



Texas Department of Insurance
Purchase Order # 45400 16-0165

Payment Terms: **NET30** Freight Terms: **FOB Destination** Ship Via: **VNDR** PCC: **G** Date: **09/01/15** PO Method: **DG** Dispatch: **Dispatch Via Print** Rev Dt:

PLEASE NOTE: ADDITIONAL TERMS AND CONDITIONS ARE LISTED AT THE END OF THE PURCHASE ORDER.

Vendor: TexHealth Central Texas Inc
 Suite 131
 2800 S IH 35
 Austin TX 78704-5712
 United States

Ship To: 2H0002
 United States

Vendor ID: 1264412420

Purchaser: Denise Walch
Phone: 512/676-6153
Fax: 512/463-6159
Email: denise.walch@tdi.texas.gov

Bill To: Attn: Acctng - Mail Code 108-3A
 P. O. Box 149104
 Austin TX 78714-9104
 United States

Fax:
Email: Invoices@tdi.texas.gov

PO Information:

FY16 PO issued to TexHealth Central Texas, affiliated with a political subdivision of the State of Texas, in accordance with Request for Applications (RFA) 454-16-03118, for Contract No. 454-16-0165-17, which was competitively awarded in response to the RFA.

Contract Period: September 1, 2015, through August 31, 2017. There are NO RENEWAL OPTIONS on this contract, as per HB 1, of the Appropriations Act, Texas Three-Share Premium Assistance Program Grant funds must be competitively solicited every two (2) years.

Contract Services: The Grantee is awarded grant funds for the sole purpose of providing third-share premium assistance to eligible members in accordance with their approved Statement of Work and the final Budget Detail Documents approved.

Section III. of Contract (CONSIDERATION)

3.01. CONTRACT LIMIT AND FEES AND EXPENSES. (a.) The total amount of grant funds available and awarded under this Contract are subject to section 1.1.4, Eligible Use of Funds and Amount of Available Funds, of the RFA and are dependent upon the fines, penalties, and sanctions (fines) from regulated entities except for workers compensation and this award shall not exceed fines collected in each fiscal year (FY) of the Contract Term.

Fees to be paid under this Contract during the Fiscal Year 2016 shall not exceed ONE MILLION, TWO HUNDRED THIRTEEN THOUSAND THREE HUNDRED NINETY-THREE AND NO HUNDREDTHS DOLLARS (\$1,213,393.00).

Fees to be paid under this Contract during the Fiscal Year 2017 shall not exceed ONE MILLION, SIX HUNDRED SEVENTY-FIVE THOUSAND SEVEN AND NO HUNDRETHS DOLLARS (\$1,675,007.00).

(b.) In the event fine collections in either fiscal year are below the possible \$1.5 million, this award will be reduced accordingly. Should a gap in funding occur as the result of lack of fines collected, grantee must suspend all new enrollment for members eligible for TDI grant funding until funds become available.

(c.) The total amount of fees to be paid under this Contract shall be in accordance with the revised Attachment 2 Budget Detail Document, submitted on August 14, 2015, and attached hereto and incorporated herein for all purposes. Monthly payments of Third-Share Premium Subsidy shall not exceed monthly amounts projected in the revised Attachment 2 Budget Detail Document, submitted on August 14, 2015.

Any changes to the budget set forth in Attachment 2 Budget Detail Document, shall be submitted to TDI for review and shall be approved by amendment to this Contract.

(d.) At any time, TDI may adjust the Contract, in whole or in part, with thirty (30) days notice to Contractor. Adjustments shall be in accordance with the revised Attachment 2 Budget Detail Form, submitted on August 14, 2015, and shall be documented by amendment to this Contract.

Section 3.02 of the Contract (PAYMENTS TO CONTRACTOR).

Authorized Signature

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(a.) Payments to Contractor will be made in accordance with section 2.4, Payment Requirements and Changes in Plan of Operations of Selected Respondents, section 2.5, Monthly Request for Payment, and section 2.6, Payment and Required Documentation in Support of Payment, of the RFA and in accordance with the Texas Government Code, Chapter 2251, Texas Prompt Payment Act. An invoice is considered received on the date it is date stamped by TDI. Contractor will be paid for completion of work accepted and approved by TDIs Contract Administrator or his/her designated representative.

(b.) Contractor shall invoice TDI for work performed by vendor identification number, building, and purchase order number. Invoices must include the purchase order number and contract number. Address for submission is: Texas Department of Insurance, Accounting Mail Code 108-3A, P.O. Box 149104, Austin, Texas 78714-9104; or by email: invoices@tdi.texas.gov.

Section IV of the Contract (STATE FUNDING)

4.01. STATE FUNDING. It is understood that all obligations of TDI hereunder are subject to the availability of state funds. If such funds are not appropriated or become unavailable, this Contract may be terminated or reduced accordingly.

Additionally, in House Bill 1, the 84th Texas Legislature instructed TDI to create a competitive grant Three-Share Premium Assistance Program. A Three-Share Premium Assistance Program is an insurance or health care coverage funding program that requires coverage costs to be funded by three separate parties. Coverage costs are generally shared by an employer, an employee, and a third entity, which is often a local government organization. Chapter 75 of the Texas Health Safety Code establishes regional and local health care programs to operate the TSPAPs. The purpose of such a funding structure is to reduce the enrollees cost of insurance or health care coverage by distributing the cost among three parties rather than just the two parties (employer and employee) that traditionally pay for employment-based coverage.

Funding under this Contract is available from general appropriations and from the collection of fines, penalties, and sanctions.

In creating this program, the 84th Legislature, Regular Session, specified in Rider 14 of article VIII of House Bill 1 that \$444,866 in State fiscal years (FY) 2016 and 2017, may be used for the research, planning, development, and continuation of TSPAPs, to increase access to private healthcare coverage for the uninsured and to provide technical assistance to grant recipients.

The Legislature also provided that out of funds collected from regulated entities except for workers compensation for fines, penalties, and sanctions and deposited to General Revenue, the Texas Department of Insurance is appropriated, out of amounts collected in excess of those contained in the Comptroller's Biennial Revenue Estimate (estimated to be \$0), an amount not to exceed \$1,500,000 in each year of the biennium for the Three-Share Premium Assistance Program. Available funds are limited to those collected by TDI at the time selected Applicants submit any requests for reimbursement.

In addition, any unexpended and unobligated balances of TSPAP grant funds remaining from the state fiscal year ending August 31, 2015, are available for use in FY 2016.

Grantee Contacts:

Mr. Jim Rodriguez, President CEO
Ph. (512) 524-2618
Email: jrodriguez@texhealthct.org

TDI Contacts:

Kim Johnson, Program Manager
Ph. 512-676-6614
Email: kim.johnson@tdi.texas.gov

Meaghan Bludau, Contract Monitor
Ph. 512-676-6160
Email: Meaghan.Bludau@tdi.texas.gov

INVOICES: All invoices should be mailed electronically to: invoices@tdi.texas.gov

Kim Johnson should be copied on the email transmission. Kim Johnson will review invoices for accuracy, completeness of information, compliance to approved Budget Detail documents, and all necessary supporting documentation prior to approving for payment.

To ensure prompt payment, the invoice must include the above-referenced information on it: (1). PO Number, (2). the above-referenced Vendor ID Number, and (3). any other supporting documentation requested by the Program area that will confirm that services have been performed. Failure to comply may cause a delay in the payment process or cause invoice to be returned.

Authorized Signature

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Line-Sch	Line Description	Class/Item	Quantity	UOM	Unit Price	Extended Amt	Due Date
1- 1	TexHealth Central Texas Three-Share Plan for FY2016. Contact Kim Johnson or Denise Walch for details. (See PO #7639)	953/52	1.0000	EA	858119.00000	858119.00	10/20/2015
						Schedule Total	<input type="text" value="858119.00"/>
						<u>ReqID:</u> 0000013120	
These funds to come from Rider 14 FY 2016 Appropriations and Unexpended FY 2015 Fines						Item Total for Line # 1	<input type="text" value="858119.00"/>
						Total PO Amount	<input type="text" value="858119.00"/>

All Shipments, Shipping papers, invoices and correspondence must be identified with our Purchase Order Number. Overshipments will not be accepted unless authorized by Buyer prior to Shipment.

Terms and Conditions:
 The Purchase Order Terms and Conditions can be found at:
<http://www.tdi.texas.gov/general/aspurch.html>

Authorized Signature

10/20/2015