



TEXAS
Health and Human
Services

Cecile Erwin Young
Executive Commissioner

Jerry McGinty
Director Legislative Budget Board
Robert E. Johnson Bldg., 5th Floor
1501 N. Congress
Austin, Texas 78701-1200

Dear Mr. McGinty:

Pursuant to Article IX, Section 7.11, of the General Appropriations Act (2022-23 biennium), the Health and Human Services (HHS) System notifies the Legislative Budget Board (LBB) that HHS intends to or has entered into the following contract.

A. Contract Information.

Attached is a summary of the purpose of and major deliverables for the following contract:

Contract ID: HHS000534500001

Vendor: Gainwell Technologies LLC

B. Executive Director Certification

1. I certify, to the best of my knowledge, that the process used to award these contracts complied with or is consistent with the following:
 - a. State of Texas Procurement and Contract Management Guide; and
 - b. All applicable statutes, rules, policies, and procedures related to procurement and contracting of goods and services, including compliance with conflict of interest disclosure requirements.

Continuing Duty to Report. I acknowledge a continuing duty to provide any information or documentation regarding this contract upon request by the LBB and to report any changes to the information provided as well as any later discovered errors or inconsistencies to the LBB.

DocuSigned by:

Kay Molina

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Kay Molina, Deputy Executive Commissioner
For Procurement and Contracting Services, HHS

June 28, 2022

Date

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2. Contract Management Certification

I certify that the HHS System has an effective process and adequate management controls to:

- a. Verify vendor performance and deliverables for this contract;
- b. Only pay for goods and services that are within the scope of the contract or procurement; and
- c. Calculate and collect any liquidated damages associated with vendor performance; and
- d. When, why, or how to apply corrective action plans for continuing poor vendor performance.

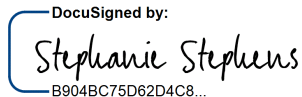
3. I certify that the agency or institution will comply with the requirement to provide information to the Vendor Performance Tracking System in accordance with Section 2155.089 of the Government Code, as amended by Senate Bill 65, Eighty-Sixth Legislature, 2019.

C. Risk Statement

I believe that the goods or services being procured via this contract are necessary to provide mission critical functions of this agency or institution¹. The attached describes the importance of the goods and services and risk to the agency or institution if the parameters of the contract are not met within the specified time frames.

D. Continuing Duty to Report

I acknowledge a continuing duty to provide any information or documentation regarding this contract upon request by the LBB and to report any changes to the information provided as well as any later discovered errors or inconsistencies to the LBB.

DocuSigned by:

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Stephanie Stephens

Chief Medicaid and CHIP Services Officer, HHS

June 28, 2022

Date

¹ Goods and services that the agency relies on to execute basic functions essential to the mission of the agency should be considered mission critical. This may include direct services to constituents or indirect support services for critical agency systems.

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ATTACHMENT

A. Contract Information: Description of the purpose of the contract and summary of major deliverables.

The purpose of this contract is

To provide a comprehensive Contractor VPM Solution, comprising both business functions and the Contractor System components, including federal drug rebates, State supplemental rebates and value-based agreements, and services for all covered outpatient drugs administered for FFS and managed care Clients.

B. Executive Director Certification: If the process to award the contract, contract extension, or procurement did not comply with the requirements of Subsection 1 a and b, provide an explanation for the alternative process utilized, legal justification for the alternative process.

N/A

C. Risk Statement: Statement of the importance of the contract to the agency or institution of higher education, and risk to the agency or institution if the parameters of the solicitation or contract are not met within the specified time frames.

If the parameters of the solicitation or contract are not met within the specified time frames, it may impact

successful implementation of the transition from incumbents vendors to Gainwell and the ability to provide all VDP services for FFS claims adjudication, rebates (an approximate cost of \$2 billion in lost revenue), Retro DUR services, PDL services.