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WV PURCHASING  
DIVISION

*West Virginia Department of Health  
and Human Resources*

**Medicaid Enterprise Data Solution**

**RFP EDS HHR2000000001**

**Best and Final Offer (BAFO) Proposal**

August 10, 2020

Submitted by:  
IBM Watson Health  
Jon Newpol  
Vice President, North America  
Government Health and Human Services  
100 Phoenix Drive  
Ann Arbor, MI 48108  
(734) 913-3404  
jnewpol@us.ibm.com

August 10, 2020

Ms. Brittany Ingraham  
Senior Buyer  
Department of Administration, Purchasing Division  
2019 Washington Street East  
Charleston, WV 25305-0130

RE: Request for Best and Final Offer (BAFO) for RFP EDS HHR200000001

Dear Ms. Ingraham:

IBM Watson Health is pleased to provide the accompanying response to the Department's request for Best and Final Offer relating to the above referenced Request for Proposal. Should you have any questions, please contact me at your convenience.

Sincerely,



Jon Newpol, Vice President  
IBM Watson Health, Government Health and Human Services

Modification and Enhancement Services

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8
Hours	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000
Hourly Rate	\$ 100.00	\$ 103.00	\$ 106.00	\$ 109.00	\$ 112.00	\$ 116.00	\$ 119.00	\$ 123.40
Total Cost Per Year	\$ 2,500,000.00	\$ 2,575,000.00	\$ 2,650,000.00	\$ 2,725,000.00	\$ 2,800,000.00	\$ 2,900,000.00	\$ 2,975,000.00	\$ 3,085,000.00

Total Modification and Enhancement Services Cost for Life of Contract	\$ 22,210,000.00
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1. The vendor shall provide an hourly rate for modifications and enhancement services for each contract year.
2. The vendor shall calculate the total cost per year in cells B5 through I5, by multiplying the hourly rate for each respective year by 25,000.
3. The vendor shall provide in cell B7 the sum of cells B5 through I5 to provide the total contract cost associated with modifications and enhancements.
4. The total modification and enhancement cost shall be added to the vendor's originally submitted cost bid to arrive at the total cost.
5. Hours provided are for cost estimate purposes only.

Vendor: International Business Machines Corporation (IBM)

Signature:  \_\_\_\_\_

Date: 8/10/2020