

MEMORANDUM

To: Health Connector Board of Directors
Cc: Louis Gutierrez, Executive Director
From: Edward DeAngelo, General Counsel
Date: August 15, 2018
Re: Notification of Upcoming Contracts

OVERVIEW

This memorandum provides the Board of Directors with an update regarding contracts not subject to formal vote.

SUMMARY OF CONTRACTS

SMARTRONIX

In July 2017 the Health Connector entered into a work order with Smartronix, Inc. for an amount not to exceed \$16,250 for consulting services related to the Health Connector's internal IT infrastructure. The work order was under an existing contract that Smartronix has with the state's IT division. Per the board notification in July 2017, the Health Connector expected monthly charges of approximately \$2,400, from Smartronix, for storage costs within Amazon Web Services ("AWS"). Due to increased storage required for additional APCD data, however, the monthly actual charges from AWS for storage exceed the Health Connector's initial estimates and are, based on current charges, expected to be \$7,500 monthly. The Health Connector is seeking to amend its work order with Smartronix for a not to exceed amount of \$90,000 in Fiscal Year 2019, taking into consideration the increased monthly charges of \$7,500. A certified reseller of AWS services, Smartronix offers a 4% discount off list cost for all Massachusetts state agencies.

PROGRAMMATIC AUDITOR

Eide Bailly, the Health Connector's Programmatic Auditor, will evaluate CCA's compliance with four subparts of the Affordable Care Act (Subparts C, D, E, and K) as required annually by CMS and provide the CCA with a finalized report containing any findings by April 30, 2019. The Health Connector selected Eide Bailly as its auditor last year after a competitive procurement. The current work order will include an audit of the 2018 programmatic year; the audit will amount to \$64,842.