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Department of Vermont Health Access

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**Changes at Vermont Health Connect Announced**

**WINOOSKI, VT** – Chief of Health Care Reform Lawrence Miller today announced a number of changes at Vermont Health Connect, including the transition of remaining development work from CGI to a new vendor and a new management structure to ease frustrations for Vermonters affected by change of circumstance issues.

"The successes we have had enrolling tens of thousands of Vermonters through Vermont Health Connect do not minimize the challenges we face in completing this project," Miller said. "For many, Vermont Health Connect works as it should. For others, the system is still failing them and causing deep frustration. That is unacceptable to me, and we will explore every option and take every step to make this system work for all Vermonters. Today's changes are steps in that direction and more can be expected in the coming weeks."

The State and CGI have reached an agreement to reduce the scope of the existing contract and transition remaining work to a new vendor. Under the terms of the agreement, the State will pay only for services completed and all outstanding penalties and holdbacks imposed by the State over the last few months will be applied and resolved. CGI will be paid \$9.7 million through September 20, 2014 for completed work. To date, the State has paid CGI \$57 million of the \$83 million contract. Funding for the exchange is 97% federal. Coming to these agreements was done in close coordination and with the full support of Centers for Medicare and Medicaid Services (CMS), the State's federal funding partner.

As part of the transition, the State is engaged with Optum to finalize agreements for any services not currently covered in the State's existing contract with the company, which was brought on several weeks ago. Any amendment to this contract will require approval of CMS.

Miller also announced today the separation of the operations and development divisions at Vermont Health Connect, which will allow the operations team to focus on improving the day-to-day business of running the exchange and improve the customer experience for Vermonters. The Governor has made clear that he wants help for Vermonters struggling with change of circumstance to be the number one priority of the operations division, regardless of the status of the technology.

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