

CHANGE ORDER FORM

CHANGE ORDER NO. ONE (1) to Amended and Restated Human Resources Outsourcing Contract No. DMS-14/15-011 dated as of 12/22/2020 (Contract) by and between the STATE OF FLORIDA, DEPARTMENT OF MANAGEMENT SERVICES (Department) and NorthgateArinso, LLC (Service Provider) is hereby amended effective July 1, 2022, as follows:

1. Description of Changes:

Sections 110.123 and 110.12313, Florida Statutes (F.S.), were amended during the 2022 legislative session, pursuant to Chapter 2022-160, Laws of Florida (House Bill 5009), regarding eligible former employees. Service Provider has agreed to provide IT development related to these statutory changes by reprogramming the existing insurance benefits eligibility components, building new custom eligibility components, modifying existing system-generated notifications, and developing new system-generated notifications for eligible former employees within the People First system.

Service Provider will help ensure that eligible former employees, as defined by Chapter 2022-160, Laws of Florida, will be able to utilize the system to continue receiving health coverage under the State Group Insurance Program (SGIP), with access to the same health plans as active employees, given the following parameters and limitations set forth below:

- a. Eligible former employees must have been enrolled in the SGIP for at least six cumulative years of service in a full-time (1.0) FTE position (excludes Other Personal Services (OPS) positions) with any SGIP participating employer and enrolled in the SGIP at the time of separation to be eligible to continue coverage.
- b. Eligible former employees must have been employed in a salaried full-time (1.0) position with a participating employer at the time of separation.
- c. Eligible former employees must separate from employment on or after 7/1/2022 while enrolled in a SGIP health plan.
- d. Eligible former employees will have 24 months following separation to enroll in health coverage and can leave and reenter multiple times within 24 months. If an eligible former employee leaves the SGIP after 24 months, they will not be eligible to re-enroll in coverage as an eligible former employee.
- e. Eligible former employees must be enrolled in SGIP health coverage at the time of separation and are eligible to continue with the same health insurance coverage and premium payment conditions provided to covered early retirees, except for life insurance and flexible spending account plans. . Changes to coverage may be elected during the annual open enrollment period. (same as COBRA and Retirees)
- f. Coverage is either prospective from the date of election or retroactive to the date of separation, but not before 9/1/2022, if all back premiums are paid at the time of enrollment.

- g. Enrollment information will be provided by People First upon the termination of employment, similar to COBRA.
- h. Once termination occurs, no employer nor employee contributions to Health Savings Accounts will be made for eligible former employees enrolled in the High Deductible Health (HDHP) plan.
- i. Eligible former employees who terminate prior to age 65 will be treated similarly to early retirees aging into Medicare (i.e., the month they turn 65, their health coverage is automatically converted to a secondary payor, with Medicare Part B as the primary payor).
- j. Dental, vision, life, and supplemental health plans are either not eligible for continuation as an eligible former employee or can be continued under COBRA as applicable.

2. **Implementation Activities and Timeline:**

The Service Provider commenced work related to eligible former employees in the Fiscal Year 2021-22 due to the significant amount of programming required to comply with the legislation implementation date of July 1, 2022, however, the work has not been completed. During Fiscal Year 2022-23, the Service Provider will continue to reprogram the existing insurance benefits eligibility components, build new custom eligibility components, modify existing system-generated notifications, and develop new system-generated notifications for eligible former employees.

3. **Impact to Contract:**

There are no changes to the provisions of the contract for this change order.

4. **Resource and Cost Estimation:**

The anticipated cost to implement the required system changes and notices was estimated to cost approximately \$321,640.00, as outlined below (1,892 hours x \$170/hr). This includes the cost to reprogram the existing insurance benefits eligibility components, build new custom eligibility components, modify existing system-generated notifications, and develop new system-generated notifications for eligible former employees.

Of the estimated 1,892 hours, the Service Provider completed 640 hours of work during the Fiscal Year 2021-22 (April 19, 2022 – June 30, 2022) as outlined below implementing changes associated with eligible former employees. These hours were deducted from the Department's Fiscal Year 2021-22 System Enhancement Hours available balance (as defined in Section 4.8 of the Contract).

Pursuant to this Change Order, for Fiscal Year 2022-23 the Department will pay Service Provider \$310,000.00 (from appropriation Line Item #2849 in the Fiscal Year 2022-23 General Appropriations Act) to complete the remaining IT development work associated with eligible former employees in Fiscal Year 2022-23 as set forth below. With these appropriated funds, the Service Provider will immediately provide the Department with an

additional 571 System Enhancement Hours to supplement the Department's current balance of System Enhancement Hours. These System Enhancement Hours are to be utilized by the Department pursuant to Section 4.8 of the Contract.

Resource	Tasks/Considerations	Hours
Functional Analysis	<ul style="list-style-type: none"> • Create/update functional design documentation • Resolve any discrepancies in documentation and finalize for DMS signature. • Support Development • Support Quality Assurance • Support UAT • Implementation support • Post-implementation activities • Release notes 	Fiscal Year 21/22- 115 Fiscal Year 22/23 - 305 420 hours total
Development: SAP	<ul style="list-style-type: none"> • ABAP changes • Unit testing of development changes • Code review/walkthrough • Documentation • Support Quality Assurance • Support UAT • Production verifications 	Fiscal Year 21/22– 445 Fiscal Year 22/23 - 573 1,018 hours total
Development: DW / BOBJ	<ul style="list-style-type: none"> • DW / BOBJ changes • Unit testing of development changes • Code review/walkthrough • Support Quality Assurance • Support UAT • Production implementation • Production verifications 	Fiscal Year 21/22 – 0 Fiscal Year 22/23 – 44 44 hours total
Quality Assurance	<ul style="list-style-type: none"> • Scenario identification • Scenario walkthrough with Functional Analyst • Test Execution • Test Documentation • ALM updates • UAT support • Complete QA checklists 	Fiscal Year 21/22 – 70 Fiscal Year 22/23 - 308 378 hours total
Project Management / Team Lead	<ul style="list-style-type: none"> • Project Management support throughout all project phases. • Release management • ALM updates • STAR resource allocation • Implementation/post-migration support and validation • Release notes 	Fiscal Year 21/22 – 10 Fiscal Year 22/23 – 22 32 hours total

Resource	Tasks/Considerations	Hours
	<ul style="list-style-type: none"> Workbook update ROM workflow and SE log 	
Total		Fiscal Year 21/22 – 640 Fiscal Year 22/23 – 1,252 1,892 Hours Total

Services	Fees/ Hour
+IT Development	\$170

5. Risk Exposure:

Not implementing these changes could jeopardize the State of Florida's compliance with changes made to Sections 110.123 and 110.12313, Florida Statutes (F.S.), during the 2022 legislative session pursuant to Chapter 2022-160, Laws of Florida (House Bill 5009).

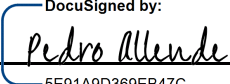
6. Other Information

N/A

Except as otherwise specifically provided herein, all other terms and conditions of the Contract remain unchanged. This Change Order shall constitute an integral part of the Contract following its execution and delivery.

IN WITNESS WHEREOF, the Parties have duly executed this Change Order effective on the last date of execution.

Department of Management Services

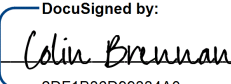
By: 
DocuSigned by: 5E91A9D369EB47C...

Name: Pedro Allende

Title: Secretary

Date: 8/23/2022 | 10:26 AM EDT

NorthgateArinso, LLC. (Service Provider)

By: 
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Name: Colin Brennan

Title: Chief Customer Officer

Date: 8/18/2022 | 5:08 PM CDT