

- Data table restructuring & re-indexing;
- Data purges to reduce/improve data storage;
- Run time improvements;
- Replace utilities to reduce run time;
- Potential problem correction; and
- Data set expansions to avoid space problems.

For maintenance requiring a more significant time to develop, test, and implement, the changes should be completed as part of a larger development release.

Activities that can typically be completed independent of a production release (e.g., data set expansions, data purges) may be completed on a more frequent basis (e.g., daily or weekly).

### **1.2.3 M&O Reports**

The Contractor must prepare the following reports in support of M&O activities:

- M&O Status Report;
- M&O status meeting schedule;
- Post-implementation evaluation report;
- Updated M&O manual
- Operations performance reports;
- CAPs, as required;
- Release management plan; and
- Audit reports, as required.

### **1.3 Procedures for Routine Changes and Modifications**

In accordance with Section 2.19 of the Agreement, if a Routine Change or Modification to the System is necessary or desirable, the Parties shall abide by the following procedures.

- The project management, Change Management Plan, and system development life cycle processes will apply to all proposed Routine Changes and Modifications;
- NMHIX shall inform Contractor, or Contractor shall inform NMHIX, through the approved change management process, of a proposed change, including any reason for the change, such as a change in policy, procedure, program, rule, regulation, law or other triggering event;
- Any proposed Routine Change or Modification must be initiated through a Work Request in accordance with the Change Management Plan;
- Initially, any proposed change shall be considered a request for a Routine Change until NMHIX approves changing the status to a Modification through the change control process. Determination of such status including Contractor dispute of status shall not delay the implementation of the change request;
- If a change is determined to be a Modification, Contractor shall provide an estimate of the number of



hours needed to complete the change. At the completion of requirements and design, the Contractor shall provide a revised final estimate. Both estimates shall include the staffing level by resource type and other appropriate detail supporting the estimate, as requested by NMHIX.

- If a change is a Modification, Contractor shall document the hours worked in performing the Modification. Contractor shall provide NMHIX with a monthly report (the “Modification Hours Report”) by the 10<sup>th</sup> calendar day of the following month, stating all hours worked to perform the Modification and the reduction in available hours from the Modification Pool or Reimbursable Modification Pool. The Modification Hours Report shall include the following fields in tabular format:
  - Change Request ID;
  - Change Request Title;
  - Resource Name;
  - Resource Type; and
  - Hours in the Modification Pool and Reimbursable Modification Pools.

Contractor shall not perform work for a Modification in excess of the approved hours.

### **1.3.1. Routine Changes or Modifications Training**

The Contractor must provide training in accordance to the Agreement. Any additional training due to Routine or Modifications will be outlined in the Work Request.

### **1.3.2. Routine Changes or Modifications Implementation**

#### ***Release Management Plan***

The Contractor will provide NMHIX with an updated release management plan, including release activities required during and after Routine Changes or Modifications, that outlines the major releases that are planned. This must include the critical activities required to ensure proper development and testing has occurred during the enhancement phase. The updated release management plan should also identify critical activities required for release implementation to ensure that all releases are conducted systematically. The updated release management plan must be reviewed and approved by NMHIX for each release.

#### ***M&O Manual Update***

The Contractor must update the M&O manual for each business area affected by a Routine Change or Modification. The Contractor shall be responsible for the production and distribution of all M&O manual updates in a timely manner.

#### ***Final Acceptance***

The Contractor must ensure that Routine Changes and Modifications are ready to be implemented and NMHIX approvals have been obtained in order to move enhancements into the production environment. This is known as final acceptance.

### **1.3.3. Routine Changes and Modifications Required Processes and Document**

The Contractor must follow standard software development lifecycle (SDLC) practices in support of Routine Changes and Modifications, including the following, and may include other services as agreed to by the parties:

- Enhancement project work plan;

- Updated requirements specification document;
- Updated requirements traceability matrix;
- Updated disaster recovery plan and business continuity plan;
- Test plan;
- Test results;
- Updated release management plan; and
- M&O manual update.

## **2. Turnover, Transition, and Termination Assistance**

Subject to and consistent with Section 7.8 of the Agreement, Contractor shall provide the following Services in connection with turnover, transition, and termination assistance in the event of termination of the Agreement.

### **2.1 Turnover Definitions**

During the Termination Assistance Period, Contractor shall provide turnover, transition, and termination assistance services so that there is minimal disruption of the Individual Exchange during a turnover from the Contractor to NMHIX or its appointed agent at the expiration or termination of the Agreement. Contractor shall cooperate in providing for an orderly and controlled transition to NMHIX or its appointed agent.

All Deliverables produced for turnover must be approved and accepted by NMHIX prior to final payment. At a minimum, turnover activities include:

### **2.2 Pre-Turnover**

#### ***Turnover Plan***

No later than 180 days prior to an identified termination date, unless mutually agreed upon between NMHIX and the Contractor, the Contractor must provide, at no charge to NMHIX, a Turnover Plan to NMHIX, which shall include:

- The Contractor's proposed plan to deliver Data, all NMHIX Property, and any other material or information necessary to ensure a successful transition;
- Turnover schedule; and
- A detailed approach to provide all necessary Termination Services.

### **2.3 Execute Turnover**

#### ***Provide Turnover Services***

Contractor shall inform NMHIX or its appointed agent of all necessary details concerning the functional and technical operations of the System to ensure that NMHIX or an appointed agent may continue operations seamlessly with no interruption in the event of termination.

#### ***Turnover Results Report***

Following turnover of operations, the Contractor must provide NMHIX with a turnover results report that

details the completion and results of each step of the turnover plan.

### 2.4 Turnover Deliverables

The Contractor must prepare the following deliverables in support of Turnover activities:

- Turnover plan;
- All necessary data and documents on electronic media as outlined in the Turnover Plan; (at least four (4) sets of data; First, Final, and two in the middle); and
- Turnover results report.

### 3. Customer Engagement Center Operations

Contractor shall maintain sufficient staff and systems to manage, track, and report on Customer Engagement Center and mailroom operations with the functionality specified in SOW #1 to meet the Service Level Agreements (SLA) and other requirements set forth in the Agreement.

Contractor will support and staff the Customer Engagement Center to operate twenty-four (24) hours per day, seven (7) days per week during open enrollment periods (OEP) and 8:00 A.M. to 6:00 P.M. (Mountain Time) during the remainder of the year. Parties may agree to changes in these operating hours after the initial OEP.

### 4. Fee and Payment Terms

Payments will be made in accordance with the Agreement.

Services under this SOW #2 will be performed at the fixed fee set forth below for each respective period. The fixed fee for each period shall be paid in equal monthly installments. The fee for each respective month shall be invoiced in advance on the first day of the subject month. The monthly fee during the Transition to M&O shall be four hundred forty-seven thousand, three hundred fifty-eight dollars and twenty-three cents (\$447,358.23). The monthly fee during M&O years shall be three hundred ninety-one thousand, eight hundred nineteen dollars and eight cents (\$391,819.08).

**Table 3. Transition to M&O (inclusive of Hosting) Fees**

Year	Time Period	Price
Transitional Period	Go-Live – December 31, 2021	\$1,342,074.70 for 3-month period
<b>Total</b>		<b>\$1,342,074.70</b>

**Table 4. M&O (inclusive of Hosting) Fees**

Year	Time Period	Price
M&O Year 1	January 1, 2022 - December 31, 2022	\$4,701,829.00 for 12 months
M&O Year 2	January 1, 2023 - December 31, 2023	\$4,701,829.00 for 12 months
M&O Year 3	January 1, 2023 - December 31, 2024	\$4,701,829.00 for 12 months
<b>Total</b>		<b>\$14,105,487.00</b>

## **5. M&O Term**

As stated herein, M&O shall begin on Go-Live and shall continue through the Term of the Agreement.