



**DEPARTMENT OF GENERAL SERVICES  
OFFICE OF STATE PROCUREMENT  
ACTION AGENDA  
August 7, 2024**



**SUPPLEMENTAL**

**REVISED**

**2<sup>nd</sup> Revision**

*Contact: Alison Barry 603-203-9095  
alison.barry@maryland.gov*

**48-IT-OPT/MOD      INFORMATION TECHNOLOGY OPTION/MODIFICATION  
*RETROACTIVE Department of Health, Medicaid Provider Services***

**Recommendation:** That the Board of Public Works approve the award of the following Task Orders/Purchase Orders under previously approved Master Contracts.

**Authority:** State Finance and Procurement Article,  
Annotated Code of Maryland, § 13-113; COMAR 21.05.13.06

**Procurement Method:** Task Order/Purchase Order under Master Contract

<b>1.0</b>	<b>Master Contract:</b>	<b>Consulting and Technical Services Plus (CATS+)</b> Contract No. 060B2490023
	<i>Approved:</i>	DoIT Item 3-IT (4/3/2013)
	<i>Term:</i>	4/22/2013 – 4/21/2028

**1.1 Using Agency:** Maryland Department of Health-Medicaid Provider Services

**Description:** Long Term Supports and Services Systems (LTSS) Software Development and Business Process Support (MDH/OCMP: 20-18355/COK53503) Provides technical solution to meet the care management and billing needs for several Medicaid Home and Community Based Service programs. MDH's continued development of LTSS Maryland has improved the Department's ability to meet its goals of providing quality service and improving business efficiency by modernizing business processes and increasing coordination across state agencies.

**Recommendation #1 Option Description:** Approve the second renewal option and modify the scope to maintain the contractor's ability to take on additional projects required by the Department in the amount of \$8,092,060

**Recommendation #2 Modification Description:** This modification extends the expiration date which increases the contractual value for the option by \$51,900,535 for a total amount of \$59,992,595.

<b>Award:</b>	FEI Systems; Columbia, Maryland
<b>Original Term:</b>	8/1/2020 - 7/31/2023 (w/two 1-year renewal options)
<b>Option Term:</b>	8/01/2024 - 8/08/2024 ( <b>Retroactive</b> ) 8/09/2024 - 7/31/2025 (Proactive)
<b>Modification Term:</b>	8/01/2025 - 4/30/2026



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**48-IT-OPT/MOD INFORMATION TECHNOLOGY OPTION/MODIFICATION (cont'd)**

**1.1 (cont'd)**

<b>Original Amount:</b>	\$23,703,720.00
<b>Option Amount:</b>	\$ 600,000.00 (Retroactive)
	\$ 7,492,060.00 (Proactive)
	\$ 8,092,060.00
<b>Modification Amount:</b>	\$51,900,535.00
<b>Prior Options/Mods:</b>	\$62,016,040.00
<b>Total Contract Amount:</b>	\$145,712,355.00
<b>Percent +/- Change:</b>	+253.09%
<b>Overall Percent Change:</b>	+514.72%
<b>MBE/VSBE Participation:</b>	5% / N/A
<b>MBE/VSBE Compliance:</b>	4.96%
<b>Resident Business:</b>	Yes
<b>Fund Source:</b>	90% Federal, 10% DoIT General Funds

**Agency Remarks:** Retroactive approval will allow FEI Systems to continue to provide the Department with the necessary services to meet State, federal, and program needs by maintaining its development capacity for the LTSSMaryland system to include certain enhancements identified in the contract based on LTSSMaryland's ongoing success in onboarding new programs, functionality, and delivering a consistent and stable application.

Increased capacity is required to meet new federal requirements as well as meet the expanding needs of the Medicaid fee-for-service program. These projects include expansion of Medicaid Home and Community-Based services, federal and State reporting requirements, system security updates, as well as the enhancement of the application and existing programs.

MDH continues to work diligently to avoid retroactive activities and to be proactive in its procurement practices. Due to a paperwork error, this item was not submitted in time to avoid retroactivity. The Department has begun initiation of contract activities for the upcoming renewal of this project to avoid future retroactive activity.



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**48-IT-OPT/MOD    INFORMATION TECHNOLOGY OPTION/MODIFICATION (cont'd)**

*DGS OSP Remarks: RETROACTIVE* approval requested pursuant to § 11-204( c) State Finance & Procurement Article. DGS OSP has determined that this contract should be treated as voidable rather than void because: (1) all parties have acted in good faith; (2) ratification for the procurement contract would not undermine the purposes of the Procurement Law; and (3) the violation, or series of violations, was insignificant or otherwise did not prevent substantial compliance with the Procurement Law.

<b>BOARD OF PUBLIC WORKS ACTION</b>		<b>THIS ITEM WAS:</b>	
<b>APPROVED</b>	<b>DISAPPROVED</b>	<b>DEFERRED</b>	<b>WITHDRAWN</b>
<b>WITH DISCUSSION</b>		<b>WITHOUT DISCUSSION</b>	