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REQUEST FOR PROPOSAL FOR
AN ADMINISTRATOR FOR THE
NEW YORK STATE MEDICAL INDEMNITY FUND

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NEW YORK STATE MEDICAL INDEMNITY FUND

IF YOU ARE NOT BIDDING, PLACE AN "X" IN THE APPROPRIATE BOX AND RETURN THIS PAGE ONLY TO THE ADDRESS SET FORTH IN THIS LETTER:

WE ARE UNABLE TO BID AT THIS TIME BECAUSE _____

WE REQUEST REMOVAL OF OUR NAME FROM THE MAILING LIST FOR _____

NAME OF COMPANY: _____

PRINTED OR TYPED NAME: _____

TITLE: _____ DATE: _____

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REQUEST FOR PROPOSAL FOR

TITLE: New York State Medical Indemnity Fund Administrator

DATE: November 4, 2015

TIMETABLE OF KEY EVENTS:

Event:	Date:
➤ RFP Issue Date	11/04/15
➤ Deadline for Questions Round 1	11/18/15
➤ Deadline for Questions Round 2	12/02/15
➤ Deadline for Receipt of Proposals	01/06/16

Submission Of Proposal

Enclosed is a REQUEST FOR PROPOSAL on the above. Firms interested in being considered for this engagement should deliver six (6) proposals with original signed cover letters (signed by an individual authorized to represent the firm) to:

Mr. Steven McClellan
Office of Financial Management
New York State Department of Financial Services
One Commerce Plaza, Suite 1850
99 Washington Avenue
Albany, NY 12257
(518) 474-6848

Proposals must be delivered in their entirety by 4:00 p.m. Eastern Time on the date specified above as the Deadline for Receipt of Proposals. Proposals received in whole or in part after 4:00 p.m. Eastern Time on the date specified above shall not be considered. Those proposals that do not furnish all of the information requested herein may not be considered. The Department reserves the right to reject any and all proposals if, in its judgment, the work proposed will not accomplish the objectives of this project or does not meet all of the requirements of this Request for Proposal.

Electronic or fax submissions will not be accepted.

In order to expedite the selection process, proposals must also include the firm’s full name, address, telephone and fax numbers, e-mail address and federal tax identification number. Your bid envelope must be clearly marked “BID NO. C000431, DO NOT OPEN UNTIL JANUARY 6, 2016.

An Agreement will be entered into with only one Bidder.

Should you have any questions, please contact Mr. Steven McClellan at rfp@dfs.ny.gov.

New York State Department of Financial Services
Preamble

The information contained herein should be used for the sole purpose of responding to this request.

This Request for Proposal (RFP) is not an offer and does not commit the New York State Department of Financial Services (the "Department") to a contract/agreement. Furthermore, the Department is not under any obligation to pay the costs, in whole or in part, incurred during the preparation of a response to this RFP.

The Department reserves the right to accept or reject any and all proposals; to correct any computational errors in the proposal(s); to utilize any or all ideas from the proposals and to adopt all or any part of the proposal(s) submitted. All proposals shall become the property of the Department.

As an agency of the State of New York, all responses submitted to the Department may be disclosed pursuant to requests for access made under the New York Freedom of Information Law (FOIL) provided, however, that there are no statutory restrictions that may exempt documents from FOIL disclosure. All work products described herein may also be subject to FOIL disclosure.

The State does not indemnify Contractors/Vendors.

Section 1. Introduction

The New York State Department of Financial Services (“Department”) is soliciting proposals to procure a responsive and responsible contractor to administer the New York State Medical Indemnity Fund (“Fund”). This procurement is being undertaken in accordance with New York State Finance Law, Article XI.

The contractor selected through this RFP will work to provide all necessary services stipulated herein

1.1 Definitions

Unless further defined below, terms have the meanings set forth in Appendix B.

The term “Agreement” in this RFP shall mean the contract entered into between the Department and the selected Bidder.

The term “Applicant” shall mean a plaintiff or person authorized to act on behalf of such person, or any of the defendants in regard to an underlying malpractice action, who submits an application for enrollment to the Fund.

The term “Bidder” in the RFP shall mean those companies or individuals who respond to the Department’s request for solutions to its present needs.

The term “Birth-Related Neurological Injury” means an injury as defined in 10 NYCRR § 69-10.1(c).

The term “Commissioner” shall mean Commissioner of the New York State Department of Health.

The term “Contractor” in this RFP shall mean the selected provider whose name and principal address appear on the proposal and signature page.

The term “Department” shall mean the Department of Financial Services.

The term “Enrollee” shall mean a person defined in 10 NYCRR § 69-10.1(1)

The term “Fund” shall mean the New York State Medical Indemnity Fund established pursuant to Title 29-D, Article 4 of the New York State Public Health Law.

The term “Qualifying Health Care Costs” mean the costs set forth in 10 NYCRR § 69-10.1(z).

The term “Superintendent” shall mean the Superintendent of the Department of Financial Services.

1.2 Purpose

Chapter 59 of the Laws of 2011 amends Article 29-D of the Public Health Law to establish the New York State Medical Indemnity Fund (the “Fund”). The purpose of the Fund is to provide a funding source for future health care costs associated with birth-related neurological injuries.

The purpose of this procurement is to obtain a Fund Administrator to handle day-to-day Fund operations, including claims administration, pharmacy benefits, case management and prior approval of certain claims. The successful bidder will be expected to:

- Operate the Fund in accordance with Article 29-D of the Public Health Law and the regulations promulgated thereunder, 10 NYCRR § 69-10, including any amendments thereto. The regulations are available on the Department of Health’s website at www.health.ny.gov/regulations/medical_indemnity_fund;
- Develop an electronic and manual enrollment process including developing application forms in English and non-English languages;
- Review application materials and verify eligibility for the enrollment in the Fund;
- Provide an effective data reporting system regarding enrollments, claims activities and any other information as required by the Department;
- Provide case management services, with sufficient staffing to ensure that a comprehensive case management plan is prepared for each Enrollee;
- Produce written informational materials for Enrollees, including a handbook and any forms necessary for use by Enrollees, describing the Fund in English and non-English languages, to be approved by the Department;
- Establish a toll-free telephone number for potential Applicants, Enrollees and other parties with questions about the Fund, during business hours and an automated voice message system for non-business hours;
- Assist the Department in updating and maintaining content on a website in English and non-English languages, that among other things allows Applicants and Enrollees to download forms and to submit reimbursement requests and email questions;
- Provide assistance to those Applicants and Enrollees, including those who are not fluent in English, in completing applications and claims forms, including answering questions on the process required to file claims and the supporting documentation that must be submitted with a claim;
- Establish a process for responding to written correspondence;

- Perform all aspects of claims administration, including the receipt and review of claims; the determination of whether such claims are Qualifying Health Care Costs, whether such claims meet the requirements for payment pursuant to the regulations governing the Fund, and the proper rates to pay such claims pursuant to such regulations; and issuance of explanation of benefits statements (EOBs);
- Provide pharmacy benefit management services and claims processing;
- Receive and review prior approval requests for non-routine expenditures, as set forth under 10 NYCRR 69-10.6, to determine whether all of or any portion of the request is a Qualifying Health Care Cost, and whether the documentation submitted with the claim meets the requirements of the regulations governing the Fund.
- Accept and review evaluations and assessments that are required by the regulation for certain claims, including review for completeness, scope, clarity, compliance with the applicable regulation and correctness of conclusions;
- Notify the Department as to any claims that are potentially fraudulent and assist the Department in the audit and investigation of such claims;
- Prepare certifications to the New York State Commissioner of Taxation in accordance with Public Health Law § 2999-j(8);
- Submit an electronic weekly claims register identifying claims for payment and supporting documentation for each claim to the Department (such as copies of invoices) in a format acceptable to the Department;
- Create such statistics and other records and reports regarding the operation of the Fund, including claims histories, as shall be required by the Department; and
- Any and all services necessary to carry out the purposes and operation of the Fund, including services requested by the Department.

1.3 Contract Period

It is the Department's intent to award a contract effective August 1, 2016 at which time the Contractor will work with the prior fund administrator and the Department in order to effectuate an orderly transition. The contract resulting from this RFP shall be for a period of five (5) years beginning on the date of approval by the New York State Office of the State Comptroller, or August 1, 2016, whichever is later.

1.4 Background

The New York State Department of Financial Services, created by combining the New York State Banking and Insurance Departments, aims to modernize regulatory oversight of the financial services industry. Department objectives include enhancing New York's status as the world's financial center, vigorously protecting consumers,

and preventing systemic risk.

The Superintendent, in order to better supervise financial products and services, including those subject to the provisions of the Insurance Law and the Banking Law may take any actions necessary to:

- foster the growth of the financial industry in New York and spur state economic development through judicious regulation and vigilant supervision;
- ensure the continued solvency, safety, soundness and prudent conduct of the providers of financial products and services;
- ensure fair, timely and equitable fulfillment of the financial obligations of such providers;
- protect users of financial products and services from financially impaired or insolvent providers of such services;
- encourage high standards of honesty, transparency, fair business practices and public responsibility;
- eliminate financial fraud, other criminal abuse and unethical conduct in the industry; and
- educate and protect users of financial products and services and ensure that users are provided with timely and understandable information to make responsible decisions about financial products and services.

The Department has main offices in New York City and Albany. The total staff is nearly 1,400.

The Medical Indemnity Fund (the Fund) was created as an amendment to Article 29-D of the New York Public Health Law in 2011. The purpose of the Fund is to provide a funding source for future health care costs for certain persons with birth related neurological injuries, in order to reduce premium costs for medical malpractice insurance coverage.

Information about the Fund can be found on the Department of Financial Services Fund web page (www.dfs.ny.gov/insurance/mif). Regulations governing the administration of the Fund have been issued by the Commissioner of Health in consultation with the Department. The regulations are set forth in 10 NYCRR § 69-10 and are available at www.health.ny.gov/regulations/medical_indemnity_fund.

The Fund will pay for those Qualifying Health Care Costs that are actually incurred by the Enrollee, and which the Enrollee's physician, physician assistant or nurse practitioner has determined are necessary to meet the Enrollee's health care needs. Such costs include those incurred for: medical treatment, hospital-based care, including surgical care, nursing care, dental care, prescription and non-prescription

medication, durable medical equipment, assistive technology, certain home and vehicle modifications, and other health care costs related to services, supplies, equipment and medication utilized by Enrollees.

Once a person is enrolled in the Fund, that person remains enrolled for their lifetime. Enrollment statistics:

- As of September 15, 2015, the Fund has approximately 326 active Enrollees.
- 272 Enrollees reside in New York State.
- 45 reside in other states; and
- 3 reside outside of the United States.

Enrollment by Quarter Since 2013				
	Q1	Q2	Q3	Q4
2013	5	30	26	9
2014	19	25	20	19
2015	27	32	16	

The number of claims processed in 2014 was approximately 29,100. The number of claims processed during the first quarter of 2015 was approximately 10,500. These numbers do not include claims for prescription drugs. The number of pharmacy claims paid by year is as follows: 1,271 (2013); 2,585 (2014); and 3,394 (through September 2015).

Section 2. Contractor Responsibilities and Technical Requirements

This section sets forth the contractor responsibilities and technical requirements for this RFP.

2.1 Contractor Responsibilities

The Bidder’s proposal must describe in detail how the Bidder will meet each of these requirements and responsibilities. The Contractor will be required to carry out the following responsibilities while complying with Executive Order No. 26, entitled “Statewide Language Access Policy,” attached hereto as Appendix L.

(a) Enrollment

- (1) The Contractor shall develop a process for enrollment in the Fund, including developing application forms in English and non-English languages, in consultation with the Commissioner and with approval of the Department

- (2) The Contractor shall accept applications for enrollment in the Fund from persons acting on or behalf of a plaintiff or such other person authorized to submit an application as specified in the regulations. The Contractor shall reasonably accommodate a request for assistance in completing applications.
- (3) The Contractor shall review each application along with any documents submitted by the Applicant to determine eligibility to enroll in the Fund, pursuant to the requirements of 10 NYCRR § 69-10, and request any additional information within fifteen (15) business days of the receipt of the application. Upon making a determination as to the eligibility of an Applicant for enrollment the Contractor shall: (i) notify the persons authorized to act on behalf of the Applicant, (ii) assign the Enrollee a case manager, (iii) provide the Enrollee with the case manager's name and contact information, and (iv) provide the Enrollee with an enrollment card that contains a unique identification number ("enrollee identification number").
- (4) If, due to a suspension of new enrollment pursuant to 10 NYCRR § 69-10.20, the Fund is not accepting new Enrollees, the Contractor shall create a notice of the suspension to be posted on the Fund website and also notify each Applicant, in writing, of the suspension.

(b) Claims Administration

- (1) The Contractor shall develop and/or update claim forms in consultation with the Commissioner and the Department, for Enrollees and providers in both manual and electronic form.
- (2) Claim forms shall be made available at a minimum in English and in non-English languages. The Contractor shall reasonably accommodate requests for assistance in completing claim forms.
- (3) The Contractor shall utilize an electronic claims processing system and allow claims to be submitted in electronic and paper form.
- (4) The Contractor shall review claims and determine whether such claims are proper Qualifying Health Care Costs.
- (5) The Contractor shall provide pharmacy benefit management services, including administering and processing pharmacy claims in accordance with applicable laws and regulations.
- (6) The Contractor shall determine the appropriate rate of payment for the type of claim submitted under 10 NYCRR § 69-10.21 as follows:

- Physicians providing qualified services to Enrollees shall be paid the usual and customary charges based on data provided by FAIR Health, Inc. FAIR Health, Inc. is an independent, not-for-profit corporation. The Contractor shall procure the necessary license from FAIR Health, Inc. no later than the effective date of the contract.
 - Services, supplies and equipment for which there is a Medicaid fee or rate available must be paid at that fee or rate. No later than the effective date of the contract, the Contractor must also have access to the Medicaid rates, using software or licensing as needed.
 - At the direction of the Department or its designee, the Contractor may be required, in limited circumstances, to negotiate with a provider for acceptable rates of payment.
- (7) The Contractor shall identify those expenses that require prior approval pursuant to 10 NYCRR § 69-10.6, and direct Enrollees in the submission of necessary supporting documentation and in following the procedures required by the regulation. The Contractor shall review prior approval requests to determine whether all of or any portion of the request is a Qualified Health Care Cost and whether the correct process has been followed for approval and payment of the claim.
 - (8) The Contractor shall identify which Qualifying Health Care Costs, with reasonable certainty, may be replaced or indemnified from any collateral source as defined by § 4545 of the New York Civil Practice Law & Rules (“CPLR”), other than Medicaid or Medicare, which are not considered a collateral source for payments by the Fund.
 - (9) The Contractor shall be knowledgeable with coordination of benefit rules between private insurers and make determinations consistent with industry practice as to whether sources of coverage other than the Fund are the primary payers for Qualifying Health Care Costs.
 - (10) The Contractor shall submit on a weekly basis a list of claims approved to be paid including the amounts, name of payee, name of enrollee, type of service, enrollee identification number, and any other information required by the Department. The submission shall be accompanied by supporting documentation such as copies of invoices, approvals, etc. and shall show any adjustments to the amounts paid and reasons therefore.
 - (11) The Contractor shall prepare weekly certifications to the Commissioner of Taxation and Finance in accordance with Public Health Law § 2999-j(8), in a form acceptable to the Department, in order to pay claims within forty-five (45) days of receipt of an acceptable claims form and any necessary

documentation.

(c) Consumer Services

- (1) The Contractor shall make available written informational materials to Enrollees and their representatives in, at a minimum, both English and in non-English languages, describing the nature of the Fund and benefits provided by the Fund.
- (2) The Contractor shall establish a toll-free number for potential Applicants and Enrollees of the Fund five days a week (Monday-Friday) from 8:30 am through 5:00 pm. The number shall be answered by employees who are knowledgeable about matters related to the Fund. The Contractor shall make language interpretation services available for callers to the toll-free number and handled at the call center who are not fluent in English. The Contractor shall make TDD/TTY services available for callers who are hearing impaired. For hours when the toll-free line is not staffed, automated equipment shall be in place to accept messages.
- (3) The Contractor shall assist the Department with maintaining and updating the content of a website, at a minimum, in English and in non-English language. The website shall provide general information about the Fund, including eligibility criteria, the process for enrollment in the Fund, and whether the Fund is open to new Applicants.
- (4) The Contractor shall make the application and claim forms in a format that is downloadable from the website and shall provide information on the submission of application materials and claim forms.
- (5) Provide assistance to those Applicants and Enrollees, including those who are not fluent in English, in completing applications and claims forms, including answering questions on the process required to file claims and the supporting documentation that must be submitted with a claim;
- (6) The Contractor shall acknowledge written correspondence, including e-mail within the next business day.
- (7) The Contractor shall develop a handbook for Enrollees and their families, for approval by the Department. The handbook shall explain what is covered by the Fund, how to access coverage, how to submit claims for payment, which services require prior approval, how to obtain prior approval, how to file a complaint, how to appeal a denial of payment or a denial of prior approval, and any other processes of the Fund that the Department determines to be necessary for inclusion in the handbook. The handbook shall be available in English and non-English languages.

(d) Claims Assistance and Case Management

- (1) The Contractor shall provide adequate staffing for claims assistance manager(s) in accordance with 10 NYCRR § 69-10.3 to answer questions regarding the process and the documentation requirements for making claims; handle complaints from Enrollees; and assist in resolving issues with claims processing or case management.
- (2) Within seven (7) business days of being accepted into the Fund, the Contractor shall provide each Enrollee with the name and contact information for his or her case manager.
- (3) The Contractor shall have sufficient numbers of qualified case management staff to provide case management services to Enrollees of the Fund in accordance with 10 NYCRR § 69-10.4. Some of the duties include assisting with crisis intervention, developing a list of potential providers, verifying services are being received, coordinating with other case managers for an Enrollee, arranging such services as are necessary for the Enrollee, and maintaining records about the Enrollee's progress.

(e) Reports

- (1) The Contractor shall submit monthly reports to the Department containing information such as the total number of Enrollees, claims activity, the number of applications received, approved or denied, and any other information the Department may require.
- (2) The Contractor shall create such statistics and other records regarding the operation of the Fund as shall be required by the Department.

(f) Fraud Prevention and Detection

The Contractor shall have fraud prevention and detection processes, including internal auditing and verification procedures. The Contractor shall promptly notify the Department of any claims that are potentially fraudulent and assist the Department in the audit and investigation of such claims.

(g) Claims Verification

All claims shall be verified by a manager for accuracy prior to submission to the Department for payment. The Contractor shall have in place during the term of its contract with the Department internal control and quality assurance processes including multi-level verification of the accuracy of claims processing of each claims decision. The Contractor shall periodically audit its internal processes to verify that they are functioning accurately. The Contractor shall also promptly notify the Department of any overpayments, duplicate payments

or payments that should have been denied. The Contractor shall notify payees of any overpayments and make reasonable efforts to reclaim any overpayments or adjust future payments to such payees, to the satisfaction of the Department..

(h) Documentation and Data

The Contractor shall maintain electronic record keeping systems that include case management and claims data for each Enrollee, including backup documentation for claims. The system shall be searchable, and shall be capable of producing reports as required by the Department, such as claims histories for an Enrollee, case management histories of an Enrollee, claims histories for a particular type of claim, and other types of summary reports as requested by the Department. The electronic records shall be able to track a claim through the entire process and show adjustments to the amount to be paid and reason therefore.

(i) Information Security

- (1) The Contractor must provide secure and confidential storage for hard copy and electronically stored information, as well as information posted on the Fund website. Under no circumstances will any records, hard copy or electronic, nor any information contained therein, be released to any person, agency or organization without specific written permission of the Department. All data storage, posting, and access must comply with the minimum policies, standards, and procedures found in the Federal Health Insurance Portability and Accountability Act (“HIPAA”) and the Health Information Technology for Economic and Clinical Health Act (“HITECH”) and the New York State Information Security Policy P03-002.
- (2) The Bidder shall provide a detailed description of its data security procedures and controls. At a minimum, this should include:
 - Any written information security policies and procedures;
 - The identity and qualifications of the person(s) responsible for information security;
 - Steps taken to safeguard data at each step of the data collection lifecycle, as well as information posted on the Web site;
 - Data security and confidentiality protocols, including employee access;
 - Employee training and any written policies on confidentiality;
 - Any incident response plans;
 - Data redundancy and back-up plans including plans in the event of a catastrophic loss of equipment or facilities;

- Compliance with HIPAA and HITECH related restrictions and requirements; and
- Any anticipated remedies for consumers in the event of a security breach (e.g., credit monitoring)

(j) Other Administrative Duties

The selected Bidder must be able to perform any and all other services necessary to carry out the purposes of the Fund. The selected Bidder must make available appropriate staff for periodic calls with the Department for discussion of Fund processes, and respond in a timely manner to any requests for information or responses to complaints.

(k) Form 1099 Reporting

The Contractor shall produce and mail to providers Form 1099 earnings reports in accordance with federal and State regulations. Produce and transmit electronically original and corrected Form 1099s for the Internal Revenue Service (IRS) and NYS Department of Tax and Finance in accordance with federal and State regulations.

(l) Records

The Contractor shall maintain all records and data in electronic format acceptable to the Department in a manner that allows successful and readable electronic transfer to the Department or the Department's designee. Records shall be retained in accordance with Appendix A, section 10. All records and data related to Fund operations are the property of the Department and shall be made available to the Department upon request for review and/or audit.

(m) Annual Survey

The Contractor shall conduct an annual survey of Enrollees in a format approved by the Department. The purpose of the survey will be to gather feedback from the Enrollees and their families on their experience with the Fund including case management, responsiveness of staff and accuracy of claims payment; and to identify opportunities for improvement; and to seek input on program improvements.

(n) HIPAA Compliance

The contractor must comply with the Health Insurance Portability and Accountability Act (HIPAA) of 1996, Health Information Technology for Economic and Clinical Health Act (HITECH) Breach Notification Rule, and must comply with any other applicable (current and future) Federal and State laws regarding privacy and confidentiality.

(o) Participation in the Denial Review Process

The Contractor must participate on behalf of the Fund at conferences and hearings described in 10 NYCRR 10.16 through 10.18 involving Fund decisions such as those related to claims denials, rates of payment and prior approval. This includes appearances by appropriate staff by phone or in person, as may be required, at appeals hearings and the preparation of any documentation or related information.

(p) Appearances at Other Proceedings

The Contractor must appear and testify on behalf of the Fund at other proceedings, including potential litigation, when related to work performed pursuant to the contract if requested by the Department.

2.2 Qualification of Bidders

(a) Relevant Experience: The Bidder's proposal must include a description of each of the following:

- the Bidder's previous experience in performing the required work, including a description of similar work performed;
- the Bidder's experience with similar programs or governmental programs;
- the Bidder's experience with claims administration, including approvals and processing, case management and customer service;
- the Bidder's experience in assisting persons with disabilities; and
- the Bidder must describe what experience and staff expertise the Bidder will rely on in order to properly administer and make determinations regarding environmental modifications, assistive technology, vehicle modifications and custom made durable medical equipment.

(b) References: Submit at least five (5) separate references other than employees of the Department of Financial Services, preferably from government agencies or other customers with similar objectives.
For each reference include the following:

- name of company/agency for which work was performed and brief description of its business;
- name, address, phone number, email and fax number of a company/agency contact person;
- description of work performed and/or services provided, including description of (1) all deliverables (reports, presentations, etc.) and (2) all

timeframes and deadlines of work performed and/or services provided, noting whether or not these timelines and deadlines were met;

- period of engagement; the beginning and ending dates of the work performed; and
- results/client outcomes.

(c) **Licenses:** Except as otherwise provided in this RFP, the Bidder must provide proof of all appropriate licenses that are required in order to perform the services as requested.

(d) **Financial Statement of the Bidder:** The Bidder must submit its most recent financial statement.

(e) **Staffing and Personnel Biographies of Key Management Personnel:** The Bidder must provide a description of the qualifications and resumes of individuals who would perform each required function. The Bidder should describe the number of individuals at each level and the estimated staff days that would be spent on the required work. Include full details and resumes of senior staff that would be available for this engagement, and their roles and responsibilities. The Bidder must describe the staffing ratios for case management, and the number of staff for each function to be performed under the contract. The Bidder must provide a description of the qualifications and resumes of individuals who will perform duties related to administering and making determinations regarding environmental modifications, assistive technology, vehicle modifications and custom made durable medical equipment. The Contractor shall have a duty to inform the Department of any changes in staffing from the staffing plan submitted pursuant to this paragraph. Material changes in the staffing plan must be approved by the Department.

(f) **Conflicts of Interest:** The Bidder must state whether it has any conflict of interest, actual or perceived, that would prevent Bidder from functioning under an agreement with the Department. The Bidder must identify any relationships or arrangements it has with the Department or with any entity regulated by the Department.

(g) **Quality Controls and Quality Assurance:** The Bidder must describe its internal processes that it will have in place to ensure proper Fund procedures are followed and statutory and regulatory requirements are met in the performance of the contract. This includes claims review, prior approvals, Enrollee complaints and other performance processes. Such description should include separation of duties and managerial review, and authentication/validation procedures.

- (h) **Business Continuity Plan:** The bidder must include its plan for continued business operations in the event of a disaster or other interruption to business function.

2.3 Performance Requirements

The Bidder's proposal must describe in detail how the Bidder will meet each of these requirements.

- (a) **Timelines:** By September 1, 2016, the Contractor must be fully operational, unless the contract is not effective by that date, or another date is agreed to by the Department in writing.
- (b) **Subcontracting:** The Contractor must assume full responsibility for the services offered in the proposal for the duration of the agreement. The Contractor shall be so liable even when the Contractor subcontracts a portion of the service. Subcontracting shall be permitted only with the prior written approval of the Department, including a subcontract for a pharmacy benefits manager that must be approved by the Department of Health. Work intended to be provided by subcontractors must be documented in the Bidder's proposal. If the use of subcontractors is proposed, the Bidder's proposal should explain how the work of subcontractors will be managed and controlled.
- (c) **Online Claims Processing:** 95% of the time the online claims processing systems will be available, calculated on a monthly basis, excluding periods of scheduled downtime, which shall be reported in advance to the Department and kept to a minimum based on a 24 hours a day, 7 days a week availability.
- (d) **Claims:** 100% of complete and eligible claims shall be processed to ensure payment within forty-five (45) days. At least 95% of claims shall be processed in an accurate manner.
- (e) **Enrollment:** 95% of all completed applications that require no additional information as calculated on a monthly basis must be processed in less than ten (10) business days from the date of receipt of the completed application.
- (f) **Enrollment Cards:** 95% of new enrollment cards or replacement enrollment cards shall be generated within three (3) business days of enrollment into the Fund, or of a request for replacement enrollment cards, calculated on a monthly basis.
- (g) **Telephone Line Responsiveness**
 - (1) 80% of calls received during scheduled call line hours shall be answered within 20 seconds and the remaining 20% of calls shall be answered within 2 minutes, calculated on a monthly basis, excluding periods of

scheduled down time, which shall be reported in advance to the Department and shall be kept to a minimum based on a 24 hours 7 day a week availability.

(2) 95% of messages left outside of scheduled call line hours will be responded to no later than the next business day after the message is left.

- (h) **Correspondence:** 95% of all written correspondence including e-mail will be acknowledged within the next business day, calculated on a monthly basis. For written response, the turnaround time shall be measured from the date the correspondence is received.
- (i) **Reports:** All reports requested by the Department will be submitted on the specified due date.
- (j) **Response to Department Requests:** All requests from the Department for information shall be fulfilled by the Contractor within three (3) business days unless another date is agreed upon by the Department.
- (k) **Claims and Documentation:** Weekly claims registers with corresponding supporting documentation shall be submitted on the day of the week designated by the Department.
- (l) **Costs:** The Contractor shall be liable for any costs incurred by the Department relating to the fulfillment of the agreement should the agreement be terminated because the Contractor failed to perform. The Contractor shall indemnify the Department or the State of New York for claims erroneously paid as a result of negligence or fraud by the Contractor, disregard of the Fund requirements or Department instructions, or the failure of the Contractor to utilize adequate supervision or verification procedures. Liquidated damages may be assessed as described below.

Section 3. Cost Requirements

Cost Proposal-Fee Schedule – A cost proposal, in the format set forth in section 7.3, is to be submitted at the same time as the remainder of the proposal but in a separate sealed package. The proposal price must cover all costs of furnishing all of the services, including any materials, equipment, and labor necessary to perform all of the services set forth herein.

Section 4. Terms and Conditions

4.1 Contract/Agreement Documents

(a) Sample Contract/Agreement

A sample contract/agreement incorporating standard language that would be executed by the Contractor and the Department is appended hereto as

Appendix E.

(b) Vendor Responsibility

The Department recommends that vendors file the required Vendor Responsibility Questionnaire online via the New York State VendRep System. To enroll in and use the New York State VendRep System, see the VendRep System Instructions available at http://www.osc.state.ny.us/vendrep/vendor_index.htm or go directly to the VendRep System online at <https://portal.osc.state.ny.us>.

Vendors must provide their New York State Vendor Identification Number when enrolling. To request assignment of a Vendor ID or for VendRep System assistance, contact the Office of the State Comptroller's Help Desk at 866-370-4672 or 518-408-4672 or by email at ciohelpdesk@osc.state.ny.us.

Vendors opting to complete and submit a paper questionnaire can obtain the appropriate questionnaire from the VendRep website www.osc.state.ny.us/vendrep or may contact the Department or the Office of the State Comptroller's Help Desk for a copy of the paper form.

(c) Contractor Certification

The requirements of State Tax Law section 5-a regarding Contractor Certification are hereby incorporated into this RFP and will be incorporated into the resulting Agreement. Bidder is required to comply with the requirements thereof as found in the Contractor Certification Forms appended hereto as Appendix G.

(d) State Finance Law – “Procurement Lobbying Law”

The requirements of State Finance Law sections 139-j and 139-k are hereby incorporated into this RFP and any resulting agreement. The Bidder is required to comply with all requirements of State Finance Law sections 139-j and 139-k. Further information and forms are appended hereto as Appendix H.

State Finance Law section 139-k provides that the procurement contract award shall contain a certification by the Contractor that all information provided to the Department with respect to sections 139-j and 139-k is complete, true and accurate and the resulting contract shall contain a provision authorizing the Department to terminate the contract in the event such certification is found to be intentionally false or intentionally incomplete. This contract language authorizes termination, but does not mandate termination.

(e) Consultant Disclosure

The requirements of State Finance Law sections 8 and 163 regarding Consultant Disclosure are hereby incorporated into this RFP and will be incorporated into the resulting Agreement. Bidder is required to comply with all requirements thereof as found in the Consultant Disclosure Information and Forms appended hereto as Appendix I.

(f) Information Security Breach and Notification Act

In accordance with the Information Security Breach and Notification Act (New York State General Business Law § 899-aa; and New York State Technology Law § 208) all State entities and persons or businesses conducting business in New York who own or license computerized data which includes private information including an individual's unencrypted personal information plus one or more of the following: social security number, driver's license number, or non-driver ID, account number, credit or debit card number plus security code, access code or password which permits access to an individual's financial account, must disclose to a New York resident when their private information was, or is reasonably believed to have been acquired by a person without valid authorization. Notification of breach of the private information to all individuals affected or potentially affected must occur in the most expedient time possible without unreasonable delay, after measures are taken to determine the scope of the breach and to restore integrity; provided, however, that notification may be delayed if law enforcement determines that expedient notification would impede a criminal investigation. When notification is necessary, the State entity or person or business conducting business in New York must also notify the following New York State agencies: the Attorney General, the Office of Cyber Security and the Consumer Protection Board.

4.2 RFP Appendices

(a) Appendix A: Standard Clauses for All New York State Contracts

The terms of Appendix A, Standard Clauses for All New York State Contracts, attached hereto, are hereby incorporated into this RFP and any resulting agreement. The Contractor is required to adhere to the clauses in Appendix A. Bidder should keep Appendix A for its records.

(b) Appendix B: General Specifications

The terms of Appendix B, General Specifications, attached hereto, are hereby incorporated into this RFP and shall govern any situations not covered by this RFP, Appendix A, or Appendix E. Bidder should keep Appendix B for its records.

(c) Other Appendices

The following forms are also included in the bid package. Unless otherwise noted, some forms must be signed and submitted with your bid while others are included for informational purposes only. Please read them and follow the instructions.

- **Appendix C: Nondiscrimination in Employment in Northern Ireland: MacBride Fair Employment Principles** – Must be completed and submitted with bid.
- **Appendix D: MWBE Requirements and Forms** - Must be completed and submitted with bid.
- **Appendix E: Sample Agreement.** – Bidder should keep Appendix E for its records.
- **Appendix F: Vendor Responsibility Information & Forms** – Must be completed and submitted with bid.
- **Appendix G: ST-220 Tax Certification Information and Forms** – Must be completed and submitted with bid.
- **Appendix H: State Finance Law – “Procurement Lobbying Law” Information and Forms** – Must be completed and submitted with bid.
- **Appendix I: Consultant Disclosure Information and Forms** – Must be completed and submitted with bid.
- **Appendix J: Encouraging Use of N.Y. Businesses** – Must be completed and submitted with bid.
- **Appendix K: Sample Business Associate Agreement** – Must be finalized and executed upon the request of the Department but no later than the effective date of the Contract.
- **Appendix L: Executive Order #26 Statewide Language Access Policy** – Bidder should keep Appendix L for its records.

4.3 Agreement Period and Renewal

The anticipated term of the agreement shall be five (5) years commencing on the date of approval of the agreement by the New York State Office of the Comptroller, or August 1, 2016, whichever is later.

4.4 Termination

See “Executory Clause” in Appendix A, “Suspension of Work” and “Termination” in Appendix B, and “Term” in Appendix E.

(a) **Termination for Convenience:** The Department retains the right to terminate the agreement, or any part thereof, without reason, provided that the Contractor is given at least thirty (30) days written notice of the Department’s intent to terminate. This provision should not be understood as waiving the Department’s right to terminate the agreement for cause or to stop work immediately for unsatisfactory work, but is supplementary to that provision.

(b) **Termination for Non-compliance with State Finance Law:** State Finance Law section 139-k provides that this procurement contract shall contain a provision authorizing the Department to terminate the contract in the event that the required certification is found to be intentionally false or intentionally incomplete. This contract language authorizes termination, but does not mandate termination.

4.5 Bonding Requirements

There are no bonds required for this contract.

4.6 Bidder Assurances

The Bidder warrants that it has carefully reviewed the needs of the Department for Administration of the Fund, as described in the RFP and its attachments and otherwise communicated in writing by the Department to the Bidder, that it has familiarized itself with the Department’s specifications, and it warrants that it can provide such services as described in the RFP and as represented in its proposal.

The Bidder agrees that it will perform its obligations hereunder in accordance with all applicable Federal, State, and local laws, rules and regulations now or hereafter in effect.

The Bidder warrants and affirms that the terms of the RFP and any resultant agreement do not violate any contracts or agreements to which it is a party, and that its other contractual obligations will not adversely influence its capabilities to perform under the agreement.

4.7 Procedure for Amendments of Agreement

See “Modification of Contract Terms” in Appendix B and “Entire Agreement” in Appendix E.

Any request by the Contractor for changes or amendments in any part of the agreement shall be made in writing to the Department.

4.8 Price Adjustments

Prices shall be firm for the term of the agreement.

4.9 Ownership and Title to Deliverables

All information and materials received by the Contractor from the Department, or other sources in connection with administering the Fund, are and shall remain the sole and exclusive property of the Department, and the Contractor shall have no right, title, or interest in or to any such information or materials by virtue of their use or possession by the Contractor.

Any written reports or other documents, whether written or in electronic form, including enrollee handbooks and forms, rendered by the Contractor in connection with the services provided by the Contractor shall become the sole and exclusive property of the Department, and the Contractor shall have no right, title, or interest in or to any such information or materials by virtue of their use or possession hereunder by the Contractor. All intellectual property, created by the Contractor as a product or as a service to the Department shall be the sole and exclusive property of the Department. The Contractor hereby transfers and assigns to the Department all proprietary and intellectual property rights in such property.

4.10 Interpretation and Disputes

See “Conflicting Terms” in Appendix A and “Appendices” in Appendix E.

4.11 Additional Security/Confidentiality Requirements

See also “Security” in Appendix B.

(a) Security During the Course of Delivering Contract Services

- (1) The Contractor shall be solely responsible for the safety and security of all Department project sites, facilities, and components during the term of the engagement, with the exception that Contractor is not responsible for overall building security where a Department site is under the control and management of the Department or State agencies. Contractor remains responsible, however, for security of project components or equipment within such buildings, e.g., secure equipment enclosures within the space provided by such agencies. The Contractor shall be responsible for and shall correct any failure or theft of any component or portion of the project due to inadequate physical and/or information security at its cost and expense.
- (2) The physical security and the information security of project data shall be provided at a level commensurate with that normally established for a similar modern system.

(b) Access by Personnel

- (1) The Contractor, its officers, agents, subcontractors, and their employees and independent contractors, shall be required to comply with all applicable facility and information security policies and procedures of the Department and the State in performing the scope of work under the agreement. Such policies and procedures shall be communicated to the Contractor as a condition precedent to Contractor's obligations under this paragraph.
- (2) Contractor warrants that each individual performing work under an agreement is legally eligible to work in the United States and that such eligibility shall be maintained at all times during the engagement while the individual is accessing any Department facilities, information systems or data contained therein.
- (3) The Department reserves the right, in its sole discretion, and without liability to the Contractor's officers, agents, subcontractors, and their collective employees and independent contractors, to withhold approval of and refuse to permit access to Department facilities, electronic information systems or data contained therein to any individual proposed by or through the Contractor:
 - A) Who refuses to comply with the security procedures outlined in this subsection 4.11; or
 - B) Where the Department determines that the individual may present a risk to the Department's security interests.
- (4) The Department shall not be liable for payments or damages of any kind if the Contractor is delayed or unable to perform under an agreement as a result of the Department's denial of access to any individual(s) pursuant to this Subsection 4.11.

4.12 Patent/Copyright Indemnification

See "Indemnification Relating to Third Party Rights" in Appendix B.

4.13 Conflicts

(a) Federal Lobbying Certification

Section 1352 of Title 31 of the U.S. Code requires that funds appropriated to a Federal agency be subject to a requirement that any Federal contractor or grantee (such as the State) must be required to certify that no Federal funds will be used to lobby or influence a Federal officer or a Member of Congress. The certification the State has been required to sign provides that the language of this certification be included in the contract documents for all sub-awards at all

tiers (including subcontracts, sub-grants, and contracts under grants, loans, and cooperative agreements) and that all sub-recipients shall certify and disclose accordingly. The certification also requires the completion of Federal lobbying reports and the imposition of a civil penalty of \$10,000 to \$100,000 for failing to make a required report. As a sub-recipient, the Contractor understands and agrees to the Federal requirements for certification and disclosure.

(b) Conflict of Interest

Contractor represents and warrants that it has no conflict, actual or perceived, that would prevent it from performing its duties and responsibilities under the Agreement. Contractor shall disclose the relationships it has had with any entity regulated by the Department during the two years before the date of this Agreement. During the term of this Agreement Contractor shall disclose any relationships it proposes to enter into with any entity regulated by the Department. These disclosures must contain all facts material to any actual or potential conflict of interest. Department may consider and approve, in writing, alternative guidelines proposed by Contractor to redress any actual or perceived conflict of interest only when Department deems such action appropriate.

4.14 Oral Presentations

The Department, at its discretion, may elect to have Bidders provide oral presentations of their proposals. All Bidders deemed by the Department as eligible to receive an award will be given the opportunity to provide such oral presentations. Unless oral presentations are made a part of the evaluation process and points are assigned, oral presentations are for clarification purposes only. (See Section 7.1 “Method of Award.”)

4.15 Period of Validity

Each Bidder’s proposal must include a statement as to the period during which the provisions of its proposal will remain valid. A minimum of six (6) months from the Deadline for Receipt of Proposals is required.

4.16 Minority and Women-Owned Business Equal Employment Opportunities and Goals

Article 15-A of the New York State Executive Law §§ 310–318 (“the Statute”) was enacted to promote equality of employment and economic opportunities for minority group members and women in State contracting activities. The New York State Department of Financial Services (“Department”) fully supports the efforts of the State of New York to promote Equal Employment Opportunity (EEO) for all persons and promote equality of economic opportunity for minority group members and women who own business enterprises.

The Department has developed compliance requirements, forms and procedures to ensure that Contractors (to include those who submit bids/proposals in an effort to be selected for contract award as well as those successful bidders/proposers with whom Department enters into State Contracts) and proposed or actual Subcontractors receiving subcontracts of over \$25,000 comply with requirements concerning Equal Employment Opportunities for Minority Group Members and Women and meaningful participation opportunities for certified minority-owned or women-owned business enterprises (“MWBEs”) in the Department procurement process. Contractors participating in and/or selected for procurement opportunities with the Department shall fulfill their obligations to comply with applicable Federal, State and Local requirements concerning Equal Employment Opportunity and opportunities for MWBEs, including but not limited to, the Statute and its implementing regulations as promulgated by the New York State Division of Minority and Women's Business Development (“DMWBD”) and set forth at 5 NYCRR Parts 140-144).

The parties shall refer to Appendix D, attached and incorporated by reference herein, for the specific EEO/MWBE requirements and associated forms required by this procurement. Forms shall be submitted without any changes to any the Department goals specified in Appendix D of this RFP. Copies of the required Department Forms are identified in Appendix D.

4.17 Conformance to RFP

Any exceptions or objections to the terms, conditions, and requirements of this RFP, including the Sample Agreement included as Appendix E, are governed and are to be submitted in accordance with the “Extraneous Terms” clause in Appendix B. Bidders are cautioned that any such exception or objections may render their bid non-responsive.

4.18 Date/Time Warranty

See “Date/Time Warranty” as currently set forth in paragraph 72(g) in Appendix B.

4.19 Liability

See “Liability Section” in Appendix E. The “Limitation of Liability” section in Appendix B shall not apply.

4.20 Liquidated Damages

In the event the Contractor fails to meet performance standards, but the Department has not chosen to terminate the contract, the Department shall have the right to assess liquidated damages as outlined below. Such damages shall be deducted from any amounts due to the Contractor from the Department.

- (a) Failure to submit reports to the Department by the imposed deadline

If Contractor fails to file a required report with the Department by the deadline or that report, liquidated damages may be assessed by the Department an amount up to \$250 for each day that the report is late, unless the Department agrees to an extension.

(b) Failure to submit weekly claims register with supporting documentation

If Contractor fails to file the required weekly claims register with supporting documentation by the scheduled due date for the register, liquidated damages may be assessed by the Department an amount up to \$500 per day that the register is late, unless the Department agrees to an extension. If the weekly claims register is missing any information or supporting documentation, the register shall be considered late until such missing information is provided.

(c) Failure to timely respond to Department requests for information

If Contractor fails to provide any information requested by the Department within 3 business days of the Department making the request, liquidated damages may be assessed by the Department an amount up to \$250 per day for each day that Contractor is late in providing the information, unless the Department agrees to an extension.

(d) Failure to timely process a request for prior approval

If Contractor fails to make a decision on a request for prior approval within 30 days from the date that a complete request for prior approval was received by Contractor, the Department may assess liquidated damages an amount up to \$100 per each day that the prior approval was processed late, unless the Department agrees that there is a good cause for Contractor's delay.

(e) Failure to timely process claims for payment

For each claim that the Department determines was complete and eligible that the Contractor did not process to ensure payment of the claim within forty-five (45) days, the Department may assess liquidated damages an amount up to \$100 per each day that the claim was processed late.

(f) Failure to timely deny a claim

Claims that are denied must be denied within 30 days from the date that a complete claim was received by Contractor, and for each claim not processed within such time, the Department may assess liquidated damages an amount up to \$100 per each day that the claim was processed late, unless the Department agrees that there is a good cause for Contractor's delay.

(g) Failure to Accurately Process Claims for Eligibility and Rate of Payment

If upon audit by the Department, or an agent of the Department, the Department or its agent determines that less than 95% of claims examined under the audit were not processed correctly for eligibility and/or rate of payment, the Department may assess liquidated damages in an amount up to \$10,000 for each percentage point under 95%. Such damages shall be in addition to the Department's right to recover for claims erroneously approved for payment by the Contractor and actually paid. Department may conduct as many such audits as it deems necessary to ensure that Contractor is performing with accuracy.

(h) Failure to meet other Performance Standards

If Department finds that any Contractor has failed to meet the performance standard specified in 2.3 of this RFP for Online Claims Processing, Enrollment, Enrollment Cards, Telephone Line Responsiveness, and Correspondence, the Department may assess liquidated damages in an amount up to \$1,000 for each percentage point that Contractor missed the specified performance rate.

(i) Failure to meet Staffing Plan

If Department finds that Contractor has failed to provide adequate staffing as indicated in its approved staffing plan, the Department may assess liquidated damages in an amount up to \$500 per day for each staffing deficiency.

Section 5. Administrative

5.1 Inquiries

All inquiries concerning this RFP should be addressed to the following:

Mr. Steve McClellan
Office of Financial Management
One Commerce Plaza, Suite 1850
99 Washington Avenue
Albany, NY 12257
FAX (518) 486-6809
rfp@dfs.ny.gov
(518) 474-6848

All questions should be submitted to rfp@dfs.ny.gov citing the particular proposal section and paragraph number. Prospective Bidders should note that all clarifications and exceptions, including those relating to the terms and conditions of the agreement, are to be resolved prior to the submission of a proposal. Answers to all questions of a substantive nature will be made available to all prospective bidders and posted on the Department's website at: http://www.dfs.ny.gov/about/procure_curr_opps.htm. See Page 1 for deadline to

submit questions.

5.2 Pre-Bid Conference

- No Pre-Bid Conference will be held.

5.3 Submission of Proposals

See “Bid Submission” in Appendix B.

Proposals are due in their entirety at the time and date specified on Page 1 hereof. Proposals received in whole or in part after this deadline shall not be considered.

All proposals and accompanying documentation will become the property of the Department and will not be returned. The content of each Bidder’s proposal will be held in strict confidence during the bid evaluation process, and no details of any proposal will be discussed outside the evaluation process. The successful Bidder’s proposal and a copy of the specification will be made part of the agreement. Therefore, an official authorized to commit the company to an agreement must sign the proposal.

5.4 Bidder Debriefing

An unsuccessful Bidder may request a debriefing within 45 days from the date of the Department’s letter advising that the Bidder was not selected. The debriefing would be limited to the reasons that the Bidder’s proposal was not selected. Debriefings would be held at Department offices located at One Commerce Plaza, Albany, New York 12257.

5.5 Department’s Rights to Proposals

By submitting a proposal, the Bidder covenants not to make any claim for, or have any right to, damages because of any misinterpretation or misunderstanding of the specification, or because of any misinformation or lack of information. The Department has the following prerogatives with regard to proposals submitted:

- To change any of the scheduled dates upon appropriate notification to all prospective Bidders;
- To accept or reject any or all proposals;
- To correct any arithmetic errors in any or all proposals;
- To waive or modify minor irregularities in proposals, after notification to the Bidder;

- To adopt any part or all of a successful Bidder's proposal;
- To utilize any and all ideas submitted in the proposals unless those ideas are protected by legal patent or property right;
- To negotiate with the selected Bidder prior to agreement award;
- To begin negotiations with another Bidder should the Department be unsuccessful in negotiating an agreement with the selected Bidder within 45 calendar days.

Section 6. Proposal Format and Content

6.1 Overview

This section identifies the information that all Bidders must include in their proposals to the Department.

A uniform proposal format is required so that the Department can fairly evaluate all proposals. For each item listed below, please respond in order and provide the material required. Brochures, reproduced, copied or printouts of marketing literature may not be substituted for the proposal narratives and responses specified. Cross-references in the main proposal to any appendices are required. The Department will not review appendices or supplemental material for which a purpose is not clearly indicated.

For the purposes of evaluation, each proposal must be submitted in two (2) parts. Part I consists of the Technical Submittal. Part II consists of the Cost Submittal. Each part must be complete in itself in order that the evaluation of both parts can be accomplished independently and concurrently, and that the Technical Submittal can be evaluated strictly on the basis of its merits. Cost information is not to be included in Part I. Both parts must be sealed separately.

The rules established for proposal content and format will be enforced. Variations from the rules prescribed herein may subject the respondent to outright disqualification. It is in the best interests of the Bidder to become familiar with the constraints imposed on its proposal, so that the evaluation process can proceed in a timely manner.

All proposals must be either hand written, typewritten or printed with original signatures. Proposals submitted hand written in pencil will be disqualified. The Department prefers that the proposals not be hand written, but this is not mandatory, provided the respondent uses ink or an indelible pen.

6.2 General Requirements and Appearance

(a) **Cover Letter:** Submit a cover letter on your letterhead, signed by an officer or

director of your organization, certifying (1) the accuracy of all information in your proposal, (2) compliance with requested contents, and (3) how long your proposal will remain valid which must be a minimum of six (6) months from the deadline for the receipt of proposals.

- (b) **Executive Summary:** Submit an executive summary of your proposal covering its main features and benefits which distinguish it. Do not exceed three (3) pages.
- (c) **Equal Opportunity and Nondiscrimination:** An assurance that the firm is an equal opportunity employer and will comply with all relevant Federal and State Equal Opportunity and Nondiscrimination Laws, Regulations and Executive Orders must be included.

6.3 Technical Submittal Requirements (Part I)

- (a) See Section 2. Contractor Responsibilities and Technical Requirements.
- (b) Include information about the Bidder's experience regarding the specific services required. Experience to be considered includes but is not limited to:
 - (a) familiarity with applicable laws and regulations;
 - (b) experience in the benefit administration field.
- (c) A description of the types of services that can be provided as appropriate to the scope of this RFP, including a suggested workplan/methodology that would be used to achieve the objectives of the Department.

6.4 Cost Submittal Requirements (Part II)

Part II of the proposal consists of the pricing proposal that sets forth the costs for requested services. The cost submission should be complete, accurate, well-documented, and in the format required (see section 7.3). Cost information is not to be included in the Part I Technical Submittal. All prices must be inclusive of all costs necessary or incidental for proper performance under this agreement. Costs must be identified separately for each year of the contract. Hourly rates for participation in proceedings described in section 2.1(p) must be itemized separately.

Section 7. Proposal Evaluation Criteria

7.1 Overview and Method of Award

(a) Overview

The Superintendent and/or his designee(s) shall evaluate the proposals and select the Bidders that have the requisite experience and staffing to support the work required by the Department and do not have any conflicts. It is the Department's intention to use the proposal received for guidance purposes and it may request

further clarification if deemed necessary, but only from those Bidders determined to be technically proficient regarding certain points noted in the proposal.

The Department reserves the right to negotiate with the selected Bidder prior to execution of a final agreement.

Other specific criteria for selection are as follows:

- The Bidder's ability to make the commitment of appropriate resources so as to enable the Bidder to complete the engagement within a reasonable timeframe.
- The Bidder's demonstrated comprehension of the essential issues attendant to this engagement, as stipulated in the submitted proposal.
- The Bidder's demonstrated level of competence in, and understanding of, the appropriate field of expertise for which they are being engaged.
- The ability of the staff assigned to this project to make themselves available for meetings with the Department's representatives.
- The ability of staff to communicate effectively.
- The expertise of the staff available for this project.
- The Bidder's fee schedule and estimated overhead cost (such as travel requirements).

The evaluation of proposals will determine which services provide the "Best Value" to the Department. Under NYS Procurement Guidelines, "Best Value" is the basis for awarding all service contracts... [it] optimizes quality, cost and efficiency, among responsive and responsible offerers."

"Best Value" is not equivalent to "lowest price." "Costs," in the case of "best value" are distinguished from price. Costs *embody* price, and include the costs associated with utilizing the services and the impact of the services on agency programs and operations.

Upon determination of the "best value" proposal, the Department will develop a binding contract agreement with the selected Bidder to provide the services. In the case of failure to execute an agreement with the selected Bidder, the Department may pursue an agreement for the services proposed by the next best-rated Bidder.

The Department will administer any agreement that is executed between the Contractor and the Department.

(b) Method of Award

All proposals received shall be subject to an evaluation by the Department. The Department desires to select the Bidder who will provide the “Best Value” taking into consideration the most beneficial combination of qualifications, services and cost and who has met the requirements of this RFP. Only proposals judged to be responsive to the submission requirements set forth in this RFP will be evaluated.

The Technical and Cost sections of each Bidder’s proposal will be evaluated separately. A selection committee will review the two evaluations and make the proposal selection. To meet the minimum requirements for the Technical portion of the evaluation, bidders must receive at least 60% of the total possible technical points. Bids that fail to obtain the minimum 60% will not be further evaluated.

After completion of the Technical and Cost evaluation, a composite score will be assigned to each proposal with the Technical score weighted at 65 points and the Cost score weighted at 35 points. The basis for award will be the highest composite score. The criteria against which each proposal will be evaluated are described below.

7.2 Technical Submittal Evaluation

Refer to Procurement Guidelines, Section 7, IV, B, 4, “Evaluation Criteria” and Section 7, V, “Developing the Evaluation Process.”

For Example:

(a) Technical Evaluation – (65 %)
1) The extent to which bidders meet the functional descriptions as defined in Section 2 of the RFP.
2) The proposal’s clarity, explicitness, completeness and reasonableness.
3) The relevant experience and qualifications of the Bidder. These include the quality of Bidder’s references, the Bidder’s reputation in the national marketplace, financial stability, and integrity. In this category is the extent Bidders demonstrate a successful history of providing similar services to other organizations, including government agencies the size of the Department.
4) The ability of the bidder to perform the tasks within the specified timeframes.
(b) Cost Evaluation – (35 %)
1) The proposed personnel expenses (i.e. price) for the term of the agreement.
2) The estimated amount of non-personnel out-of-pocket expenses and customary administrative fees, if applicable.

7.3 Cost Submittal Evaluation

NYS DEPARTMENT OF FINANCIAL SERVICES RFP C000*** COST PROPOSAL						
CATEGORY NAME:	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5	TOTAL
Start up Costs (Year 1 only)						
Enrollment	\$	\$	\$	\$	\$	\$
Case Management	\$	\$	\$	\$	\$	\$
Claims	\$	\$	\$	\$	\$	\$
Administration / Other	\$	\$	\$	\$	\$	\$
TOTAL	\$	\$	\$	\$	\$	\$

Enrollment: Reviewing applications, making enrollment determinations, sending enrollment package with ID cards, answering questions, communicating program eligibility requirements, etc.

Case Management: All contact with enrollees and families, providing assistance finding providers, providing assistance with forms and documentation requirements, etc.

Claims: Prior approvals, claims adjudication, rate determinations, review of claims and documentation, submission of weekly claims register, etc.

Admin / Other: Development of forms, member handbook, website updates, annual survey; responding to requests for information, reporting to DFS, Form 1099 reporting, etc.

Section 8. Attachments

- Appendix A: Standard Clauses for All New York State Contracts
- Appendix B: General Specifications
- Appendix C: Nondiscrimination in Employment in Northern Ireland: MacBride Fair Employment Principles
- Appendix D: MWBE Requirements and Forms
- Appendix E: Sample Agreement
- Appendix F: Vendor Responsibility Information and Forms
- Appendix G: ST-220 Tax Certification Information and Forms
- Appendix H: State Finance Law – “Procurement Lobbying Law” Information and Forms
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