



State of Delaware
Department of Human Resources
Statewide Benefits Office

STATE EMPLOYEE BENEFITS COMMITTEE

**Request for Proposal for Centers of Excellence Administration
for the Group Health Insurance Program**

Release Date: March 26, 2018

Intent to Bid Deadline –
Monday, April 9, 2018, 1:00 p.m. ET (Local Time)

Mandatory Pre-Bid Meeting (Conference Call) –
Wednesday, April 11, 2018, 11:00 a.m. ET (Local Time)

Proposals Due –
Friday, May 11, 2018, by 1:00 p.m. ET (Local Time)

DHR18001–MedicalCOE

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1. Account Management Survey
2. Vendor Usage and 2nd Tier Spending Reports

3. Business Associate Agreement
4. File Layouts¹:
 - a. Outbound Enrollment to Third-Party COE Vendor
 - i. Outbound Enrollment from Aetna
 - ii. Outbound Enrollment from Highmark
 - b. Outbound Claims to Third-Party COE Vendor
 - iii. Outbound Capitated Claims from Aetna
 - iv. Outbound Capitated Claims from Aetna – Data Dictionary
 - v. Outbound Claims from Aetna
 - vi. Outbound Claims from Highmark
5. GHIP Groups (as of March 2018)
6. Claims and enrollment (paid from 1/1/2016 to 12/31/2017)

¹ Each letter (for example, “a” Outbound Enrollment . . .) is the folder name with the names of the documents within that folder. The file layouts will be provided on a password protected disc after receipt of the Non-Disclosure Agreement.

I. Introduction

On behalf of the State of Delaware, the State Employee Benefits Committee (SEBC) is seeking proposals to provide a Centers of Excellence (COE) program to the Group Health Insurance Program (GHIP), which provides coverage to approximately 124,000 active and retired employees of the State of Delaware and their dependents, including approximately 18,000 employees, retirees and their dependents from groups that also participate in the GHIP as permitted through Delaware Code.

For complete information about the State of Delaware's GHIP, please go to <http://ben.omb.delaware.gov>.

Public notice has been provided in accordance with 29 Del. C. § 6981. This RFP is available in electronic form through the State of Delaware Procurement website at www.bids.delaware.gov. Paper copies of this RFP will not be available.

Important Dates (A full timeline is included in Section I.D.)

Contract Effective Date	July 1, 2019 or TBD
Bid Release Date	Monday, March 26, 2018
Intent to Bid Due²	Monday, April 9, 2018 by 1:00 p.m. ET (Local Time)
Mandatory Pre-Bid Meeting (Conference Call)³	Wednesday, April 11, 2018 at 11:00 a.m. ET (Local Time)
Questions Due from Vendors	Friday, April 13, 2018 by 1:00 p.m. ET (Local Time)
Proposal Submissions Due	Friday, May 11, 2018 by 1:00 p.m. ET (Local Time)

A. Background and Overview

1.0 Organization Description

The SEBC is co-chaired by the Director of the Office of Management and Budget (OMB) and the Secretary of the Department of Human Resources (DHR). The Committee is comprised of the Director of the Office of Management and Budget, the Secretary of the Department of Human Resources, the Insurance Commissioner, the Chief Justice of the

² IMPORTANT: Your bid will not be accepted if the State of Delaware does not receive an email confirmation of an Intent to Bid. See Section II.B.1 for details.

³ IMPORTANT: Your bid will not be accepted if your organization does not participate in the Mandatory Pre-Bid Meeting (Conference Call). See Section II.B.4 for details.

Supreme Court, the State Treasurer, the Controller General, the Secretary of the Department of Health and Social Services, the Lieutenant Governor, and the Executive Director of the Delaware State Education Association or their designees. The Statewide Benefits Office (SBO) is a division within the DHR. The SBO functions as the administrative arm of the SEBC responsible for the administration of all statewide benefit programs with the exception of pension and deferred compensation benefits. These programs include, but are not limited to, health, prescription drug, dental, vision, disability, life, flexible spending accounts, wellness and disease management programs, pre-tax commuter benefits, and supplemental benefits. Visit <http://ben.omb.delaware.gov> for information about the programs.

The SBO administers the Group Health Insurance Program (GHIP). Enrolled in the GHIP are approximately 124,000 active and retired employees of the State of Delaware and their dependents, including approximately 18,000 employees, retirees and their dependents from groups that also participate in the GHIP as permitted through Delaware Code. (See Attachment 5 for a detailed breakdown of GHIP participating groups.) Eligible participants include active, retired, school district, charter school, university, community college, non-state groups, and COBRA participants and their enrolled dependents. Plan participants are primarily located within the State of Delaware, although a small number of participants reside in other states and countries. There are multiple employer units and non-payroll groups located in three counties throughout the State, with each exercising a high degree of independence.

The State of Delaware utilizes multiple electronic human resources programs, such as PeopleSoft, and vendor databases at separate locations in various formats to collect and store participant data. The medical insurance component of the GHIP is self-insured and is administered by two (2) third-party administrators (TPAs), Aetna and Highmark of Delaware. Pharmacy Benefit Manager (PBM) services are carved out and administered by Express Scripts. The dental and vision benefit plans are 100% employee pay-all and are not included with the health plan.

2.0 Background Information

In recent years, the growth rates experienced by the GHIP have exceeded the State Operating Budget growth. Due to restrictions placed on the GHIP by the Delaware Code⁴ as well as limited support for shifting additional cost to plan participants, the SEBC has begun taking bolder actions to mitigate the total cost of care for both the GHIP and its participants while driving improvements in the health of the GHIP member population.⁵

⁴ The percentage of employee and employer share of the premium rates is established in Delaware Code as are the actual plan offerings available to employees and retirees. Delaware Code, Title 29, Chapter 52 Web Address: <http://delcode.delaware.gov/title29/c052/index.shtml>

⁵ The SEBC is responsible for design of the plans available to the GHIP's participants and setting premium rates that can support the projected expenses of the GHIP.

With this in mind, one area of focus for the SEBC is Centers of Excellence (COE) for medical procedures. COEs are medical facilities and professionals that have demonstrated their ability to achieve better health outcomes that will provide medical services at a lower cost than the surrounding community. The State has historically promoted COEs for a limited set of medical procedures, though is expanding its medical plan provisions to further steer members to COEs for additional procedures starting in its FY19 plan year (i.e., effective July 1, 2018). Further details of the State's efforts to promote COE usage among GHIP participants has been provided in the next section below.

The State strives to maintain consistency in the GHIP member experience across all medical plans wherever possible. However, as a function of differences in each medical vendor's administrative process there is a degree of variability in the scope of COE-eligible services, as well as in the travel and lodging allowance between Aetna and Highmark. This, coupled with the State's desire to drive competition among the providers in Delaware to achieve the best possible pricing on medical services for plan participants as well as the GHIP, has driven the SEBC to issue this RFP to evaluate the market of vendors, including hospital systems, that can provide COE services to self-funded plan sponsors like the State.

If the SEBC decides to carve out COE services to a third-party vendor, then that vendor will need to integrate with a complex set of processes across multiple vendors to effectively administer COE services on the State's behalf:

- **Eligibility** – Due to the way the State maintains electronic records on GHIP participant data, Aetna and Highmark would provide any third-party COE vendor with member eligibility files. This process is in place today to share eligibility data with Express Scripts, the State's PBM. The State does not have a third-party eligibility vendor and will continue to rely on the medical TPAs to send eligibility data to any third-party COE vendor for the foreseeable future; in the unlikely event that this arrangement should change, then the State would send, at minimum, three (3) 834 eligibility files to the third-party COE vendor.
- **Member annual cost-sharing limits** – In order to effectively account for individual members' payments toward their annual out-of-pocket maximums, a third-party COE vendor would need to ensure that members' claim data for visits to that vendor's COE providers is shared with Aetna and Highmark. This is not only relevant for the State's current medical plan options, but is also potentially applicable to future plan options under consideration, such as an IRS-qualified high deductible health plan with Health Savings Accounts (HSAs); timing of such an offering has not been finalized and is yet to be determined.
- **Clinical management and care coordination** – Both Aetna and Highmark have responsibility for the clinical management and care coordination of their respective member populations, and the State has recently invested in implementing advanced care management solutions with both vendors. Despite some differences across vendors, both TPAs' solutions involve utilizing enhanced ways to identify and engage with broader segments of the GHIP population than would normally be managed under a "traditional" disease management program. To maximize the

effectiveness of these programs, it will be critical for a third-party COE vendor to be integrated with Aetna and Highmark's programs, i.e., be able to share clinical data about individual members receiving treatment from a COE provider, be able to accept referrals of members that are candidates for treatment at COE providers from Aetna and Highmark, and be able to share information about GHIP members' eligibility for advanced care management programs under Aetna and Highmark with the COE network of providers to facilitate referrals to those advanced care management programs. A third-party COE vendor should also leverage telemedicine solutions, as applicable and where possible, for post-procedure care management as an additional touch point for the member, and also to better manage travel costs.

- **Claims data warehousing** – The State wishes to ensure that any member encounters with a third-party COE network are captured within its medical claim data warehouse maintained by IBM Watson Health, formerly Truven Health Analytics. This can be accomplished by the third-party COE vendor either by providing member claim data directly to IBM Watson Health, or by sharing that data with Aetna and Highmark to indirectly provide to IBM Watson Health; however, where possible, the State's preference would be to leverage an existing process that a third-party COE vendor has already established for working with Aetna, Highmark and/or IBM Watson Health to share medical claim data.

In addition to demonstrating their ability to fulfill these integration requirements for the State, bidders must also have robust quality management processes in place to ensure that COE network providers are selected and monitored for meeting strict quality guidelines. It will be favorable if bidders can provide meaningful guarantees of the quality of COE network providers, including avoidance of surgical complications.

In addition, the SEBC will consider more favorably bidder proposals that promise to deliver significant unit cost reduction via bundled case rates and/or significant reductions in the total cost of care without sacrificing the quality of care delivered; savings estimates may be prospectively forecasted by bidders, are subject to actuarial review by the SEBC's benefits consultants, and may be evaluated for performance on an annual basis. Bidders must also demonstrate stability within their provider network, with minimal provider disruption on an ongoing basis.

The SEBC is willing to make hard choices to include considering COE network and design configurations that may contain no hospitals within Delaware (with emergency exceptions). While GHIP participants may have to travel for certain procedures, participants will benefit by having the best care, with improved outcomes and lower cost.

The SEBC is willing to restrict the number of COEs offered to GHIP participants to achieve the most favorable COE pricing possible and to maximize the effectiveness of incentives for members to use the COE network. Additionally, the SEBC is looking for opportunities to expand the clinical scope of COEs offered across a wider variety of procedures beyond those currently offered, such as COEs for oncology and cardiac procedures.

The SEBC also expects the selected organization(s) to participate in the Delaware Health Information Network (DHIN), which is a statutorily created not-for-profit instrumentality of the State of Delaware charged with the design, implementation, operation and maintenance of facilities for public and private use of health care information in the State. The DHIN is the state-designated health information exchange (“HIE”) and under that statute is charged with operating a statewide integrated health information network to enable communication of clinical and financial health information, to promote the efficient and effective communication among Delaware health care providers and stakeholders including hospitals, physicians, state agencies, payers, employers and laboratories, with the goal of promoting efficiencies in the healthcare delivery system. The selected organization(s) participation may be with the DHIN directly or indirectly by sharing data with the State’s medical TPAs, which participate in the DHIN. For further details on the DHIN, please go to <http://dhin.org/>.

3.0 Current GHIP Benefit Provisions for COEs

The State’s medical plans currently offer lower member cost sharing at the point of care for members that utilize the medical TPAs’ COE networks for bariatric surgery and transplants. For members using COEs for transplants, a travel and lodging allowance is also provided for members living +50 miles away from their selected COE; reimbursement of travel expenses is provided for the patient and a companion. There are some differences in the travel and lodging allowance between Aetna and Highmark. A summary of the plan design provisions associated with this cost share differential and travel and lodging allowance has been provided below⁶.

Effective for the State’s FY19 plan year (i.e., starting July 1, 2018), the State’s medical plans will adopt additional member cost share differentials for members that utilize the medical TPAs’ COE networks for orthopedic (knee/hip) and spine procedures. The travel and lodging allowance will be extended for members living +50 miles away from their selected COE for these procedures as well.

⁶ For additional details about the GHIP medical plan designs associated with use of COE, please go to <https://ben.omb.delaware.gov/medical/index.shtml>.

COE Specialty Area	FY18 Plan Design (through 6/30/18) Excludes Medicfill plan for Medicare retirees	FY19 Plan Design (effective 7/1/18) Excludes Medicfill plan for Medicare retirees
Transplants	<p>Performed at a COE⁷: Covered at in-network benefit level</p> <p>Performed at a non-COE participating provider⁸: Covered at out-of-network benefit level</p> <p>Performed at a non-participating provider⁹: Not covered</p>	No changes from FY18 plan design.
Bariatric	<p>Performed at a COE: Covered at in-network benefit level</p> <p>Performed at a non-COE participating provider: 75% covered. Does not accrue to total maximum out-of-pocket (TMOOP).</p> <p>Performed at a non-participating provider¹⁰: 55% covered. Does not accrue to TMOOP.</p>	No changes from FY18 plan design.

⁷ Transplants for Comprehensive PPO and First State Basic plans – Any copayments, deductibles, coinsurance and total maximum out-of-pocket (TMOOP) apply. Benefit includes all organ acquisition costs. Exception: There are no COE facilities for kidney transplants, which are covered at the member’s benefit plan’s facility and professional benefit levels.

⁸ Transplants for Comprehensive PPO plan – Any copayments, deductibles, coinsurance and TMOOP apply. Benefit maximums apply for most transplants, and are subject to copayments, deductibles, coinsurance and TMOOP, if any. Exceptions: Kidney and bone marrow/stem cell transplants. There are no COE facilities for kidney transplants, which are covered at the member’s benefit plan’s facility and professional benefit levels. Bone marrow/stem cell transplants are also covered at the member’s benefit plan’s facility and professional benefit levels.

⁹ HMO plan only – Not covered.

¹⁰ HMO plan only – Not covered.

COE Specialty Area	FY18 Plan Design (through 6/30/18) Excludes Medicfill plan for Medicare retirees	FY19 Plan Design (effective 7/1/18) Excludes Medicfill plan for Medicare retirees
Orthopedics & Spine	<p>FY18 benefit <u>does not</u> differentiate by provider status as COE or non-COE.</p> <p>If performed at a participating provider: Covered at in-network benefit level.</p> <p>If performed at a non-participating provider¹¹: Covered at out-of-network benefit level.</p>	<p>FY19 benefit <u>will</u> differentiate by provider status as COE or non-COE.</p> <p>Following design changes <u>will apply to Comprehensive PPO and HMO plans only.</u></p> <p>Medical plans that are <u>excluded</u> from the following FY19 design changes: First State Basic and CDH Gold plans.</p> <p>Performed at a COE: Covered at in-network benefit level (not changed from FY18 plan design): \$100 copay per day, up to max of \$200 per admission.</p> <p>Performed at a non-COE participating provider: <u>\$500 copay per admission.</u></p> <p>Performed at a non-participating provider¹²: Covered at out-of-network benefit level.</p>

Travel & Lodging Allowance	Aetna	Highmark
Applicable to COE services for	Transplants Orthopedic/Spine (effective 7/1/18)	Transplants Orthopedic/Spine (effective 7/1/18)
Eligible travelers	Covered member + 1 companion	Covered member + 1 other adult If covered member < 18 years old, then member + 2 parents
Requirements of the COE where care is provided	Must be at least 100 miles away from covered member's home for this benefit to apply	Must be at least 50 miles from covered member's home for this benefit to apply

¹¹ HMO plan only – Not covered.

¹² HMO plan only – Not covered.

Travel & Lodging Allowance	Aetna	Highmark
Covered benefits	Eligible travel and lodging expenses are reimbursable up to a maximum of \$10,000	<ul style="list-style-type: none"> • \$150/day limit for reasonable lodging and meals. • Ground travel is reimbursed based on the mileage from the recipient's home or temporary lodging to the transplant facility. Reimbursement is calculated using Highmark Delaware's current mileage reimbursement rate. • Air travel is reimbursed at the price of the airline ticket (coach class). • Tolls and parking incurred while traveling between recipient's home or temporary lodging and transplant facility. • There is a \$10,000 aggregate limit for all travel costs. • The reimbursement period begins 5 days prior to a transplant and ends 12 months after the date of transplant.

B. Proposal Objectives

Organizations must have prior experience directly related to the services requested in this RFP and must be able to demonstrate clearly their ability to:

- reduce the total cost of care for GHIP participants and the State, without sacrificing the quality of care delivered;
- facilitate GHIP participant choice of medical providers who deliver higher quality care at a lower total cost of care;
- support financial rewards to medical providers who deliver higher quality care and lower total cost of care;
- build and maintain a stable COE provider network that is based on those providers' proven ability to deliver better health outcomes at a lower cost than the average cost for services as provided in the GHIP claims data, for a variety of clinical procedures (e.g., orthopedic, spine, bariatric, cardiac);
- use public credentialing data sources to evaluate providers for quality and efficiency (e.g., NCQA, Joint Commission, etc.);
- frequently monitor the quality of providers with whom the selected organization(s) has contracted and will terminate contracts with providers if quality deteriorates;

- provide access to COE provider networks regardless of a GHIP participant's medical plan selection;
- work collaboratively with medical third party administrators, including Aetna and Highmark of Delaware, to deliver services on behalf of the GHIP and its plan participants;
- articulate how the COE benefit will overlay with the State's existing health plans and how this benefit would work with an IRS-qualified high deductible health plan with HSA, if offered in the future;
- articulate a point-of-view on the vendor's preferred method of either working in replacement to the medical vendors' COE networks or in conjunction with the COE networks in place today – including how this would be operationalized and how it would be communicated to GHIP members;
- provide clarity on how the vendor would work with the medical vendors from a claims accumulator stand-point;
- minimize employee disruption while maximizing employee experience;
- provide GHIP participants with concierge services including support with locating a provider, handling all medical data collection, appointment setting, travel arrangements, and follow-up care coordination;
- provide excellent customer service to GHIP participants;
- provide competitive financial terms;
- agree to guarantee the vendor's own performance (i.e., role in supporting benefit administration, account management services), as well as provide clinical and financial guarantees for the performance of the vendor's network (i.e., improved surgical outcomes, reduced readmission rates, ROI);
- provide excellent account management services to the State, including timely reporting; and
- be responsive to requests of the SEBC.

C. Scope of Services

The selected organization(s) shall be required to provide the following services, at a minimum¹³:

¹³ This is a general list of services. Details are set forth in the Minimum Qualifications and Questionnaire sections.

- a. Management of at least one network of high quality medical facilities and professionals that have demonstrated their ability to achieve better health outcomes that will provide medical services at a lower cost than the surrounding community, with the willingness to expand this network within and around the State of Delaware if not already available.

It should be noted that the State makes no guarantees of volume in terms of member steerage toward any new or existing provider network included in any bidder's proposal. The State is willing to work with the selected organization(s) to develop and implement solutions that will drive steerage – e.g., communications, possibly plan design changes, etc. – even though the State will not make any guarantees of steerage at this time. The State is willing to consider changes to this approach after an initial “learning phase” (e.g., after the first year) has been completed and evaluated.

It should also be noted that the target population of GHIP members for these services are active employees and their covered dependents, as well as non-Medicare retirees and their dependents; in total, this consists of approximately 98,000 members. Medicare retirees are not included at this time, though this is subject to change at the discretion of the SEBC.

- b. Coordination with the State's medical third party administrators to accept eligibility files, process and pay claims from medical providers within the selected organization(s)'s network, and share data on plan payments and member cost-sharing to properly account for members' annual cost-sharing limits.
- c. Ability to coordinate with medical third party administrators *on behalf of plan sponsors with IRS-qualified high deductible health plans with HSAs* to accept, process and pay claims from medical providers within the selected organization(s)'s network.¹⁴
- d. Coordination with the State's medical third party administrators to support the clinical management and care coordination of GHIP members.
- e. Dedicated, knowledgeable, and accessible member support services, which includes an online provider search tool for members to use in locating COE providers.
- f. Meaningful and timely management reporting.
- g. Integration with the State's data warehouse provider, IBM Watson Health, and the Delaware Health Information Network (DHIN).
- h. Dedicated, expert, and accessible account management staff.

¹⁴ Please note, while the GHIP does not currently offer an IRS-qualified high deductible health plan as a medical plan option, this type of plan is being considered as a future medical plan option (timing TBD).

- i. Support for all program related member communications including open enrollment (customer service phone support and attendance at health fairs), direct mailings, and other types of media.
- j. Superior program implementation support.

D. Timetable/Deadlines

The following timetable is expected to apply during this RFP process:

Event	Target (Local ET Time)
RFP Released	Monday, March 26, 2018
Intent to Bid Deadline ¹⁵	Monday, April 9, 2018, 1:00 p.m.
Mandatory Pre-Bid Meeting (Conference Call) ¹⁶	Wednesday, April 11, 2018, 11:00 a.m.
Follow-up Questions due to SBO from Confirmed Bidders	Friday, April 13, 2018, 1:00 p.m.
Responses to Questions to Confirmed Vendors	By Monday, April 20, 2018
Deadline for Bids	Monday, May 11, 2018, 1:00 p.m.
Notification of Finalists - Invitation to Interview	No later than early July, 2018
Finalist Interviews ¹⁷	No later than early August, 2018
Contract Award	By January 1, 2019
Contract Effective Date	July 1, 2019 or TBD

¹⁵ IMPORTANT: Your bid will not be accepted if the State of Delaware does not receive an email confirmation of an Intent to Bid. See Section II.B.1 for details.

¹⁶ IMPORTANT: Your bid will not be accepted if your organization does not participate in the Mandatory Pre-Bid Meeting. See Section II.B.4 for details. The Mandatory Pre-Bid Meeting will be a conference call to discuss bid submission requirements, a claim of confidential and proprietary information, along with formatting requirements for the hard copies and electronic copies. Additionally, we will review the technology requirements. All other topics will be addressed in the written Question and Answer process.

¹⁷ The SEBC will require each of the finalists to make a presentation in Dover, Delaware, at the expense of the proposing firm. In addition to communicating your organization’s capabilities to fulfill the requirements in the RFP, the presentation will require a demonstration regarding customer service tools and resources available to plan participants and any account management on-line functions available to plan sponsors.

E. Evaluation Process

1.0 Proposal Review Committee

The Proposal Review Committee (PRC) will review all proposals submitted that meet the requirements of the RFP. The PRC shall be comprised of representatives from each of the following offices:

- Department of Human Resources
- Office of Management and Budget
- Controller General's Office
- Department of Health and Social Services
- State Insurance Commissioner's Office
- State Treasurer's Office
- Chief Justice of the Supreme Court
- Lieutenant Governor's Office
- Executive Director of the Delaware State Education Association

The SBO shall determine the firms that meet requirements pursuant to selection criteria of the RFP and procedures established in 29 Del. C. § 6981 and 6982. The PRC reserves full discretion to determine the competence and responsibility, professionally and/or financially, of vendors. Vendors are to provide in a timely manner any and all information the PRC may deem necessary to make a decision. The PRC shall interview at least one (1) of the qualified firms.

The minimum requirements are mandatory. Failure to meet any of the minimum requirements outlined in the RFP may result in disqualification of the proposal submitted by your organization.

The SEBC will not respond to a question in the question and answer process that asks whether or not a bid would be disqualified if the vendor does not meet a specific minimum requirement. The bid must be submitted and then analyzed in its entirety.

The proposing firm's ability to meet the Technology and Data Requirements in Section VI are also considered a minimum requirement. The PRC shall make a recommendation regarding the award of contract to the SEBC who shall have final authority, in accordance with the provisions of this RFP and 29 Del.C. §6982, to award a contract to the successful firm or firms as determined by the SEBC in its sole discretion to be in the best interests of the State of Delaware. The SEBC may negotiate with one or more firms during the same period and may, at its discretion, terminate negotiations with any or

all firms. The SEBC reserves the right to reject any and all proposals. Pursuant to 29 Del. C. § 6986, the SEBC may award a contract to two or more vendors if the SEBC determines that it is in the best interest of the State.

2.0 Evaluation Criteria

All proposals shall be evaluated using the same criteria and scoring process. The scoring will be based on two major subcategories: ability of the bidders to demonstrate their capabilities as outlined below under “Core Criteria”, and ability of the bidders to articulate any additional value-added components of their proposals as outlined below under “Bonus Criteria”. Points will be awarded based on bidder responses to topics captured in each category below; out of a total of 125 possible points, 100 points (80%) will be allocated to bidder responses to Core Criteria topics and 25 points (20%) will be allocated to bidder responses to Bonus Criteria topics.

The following criteria shall be used by the PRC to evaluate proposals:

Topic	Points Awarded	Description
Core Criteria – 100 points toward overall total score		
Financial Terms	25 points	Competitive administrative fees. Demonstrated ability to deliver significant unit cost reduction via bundled case rates, and willingness to offer guaranteed return-on-investment based on the competitiveness of the vendor’s bundled case rates. Demonstrated ability to deliver significant reductions in the total cost of care based on improvements in provider quality and efficient care delivery. Willingness to offer financial guarantees based on achievement of specific metrics associated with the quality of care delivered by COE network providers.
COE Network	20 points	Management of at least one COE network of high quality medical facilities and professionals that have demonstrated their ability to achieve better health outcomes that will provide medical services at a lower cost. Robust processes for COE provider selection, and for the ongoing monitoring COE providers’ adherence to clinical quality guidelines. Willingness to build out COE provider network within and around the State of Delaware.

Topic	Points Awarded	Description
Program Administration	15 points	Qualifications and experience of the organization’s personnel to provide excellent service to GHIP participants and the SBO. Ability to track and report on key utilization, clinical and financial outcomes. Demonstration of vendor’s account management tools that will be used to manage the State’s population (<i>to be demonstrated at a finalist meeting</i>). Ability to articulate a well-defined process for implementation, with a detailed timeline including roles/responsibilities for the vendor and the SBO.
Integration	15 points	Ability to integrate with the State’s third party administrators to process eligibility data and coordinate claims processing and member cost-sharing accumulators. Ability to support the clinical management of GHIP participants in coordination with the medical TPAs and referrals to/from the State’s other health care resources (e.g., medical TPA care management programs, diabetes prevention programs).
Member Services	15 points	Ability to support initial and ongoing communications to GHIP participants. Offers online tools and resources that will provide GHIP participants with transparency into provider options, costs and quality (<i>to be demonstrated at a finalist meeting</i>). Robust member services function provides comprehensive support for a patient throughout the lifecycle of their procedure (e.g., aid in finding a provider, transferring medical records, transitioning of care to a COE provider if already in progress at non-COE) and in coordination with the member’s PCP.
Experience and References	8 points	Ability to demonstrate, through proposed solutions, experience and references, an ability to meet the State’s needs. Frequently uses examples from other customers to support vendor’s suggested approaches to how vendor’s COE network is offered (i.e., either alongside of, or in replacement of, medical TPA’s COE providers; and how vendor’s COE network is phased in), member steering and communication of the vendor’s COE network.

Topic	Points Awarded	Description
Responsiveness	2 points	Compliance with the submission requirements of the bid including format, clarity, conformity, realistic responses, and completeness, as well as responsiveness to requests during the evaluation process.
Total Points – Core Criteria	100 points	
Bonus Criteria – 25 points toward overall total score		
Bonus Criteria	25 points	Ability to offer innovative solutions that drive competition among providers within the State of Delaware. Breadth of procedures/clinical conditions included in COE network(s) is beyond those currently in place for the State (e.g., oncology, cardiac). Willingness to offer financial guarantees of savings due to avoided procedures and to improved provider quality.
Total Points – Bonus Criteria	25 points	
Grand Total	125 points	Represents weighted average score from the subcategories Core Criteria (80% of overall total score) and Bonus Criteria (20% of overall total score).

The SEBC will use the information contained in each bidder’s proposal to determine whether that bidder will be selected as a finalist and for contract negotiations. The proposal the SEBC selects will be a working document. As such, the SEBC will expect the proposing firm to honor all representations made in its proposal.

It is the proposing firm’s sole responsibility to submit information relative to the evaluation of its proposal and the SEBC is under no obligation to solicit such information if it is not included with the proposing firm’s proposal. Failure of the proposing firm to submit such information in a manner so that it is easily located and understood may have an adverse impact on the evaluation of the proposing firm’s proposal.

The proposals shall contain the essential information for which the award will be made. The information required to be submitted in response to this RFP has been determined by the SEBC and the PRC to be essential in the evaluation and award process. Therefore, all instructions contained in this RFP must be met in order to qualify as a responsive contractor and to participate in the PRC’s consideration for award. Proposals that do not meet or comply with the instructions of this RFP may be considered non-conforming and deemed non-responsive and subject to disqualification at the sole discretion of the PRC.

3.0 RFP Award Notification

The contract shall be awarded to the vendor(s) whose proposal is determined by the SEBC to be most advantageous, taking into consideration the evaluation criteria set forth in the RFP. The SEBC is not obligated to award the contract to the vendor(s) who submits the lowest bid or the vendor(s) who receives the highest total point score. Rather the contract will be awarded to the vendor(s) whose proposal is determined by the SEBC to be the most advantageous. The award is subject to the appropriate State of Delaware approvals including the Technology and Data Security Requirements by the Department of Technology and Information (DTI). After a final selection is made, the winning vendor(s) will be invited to negotiate a contract with the State; remaining vendors will be notified in writing of their selection status.

4.0 Award of Contract

The final award of a contract is subject to approval by the SEBC. The SEBC has the sole right to select the successful vendor(s) for award, to reject any proposal as unsatisfactory or non-responsive, to award a contract to other than the lowest priced proposal, to award multiple contracts, or not to award a contract, as a result of this RFP. Notice in writing to a vendor of the acceptance of its proposal by the SEBC and the subsequent full execution of a written contract will constitute a contract and no vendor will acquire any legal or equitable rights or privileges until the occurrence of both such events.

F. Confidentiality of Documents

The DHR is a public agency as defined by State law, and as such, it is subject to the Delaware Freedom of Information Act, 29 Del. C. Ch. 100 (FOIA). Under the law, all the State's records are public records unless otherwise declared by law to be not public and are subject to inspection and copying by any person. Subject to applicable law or the order of a court of competent jurisdiction to the contrary, all documents submitted as part of the vendor's proposal will be treated as confidential during the evaluation process. There shall be no disclosure of any vendor's information to a competing vendor or in fulfillment of a FOIA request during the bidding and contract development process.

Organizations are advised that when the contract has been fully executed or after the effective date of the contract, whichever comes later, the contents of the proposal and terms of the contract, including administrative fees, will become public record and nothing contained in the proposal or contract will be deemed to be confidential except the proprietary information.

The State of Delaware wishes to create a business-friendly environment and procurement process. As such, the State respects the vendor community's desire to protect its intellectual property, trade secrets, and confidential business information. Proposals must contain sufficient information to be evaluated. If a vendor feels that they cannot submit their proposal without including confidential business information, they must adhere to the following procedure or their proposal may be deemed non-responsive, may not be

recommended for selection, and any applicable protection for the vendor's confidential business information may be lost.

!! IMPORTANT!! In order to allow the State to assess its ability to protect a vendor's confidential business information, vendors will be permitted to designate appropriate portions of their proposal as confidential business information. **However**, the State has determined that administrative fee structures are **not** confidential and proprietary information.

In order to preserve the confidential and proprietary status of the appropriately designated portion of your bid, your bid must be submitted in accordance with the submission requirements stated below.

- Proposing firms must submit one (non-redacted) hard copy of any information the firm is seeking to be treated as confidential in a separate, sealed envelope labeled "Confidential and Proprietary Information" with the RFP name included.
- The envelope must contain a signed letter from the proposing firm's legal counsel describing the documents in the envelope, representing in good faith that the information in each document is not public record as defined by FOIA at 29 Del. C. § 10002(d) and state the reasons that each document meets the said definitions. The letter must list the topic and corresponding requirement or question with a reference to that section, number, question and page number, not just the titles of the appendices, exhibits or question numbers.
- The envelope must also contain a corresponding redacted set of hard copies.
- The attorney's letter, non-redacted set and redacted set must also be provided electronically on a CD.
- **Please see Section II.C., *Submission of Proposal*, for a detailed description of the number, format, and type of copies that are required.**

Upon receipt of a proposal accompanied by such a separate, sealed envelope, the State will open the envelope to determine if the procedure described above has been followed. Such requests will not be binding on the SEBC to prevent such a disclosure but may be evaluated under the provisions of 29 Del.C. Chapter 100. Any final decisions regarding disclosure under FOIA shall be made at the sole discretion of the DHR. The State shall independently determine the validity of any vendor designation as set forth in this section. Any vendor submitting a proposal or using the procedures discussed herein expressly accepts the State's absolute right and duty to independently assess the legal and factual validity of any information designated as confidential business information. Accordingly, vendors assume the risk that confidential business information included within a proposal may enter the public domain.

All documentation submitted in response to this RFP and any subsequent requests for information pertaining to this RFP shall become the property of the State of Delaware, DHR, and shall not be returned to the proposing firm. All proposing firms should be aware

that government solicitations and responses are in the public domain. **If your bid contains the phrase “confidential and proprietary” on each page, such status will not automatically be granted.**

II. Terms and Conditions

A. Proposal Response Requirements

1. **Conformity** - Your proposal must conform to the requirements set forth in this RFP. The SEBC reserves the right to deny any and all exceptions taken to the RFP requirements. By submitting a bid, each vendor shall be deemed to acknowledge that it has carefully read all sections of this RFP, including all forms, schedules, appendices, and exhibits hereto, and has fully informed itself as to all existing conditions and limitations. The failure or omission to examine any form, instrument or document shall in no way relieve vendors from any obligation in respect to this RFP.
2. **Concise and Direct** - Please provide complete answers and explain all issues in a concise, direct manner. Unnecessarily elaborate brochures or other promotional materials beyond those sufficient to present a complete and effective proposal are not desired. Please do not refer to another answer if the question appears duplicative, but respond in full to each question. If you cannot provide a direct response for some reason (e.g., your company does not collect or furnish certain information), please indicate the reason rather than providing general information that fails to answer the question. **“Will discuss” and “will consider” are not appropriate answers, nor is a reference to the current contractual terms by an incumbent.** All information requested is considered important. If you have additional information you would like to provide, include it as an exhibit to your proposal. If your organization is an incumbent, please reply with a full explanation to every question since the review committee may not be familiar with the current contract or your services.
3. **Realistic** – It is the expectation of the SEBC that vendors can fully satisfy the obligations of the proposal in the manner and timeframe defined within their proposal. Proposals must be realistic and must represent the best estimate of time, materials, and other costs including the impact of inflation and any economic or other factors that are reasonably predictable. The State of Delaware shall bear no responsibility or increased obligation for a vendor’s failure to accurately estimate the costs or resources required to meet the obligations defined in the proposal.
4. **Completeness of Proposal** – The proposal must be complete and comply with all aspects of the specifications. Any missing information could disqualify your proposal. Proposals must contain sufficient information to be evaluated and, therefore, must be complete and responsive. Unless noted to the contrary, we will assume that your proposal conforms to our specifications in every way. The SEBC reserves full discretion to determine the competence and responsibility, professionally, and/or financially, of vendors. Failure to respond to any request for information may result in rejection of the proposal at the sole discretion of the SEBC.

5. Some of the requirements in the Technical Standards and Security Requirements section (Section VI) apply to both incumbents and non-incumbents.

B. General Terms and Conditions

General

1. **Intent to Bid – !!!IMPORTANT!!!**
 - a. **You must indicate your intent to bid via email to Ms. Laurene Eheman at laurene.eheman@state.de.us by Monday, April 9, 2018, no later than 1:00 p.m. ET (local time).**
 - b. **Your bid will not be accepted if the State of Delaware does not receive an email or written confirmation of an intent to bid.** Include the following information: company name and physical address for UPS delivery, and the name, title, and email address of the primary contact along with the same information for a secondary contact.
 - c. **Upon receipt, a Word version of the RFP and Appendix L in Excel will be provided.**
 - d. **Non-Disclosure Agreement, Appendix K - A signed non-disclosure agreement is required by the Intent to Bid deadline of Monday, April 9, 2018, by 1:00 p.m., ET (local time) in order to receive a disc containing all of the Attachments noted in the Table of Contents, including eligibility and claims data (Attachment 6) and file formats (Attachment 4).** This disc will not be available until after Tuesday, April 3, 2018 in order to allow time for bidders to review and return the required data confidentiality agreement. **NOTE:** The claims dataset includes details of medical services related to particular episodes of care but excludes cost data (no allowed amounts, member payments, net paid amounts); **this cost data will not be provided at any point during this RFP process.** **NOTE:** Brokers cannot execute the non-disclosure agreement on behalf of their client. Subcontractors cannot obtain the confidential disc of claims data directly from the State - it must be obtained through the contractor they are working with.
 - e. After signature, scan all the pages of the NDA and e-mail to Ms. Laurene Eheman at laurene.eheman@state.de.us. The data files and file formats will be sent via UPS overnight mail and instructions to access the data file will be included in the reply email confirmation.
 - f. Certificate of Destruction - After the RFP process is completed and the contract award is made, the Non-Disclosure Agreement requires that the claims data be destroyed in a secure manner and a Certificate of Destruction be provided to the State.

2. **No Bid** - To assist us in obtaining competitive bids and analyzing our procurement processes, if you choose not to bid we ask that you let us know the reason. We would appreciate your candor. For example: objections to (specific) terms, do not feel you can be competitive, or cannot provide all the services in the Scope of Services. Please email Ms. Laurene Eheman at laurene.eheman@state.de.us.
3. **Definitions** –
 - a. The following terms are used interchangeably throughout this RFP:
 - i. bidder, vendor, contractor, organization, service provider
 - ii. SEBC, State of Delaware
 - iii. proposal, bid, vendor’s submission
 - iv. non-payroll group, participating group
 - v. shall, will, and/or must
 - b. Customer Service – Services to the members/insured, not the State, SEBC or SBO personnel.
 - c. Account Management – Services provided to your client - the State, SEBC and SBO personnel.
 - d. Appendix – Form provided in the RFP that needs to be completed by the bidder.
 - e. Attachment – Informational document provided in the RFP.
 - f. Exhibit – Attachment requested to the vendor’s bid response. Examples would be the bidder’s business license, a resume, or sample mailings.
4. **Mandatory Pre-Bid Meeting – A conference call will take place on Wednesday, April 11, 2018, at 11:00 a.m. ET (local time).** The purpose is to discuss the bid submission requirements, requirements for a claim of confidential and proprietary information, along with the formatting of hard copies and electronic copies. We will also discuss the technology requirements. If additional topics will be discussed and/or additional personnel are required to attend, vendors that submitted an Intent to Bid will be notified.

The following participants are required to attend:

- Your organization’s primary contact for the RFP or their designee;
- The administrative person who will be compiling the hard and electronic copies and confidential and proprietary request, if applicable, the redacted copies; and

- The person who will be responding to the requirements in the Technical Standards and Security Requirements section.

Your bid will not be accepted if your organization does not participate in the conference call. Meeting minutes will not be taken. However, if new or additional information is provided, an addendum may be released to address information provided during the mandatory pre-bid conference call. **Questions regarding other topics will not be entertained and must be submitted in the Questions and Answers process as described in Section II.B.6.**

5. **Discrepancies, Revisions and Omissions in the RFP** – The vendor is fully responsible for the completeness and accuracy of their proposal and for examining this RFP and all addenda. Failure to do so is at the sole risk of the vendor. **Should the vendor find discrepancies, omissions, unclear or ambiguous intent or meaning, or terms not appropriate to the services requested in the Scope of Services or Minimum Requirements** the vendor shall notify the contact for this RFP, Ms. Laurene Eheman, electronically, and only electronically, at laurene.eheman@state.de.us, at least ten (10) business days before the proposal due date, therefore no later than 4:30 p.m., Thursday, April 26, 2018, by submitting the *RFP Terms and Conditions Exception Tracking*, Appendix E. This will allow for the issuance of any necessary addenda. It will also help prevent the opening of a defective proposal and exposure of the vendor’s proposal upon which an award could not be made. All unresolved issues should be addressed in the proposal.

Protests based on any omission or error, or on the content of the solicitation, will be disallowed if these faults have not been brought to the attention of Ms. Laurene Eheman, electronically, and only electronically, at laurene.eheman@state.de.us, no later than ten (10) business days, no later than 4:30 p.m., Thursday, April 26, 2018, prior to the time set for opening of the proposals.

If it becomes necessary to revise any part of the RFP, an addendum will be posted on the State of Delaware’s website at www.bids.delaware.gov and emailed to all vendors that submitted an Intent to Bid. The State of Delaware or SEBC is not bound by any statement related to this RFP made by any State of Delaware employee, contractor or its agents.

6. **Questions** – The SEBC anticipates this will be an interactive process and will make every reasonable effort to provide sufficient information for vendor responses. Vendors are invited to ask questions during the proposal process and to seek additional information, if needed. However, do not contact any member of the SEBC about this RFP. Communications made to other State of Delaware personnel or attempting to ask questions by phone or in person will not be allowed or recognized as valid and may disqualify the vendor.

Vendors should only rely on written statements issued by the RFP designated contact, Ms. Laurene Eheman. **All proposing vendors must submit their questions electronically, and only electronically, to Ms. Laurene Eheman at**

laurene.eheman@state.de.us no later than Friday, April 13, 2018, by 1:00 p.m. ET (local time).

Required Format: Questions must be submitted in a Word document with a table format. So that we can be sure to respond within the context of the question, if you are referring to a specific question or term, please copy the question or information and reference the section, question number, and/or page number in the first column. In the second column, copy the requirement or question. In the third column, state your question. The SBO will then put all questions received and the responses into one document and send it to all vendors who confirmed their intention to bid. It will also be posted on www.bids.delaware.gov.

Contract Term / Rate Guarantee Periods

The term of the contract will be for three (3) years beginning July 1, 2019, or a date to be determined by both parties that considers a reasonable implementation period for the best interest of the State. The vendor must guarantee financial terms through June 30, 2022. The State will have the option to renew the contract for two (2) one-year periods.

Contract Termination

The term of the contract between the successful organization and the State will be for three (3) years and may be renewed for two (2) additional one-year extensions at the discretion of the SEBC. The contract may be terminated for convenience by the successful firm with 180 days written notice to the State. The contract may be terminated for cause by the vendor with 180 days written notice to the State. In the event the successful firm materially breaches any obligation under this Agreement, the State may terminate this Agreement upon thirty (30) days written notice.

Performance Guarantees

The State expects exceptional client account management and participant customer service from their vendors and is interested in evaluating financial and non-financial performance guarantees. The State reserves the right to negotiate both financial and non-financial performance guarantees. ***If your offer does not receive a clarifying question or any other response from the State, it does not infer acceptance.*** Please refer to Appendix C.

Future Contract Development

It is imperative that the contract drafting and finalization process be timely and accurately reflect the minimum requirements and other applicable contractual terms in the RFP. The vendor is expected to take their template contract form, or use the State's professional agreement contract template, and incorporate all the terms of the RFP, their bid responses and follow-up responses by the second draft (or first draft for a current vendor) so that wholesale changes are not required. A flat fee will be at risk as set forth in the Performance Guarantees if this requirement is not met. Please refer to Appendix C.

Use of Subcontractors

Subcontractors are subject to all the terms and conditions of the RFP and the companies and their services must be clearly explained in your proposal. The SEBC reserves the right to approve any and all subcontractors.

Required Reporting of Fees and 2nd Tier Spend

Monthly Vendor Usage Report - One of the State's primary goals in administering all its contracts is to keep accurate records regarding actual value/usage. This information is essential in order to update the contents of a contract and to establish proper bonding levels if they are required. The integrity of future contracts revolves around the State's ability to convey accurate and realistic information to all interested parties. For benefit programs, only the administrative fees are reported.

A complete and accurate Usage Report (for illustrative purposes, Attachment 2) shall be furnished in an Excel format and submitted electronically to the State's central procurement office no later than the 15th (or next business day after the 15th day) of each month, stating the administrative fees on this contract. *The SBO will submit this report on your behalf.*

2nd Tier Spending Report - In accordance with Executive Order 44, the State of Delaware is committed to supporting its diverse business industry and population. The successful Vendor will be required to accurately report on the participation by Diversity Suppliers which includes: minority (MBE), woman (WBE), veteran owned business (VOBE), or service disabled veteran owned business (SDVOBE) under this awarded contract. The reported data elements shall include but not be limited to: name of state contract/project, the name of the Diversity Supplier, Diversity Supplier contact information (phone, email), type of product or service provided by the Diversity Supplier and any minority, women, veteran, or service disabled veteran certifications for the subcontractor (State OSD certification, Minority Supplier Development Council, Women's Business Enterprise Council, VetBiz.gov). The format used for Subcontracting 2nd Tier report is shown as in Attachment 2.

Accurate 2nd Tier Reports shall be submitted to the Office of Supplier Diversity on the 15th (or next business day) of the month following each quarterly period. For consistency, quarters shall be considered to end the last day of March, June, September and December of each calendar year. Contract spend during the covered periods shall result in a report even if the contract has expired by the report due date. *You will be asked for this information and the SBO will submit this report on your behalf.*

Offshore Vendor Activity

An activity central to the Scope of Services cannot take place at a physical location outside of the United States. Only support activities, including those by a subcontractor, may be performed at satellite facilities such as a foreign office or division. Failure to adhere to this requirement is cause for elimination from future consideration.

Rights of the PRC

- The PRC reserves the right to:
 - Select for contract or negotiations a proposal other than that with lowest costs.
 - Reject any and all proposals received in response to this RFP.
 - Make no award or issue a new RFP.
 - Waive or modify any information, irregularity, or inconsistency in a proposal received.
 - Request modification to proposals from any or all vendors during the review and negotiation.
 - Negotiate any aspect of the proposals with any organization.
 - Negotiate with more than one organization at the same time.
 - Pursuant to 29 Del. C. § 6986, select more than one contractor/vendor to perform the applicable services.

- Right of Negotiation – Discussions and negotiations regarding price, performance guarantees, and other matters may be conducted with organizations(s) who submit proposals determined to be reasonably acceptable of being selected for award, but proposals may be accepted without such discussions. The PRC reserves the right to further clarify and/or negotiate with the proposing organizations following completion of the evaluation of proposals but prior to contract execution, if deemed necessary by the PRC and/or the SEBC. ***If any portion of a bid response does not receive a clarifying question or any other response from the State, the non-response does not infer acceptance of that portion of the bid response by the State.*** The SEBC also reserves the right to move to other proposing firms if negotiations do not lead to a final contract with the initially selected proposing firm. The PRC and/or the SEBC reserves the right to further clarify and/or negotiate with the proposing firm(s) on any matter submitted.

- Right to Consider Historical Information – The PRC and/or the SEBC reserves the right to consider historical information regarding the proposing firm, whether gained from the proposing firm’s proposal, question and answer conferences, references, or any other source during the evaluation process.

- Right to Reject, Cancel and/or Re-Bid – The PRC and/or the SEBC specifically reserve the right to reject any or all proposals received in response to the RFP, cancel the RFP in its entirety, or re-bid the services requested. The State makes no commitments, expressed or implied, that this process will result in a business transaction with any vendor.

C. Submission of Proposal

1. **Format** - For each requirement or question, retain the numbering/lettering convention, even if there is an error in the numbering sequence, and provide your

response in the appropriate response area or box. Please completely answer the question even if you must restate information provided in a different minimum requirement or in another question. Complete instructions have been provided at the beginning of the Minimum Requirements and Questionnaire sections.

2. **Non-Redacted Hard Copies –**

- a. For each section, such as the minimum requirements and questionnaire, and for each attachment/exhibit you reference, separate the materials with tabs. Please include a table of contents.
- b. Please use double-sided copies where it is logical to do so; for example, a section of six or more pages.
- c. Please use locking binders so the rings don't separate in shipping. Do not use spiral binding because we have to add follow-up questions and responses to your bid response.
- d. Please use multiple smaller binders instead of one large 6" binder, for example. A suggestion might be to have the appendices and exhibits in their own binder.
- e. For reports or documents of fifty or more pages, do not include a hard copy. Use a sheet that references an electronic document and provide a CD, not a flash drive.
- f. Please submit **four (4) complete hard copies** of your proposal. *Complete* means that it includes all information you may deem proprietary and confidential. In other words, the information deemed proprietary and confidential must not be redacted or separated from the rest of the information. Send to the following address:

Ms. Laurene Ehemann, RFP and Contract Manager
Department of Human Resources
Statewide Benefits Office
97 Commerce Way, Suite 201
Dover, DE 19904
Phone: (302) 739-8331

3. **Non-Redacted Electronic Copies –**

- a. Include a *complete* non-redacted electronic copy of your proposal in a PDF format on its own CD. You must scan all the documents; for example, a signed cover letter, the signed Officer's Statement and any exhibits.
- b. You must divide your bid into PDFs of manageable sections for easier readability. We will not accept a bid with one PDF of the entire bid response!

i. The file names of the documents must be short. Include a short version of your company name but do not include, the reference number of this RFP, the words “State of Delaware” or “Delaware”. Simply use a title of the document; for example, “ABC Co - Minimum Requirements”, “L&C - Appendix A – Performance Guarantees”, or “John’s Mgt Co - Exhibit 1 – John Doe’s Resume”.

c. Versions –

a. All documents must be in PDF format.

b. The following documents are to ALSO be included in their Word or Excel format as applicable:

1. Minimum Requirements

2. Questionnaire

3. Appendix L, *COE Administrative Fees and Savings Estimates*

d. Please label the CD with your company name and carefully package it for shipping. Do not use a thumb or flash drive.

4. **Redacted Hard and Electronic Copies –**

Any information you deem confidential and propriety as identified in the attorney’s cover letter as explained in Section I.F., *Confidentiality of Documents*, must be redacted. This means the information must be blacked out or substituted with a blank page that references the page or document that is missing. For example:

For all transactions, the following conditions must be met:

- individual section policies are followed;
- verbal price quotes are obtained;
- State Contracts must be utilized;
- purchases over \$5,000 have a corresponding purchase order prior to the charge; and fragmentation of purchases is prohibited.

In addition, [REDACTED]

[REDACTED] Employees must reimburse the State of Delaware for any expenditure above the allowable amounts.

Any questions on requirements should be directed to staff in OMB Financial Operations.

2. Coordinator/Back-Up Coordinator – Designation, Roles and Responsibilities

The Coordinator or Back-Up Coordinator will be responsible for maintaining a file which shows all applications, signed affidavits, and policies and procedures. Any issue that arises with the employee or [REDACTED] is to be dealt with first by the Coordinator or Back-up Coordinator. The Coordinator or Back-Up Coordinator is also responsible for ensuring that the purchases comply with the state and federal legislation, regulations, policies and procedures.

[REDACTED] and attached to a weekly log (Exhibit C). Any employee not producing a receipt must complete an affidavit statement certifying that they did in fact purchase the particular item. The affidavit statement must be signed by the employee and the supervisor or section designee.

Reconciler - The Reconciler is responsible for applying the chartfield information in the First State Financial system. The Reconciler is also responsible for ensuring that the purchases comply with the state and federal legislation, regulations, policies and procedures.

Approver – [REDACTED]

3. Request for an Application

All requests need to be addressed to the employee’s supervisor for approval. The supervisor then will request a SuperCard approval from the Coordinator or Back-up Coordinator.

- a. You must use a software program that has a redaction feature, such as Adobe. If you simply use a black highlight, the text can still be seen on a hard copy and it may be able to be reversed on a PDF.
- b. One *complete* and separate hard copy is needed with the redacted materials. Imagine you are flipping through the hard copy. You would see that section on a page with information blacked out (redacted) that the author considers confidential and proprietary. If an entire document, section or exhibit consisting of multiple pages is considered confidential and proprietary, use a blank page with a reference to the missing information. For example, “Appendix C – Disaster Recovery Plan – is confidential and proprietary and is not public record as defined by FOIA at 29 Del. C. § 10002(d)”.
- c. One *complete* electronic copy is needed with the redacted materials in a PDF format on a separate CD from the non-redacted copy. We need a separate complete electronic copy to use for FOIA requests. You must scan all the documents as explained above. The same sectioning and naming requirements as described above apply.

Recap of Proposal Copy Formats	Hard Copies	Electronic Copies on Separate CDs
Confidential and Proprietary Information: <u>One set of non-redacted and one set of redacted copies along</u> with the attorney’s cover letter in a marked and sealed envelope.	1	
Complete bid <u>with</u> redacted sections (only PDF versions)	1	1
Complete bid <u>without</u> redacted sections (PDFs, Word and Excel versions as listed above).	4	1

The person who is putting together the hard and electronic copies is welcome to, and encouraged to, contact Ms. Laurene Eheman directly by phone at 302-760-7060 to discuss the requirements and ask questions.

5. Follow-Up Responses and Finalist Presentations –

- a. The same format requirements apply to follow-up responses and presentations.
- b. Follow-Ups - Via email, you will be asked for a non-redacted electronic response. SBO will print the required number of hard copies for you (unless they are voluminous and in that event the email will contain a request for the hard copies).

- c. Finalist Presentation - You will be asked for a non-redacted electronic copy that includes pdfs of any supplemental materials or handouts.
 - d. If information in any of the follow-ups and presentation matches the type that was requested for a confidential and proprietary determination, you must submit a redacted electronic version of the document(s). For example, if you asked for your client references to be deemed confidential and in a follow-up we ask for additional references or an alternate contact name and number, we would need an electronic copy with that information redacted. Similarly, if you have a list of clients in your presentation materials, we would also need a redacted copy of your presentation.
 - e. If there is a new type of information that was not included in your original bid and you deem it confidential and proprietary, you must include the required attorney's letter.
6. **Proposal Submission Date** – Both hard and electronic copies of your complete proposal must be received at the above address no later than **1:00 p.m. ET (local time) on Friday, May 11, 2018**. Electronic copies cannot be transmitted via email by the deadline with hard copies to arrive before, on, or after the due date. If the office is closed on the bid due date due to weather or other emergency, the due date and time cannot be pushed forward one day. Any proposal received after this date and time shall not be considered and will be returned to the proposing firm unopened. The proposing firm bears the risk of delays in delivery. The contents of any proposal shall not be disclosed or made available to competing entities during the negotiation process.
7. **Proposal Opening** – To document compliance with the deadline, the proposals will be date and time stamped upon receipt. Proposals will be opened only in the presence of State of Delaware personnel. There will be no public opening of proposals, but a public log will be kept of the names of all vendor organizations that submitted proposals. The list will be posted on www.bids.delaware.gov. In accordance with Executive Order #31 and Title 29, Delaware Code, Chapter 100, the contents of any proposal will not be disclosed to competing vendors prior to contract execution. Proposals become the property of the State of Delaware at the proposal submission deadline.
8. **Officer Certification** – All vendors participating in this RFP will be required to have a company officer attest to compliance with RFP specifications and the accuracy of all responses provided. Please fill out the *Officer Certification Form*, Appendix D, and include it in your bid package.
9. **Vendor Errors/Omissions** – The SEBC will not be responsible for errors or omissions made in your proposal. You will be permitted to submit only one proposal. You may not revise or withdraw submitted proposals after the applicable deadline.

10. **General Modifications to RFP** – The SEBC reserves the right to issue amendments or change the timelines to this RFP. All firms who submitted an Intent to Bid notice will be notified in writing via e-mail of any modifications made by the SEBC to this RFP. If it becomes necessary to revise any part of the RFP, an addendum will be emailed to all vendors who submitted an Intent to Bid and it will also be posted on the State of Delaware’s website at www.bids.delaware.gov.
11. **Modifications to Submitted Proposal** – Changes, amendments or modifications to proposals shall not be accepted or considered after the time and date specified as the deadline for submission of proposals. However, vendors may modify or withdraw its complete proposal by written request, provided that both proposal and request is received by Ms. Laurene Eheman prior to the proposal due date and time. Pages for substitution will not be accepted or allowed. The proposal may be re-submitted in accordance with the proposal due date in order to be considered.
12. **Proposal Clarification** – The SEBC may contact any vendor in order to clarify uncertainties or eliminate confusion concerning the contents of a proposal. Clarifications (known as “Follow-Ups”) will be requested in writing and the vendor’s responses will become part of the proposal.
13. **References** – The SEBC may contact any customer of the vendor, whether or not included in the vendor’s reference list, and use such information in the evaluation process. Additionally, if applicable to the scope of work in this RFP, the State of Delaware may choose to visit existing installations of comparable systems, which may or may not include vendor personnel. If the vendor is involved in such site visits, the State of Delaware will pay travel costs only for the State of Delaware personnel for these visits.
14. **Time for Acceptance of Proposal** – The bidder agrees to be bound by its proposal for a period of at least 180 days, during which time the State may request clarification or corrections of the proposal for the purpose of the evaluation. The State reserves the right to ask for an extension of time if needed.
15. **Incurred Costs** – This RFP does not commit the SEBC to pay any costs incurred in the preparation of a proposal in response to this request and vendor/bidder agrees that all costs incurred in developing its proposal are the vendor/bidder's responsibility. The State shall bear no responsibility or increased obligation for a vendor’s failure to accurately estimate the costs or resources required to meet the obligations defined in the proposal.
16. **Basis of Cost Proposal** – Your proposal must be based on your estimated cost of all expenses for the services and funding arrangements requested.
17. **Certification of Independent Price Determination** – By submission of a proposal, the proposing firm certifies that the fees submitted in response to the RFP have been arrived at independently and without – for the purpose of restricting competition – any consultation, communication, or agreement with any other

proposing firm or competitor relating to those fees, the intention to submit a proposal, or the methods or factors used to calculate the fees proposed. Please fill out the *State of Delaware Non-Collusion Statement*, Appendix A, and include it in your bid package.

18. **Improper Consideration** – Bidder shall not offer (either directly or through an intermediary) any improper consideration such as, but not limited to, cash, discounts, service, the provision of travel or entertainment, or any items of value to any officer, employee, group of employees, retirees or agent of the SEBC in an attempt to secure favorable treatment or consideration regarding the award of this proposal.
19. **Representation Regarding Contingent Fees** – If it is your business practice to engage services from any person or agency to secure or execute any of the services outlined in this RFP, any commissions and percentage, contingent, brokerage, service, or finder’s fees must be included in your proposed fee. The SEBC will not pay any separate brokerage fees for securing or executing any of the services outlined in this RFP. **Therefore, all proposed fees must be net of commissions and percentage, contingent, brokerage, service or finders’ fees.**
20. **Confidentiality** – All information you receive pursuant to this RFP is confidential and you may not use it for any other purpose other than preparation of your proposal. After the RFP process is completed and the contract award is made, the Non-Disclosure Agreement requires that the data be destroyed in a secure manner and a certificate of destruction be provided to the State.
21. **Solicitation of State Employees** – Until contract award, vendors shall not, directly or indirectly, solicit any employee of the State of Delaware to leave the State’s employ in order to accept employment with the vendor, its affiliates, actual or prospective contractors, or any person acting in concert with the vendor, without prior written approval of the State’s contracting officer. Solicitation of State of Delaware employees by a vendor may result in rejection of the vendor’s proposal.

This paragraph does not prevent the employment by a vendor of a State of Delaware employee who has initiated contact with the vendor. However, State of Delaware employees may be legally prohibited from accepting employment with the contractor or subcontractor under certain circumstances. Vendors may not knowingly employ a person who cannot legally accept employment under state or federal law. If a vendor discovers that they have done so, they must terminate that employment immediately.

22. **Consultants and Legal Counsel** – The SEBC may retain consultants or legal counsel to assist in the review and evaluation of this RFP and the vendors’ responses. Bidders shall not contact the consultant or legal counsel on any matter related to this RFP unless written permission and direction is provided.

23. **Contact with State Employees** – Direct contact with State of Delaware employees regarding this RFP other than the designated contact, Ms. Laurene Eheman, is expressly prohibited without prior consent. Vendors directly contacting State of Delaware employees risk elimination of their proposal from further consideration. Exceptions exist only for organizations currently doing business with the State who require contact in the normal course of doing that business.
24. **Organizations Ineligible to Bid** - Any individual, business, organization, corporation, consortium, partnership, joint venture, or any other entity including subcontractors currently debarred or suspended is ineligible to bid. Any entity ineligible to conduct business in the State of Delaware for any reason is ineligible to respond to the RFP.
25. **Exclusions** - The PRC reserves the right to refuse to consider any proposal from a vendor who:
 - a. Has been convicted for commission of a criminal offense as an incident to obtaining or attempting to obtain a public or private contract or subcontract, or in the performance of the contract or subcontract;
 - b. Has been convicted under State or Federal statutes of embezzlement, theft, forgery, bribery, falsification or destruction of records, receiving stolen property, or other offense indicating a lack of business integrity or business honesty that currently and seriously affects responsibility as a State contractor;
 - c. Has been convicted or has had a civil judgment entered for a violation under State or Federal antitrust statutes;
 - d. Has violated contract provisions such as:
 - i. Knowing failure without good cause to perform in accordance with the specifications or within the time limit provided in the contract; or
 - ii. Failure to perform or unsatisfactory performance in accordance with terms of one or more contracts;
 - iii. Has violated ethical standards set out in law or regulation; and
 - iv. Any other cause listed in regulations of the State of Delaware determined to be serious and compelling as to affect responsibility as a State contractor, including suspension or debarment by another governmental entity for a cause listed in the regulations.

III. Minimum Requirements

1. The following minimum requirements are mandatory.
2. Additionally, the Technology and Data Requirements in Section VI are considered minimum requirements.
3. Failure to meet any of these proposal criteria may result in disqualification of the proposal submitted by your organization.

Instructions:

!!! IMPORTANT !!!

- A. **Clear and Succinct** - Whenever applicable, you must clearly and succinctly indicate how your standard procedures would be modified in order to accommodate any specific requirements of the State that deviate from your standard procedures.
- B. **Responsiveness** –
 - Generic responses or stock answers that do not address State-specific requirements will be deemed unresponsive.
 - “Will discuss” and “will consider” are not appropriate answers.
 - All questions are important to the State and therefore you may not answer that a topic is not applicable unless you specifically state why it is a service that does not apply for the plans or programs you are proposing.
- C. **Respond to Each Question** –
 - If a question is repeated in multiple sections and your answer is the same, please do not refer to your answer in another section but copy it under each question.
 - **DO NOT LEAVE A RESPONSE BLANK!** You must acknowledge that you believe the item does not apply and provide a reason why! Otherwise, we will need to ask you to reply in a follow-up question.
- D. **Incumbents** - If your organization is a current vendor, you must reply with a full explanation to every question since the review committee may not be familiar with the current contract or your services.
- E. **Fees or Costs** - Fees or costs that are not included in your bid and stated on the appropriate appendices (forms) will not be considered by the State. A fee only stated in a response to a question, whether or not we remind you to include a fee on the appropriate appendix or

form, will not be considered! You must document ALL fees and costs on Appendix L, *COE Administrative Fees and Savings Estimates*.

F. **Exceptions** - If you have an exception, you must copy and paste the term into the *Responses Exceptions Tracking* form, Appendix B, and provide a detailed explanation, or, check the box to acknowledge that you take no exceptions to the specifications, terms or conditions found in the *Minimum Requirements* or *Questionnaire* sections and submit it with your bid package.

G. **Numbering** - Please do not change the numbering of a question, even if there is an error in the sequence or a duplication. Thank you.

H. **Table and Check Box Format** –

- Due to the table format, be sure to respond in the same row instead of adding a row beneath the question.
- **If a question asks for a response in a check box format**, please **bold** your selection(s) since the check box feature is not operational.
- **If a question asks for a selection (“pick”)**, please also use a **bold** formatting for your response.
- For any additional information you provide, either in a response to “other” or as information you feel is required to provide a complete response, please do not add a lengthy explanation that expands the cell beyond a reasonable number of sentences and length. Instead, reference an exhibit and use a table format that includes the section name, item number, copy of the question, and page number. The review committee must be able to easily find your response and refer back to the question!

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As an introduction, please provide your company’s full name (i.e., used for financial filing), home office address and telephone number, and the address and telephone number of additional offices, if any, that would provide the services requested under this RFP; please indicate which services would be provided by the additional, non-home office. Include the name and information for the primary contact, including phone number and email address, for responding to this RFP. Include your company’s website address.

A. Core Capabilities and Experience

1. The selected vendor must have at least three (3) years’ experience as an organization providing all of the services indicated in the Scope of Services (Section I.C). Please confirm and provide a concise outline of your organization’s experience and qualifications.

## B. Account Support

2. The individual who will act as the SEBC's primary contact shall be, at a minimum, a senior level manager and shall have at least five (5) years' experience providing account management services, of which three (3) years' experience must have been in providing account management services to customers of your organization of similar size and complexity. As an exhibit, please provide a statement detailing such experience and a resume. Please include the following in the requested exhibit:
  - a. Contact name
  - b. Title
  - c. Phone numbers
  - d. Email address
  - e. Fax number
  - f. Current client load
  - g. Percent of time dedicated to the State of Delaware
  - h. Number of years with organization
  - i. Number of years in current position
  - j. Summary of skill sets
  - k. Summary of why this individual was chosen to support the State
    - l. If not already provided in the references section, please provide two accounts (company name, city and state, contact name and phone number and/or email address) for which this person served in a similar capacity.
  - m. Organization chart outlining the rest of the account management team supporting the account manager with the titles of team members and, to the extent not already captured by the Minimum Requirements below, describe their functions, experience and skill sets.
3. Please confirm that the primary contact will respond promptly (within one business day) to all State administrative staff requests and questions within normal business hours. Indicate the percent of their time that will be spent on the State's account.
4. Please confirm that the primary contact and/or lead personnel assigned to a transition team (implementation manager), account executive, account manager, clinical manager, along with the director of your provider contracting area will be part of any finalist interview team.
5. Do you anticipate any mergers, transfer of company ownership, sales management reorganizations, or departure of key personnel within the next three (3) years that might affect your ability to carry out your proposal if it results in a contract with the State? If yes, please explain.

6. Please confirm that you will provide designated clinical manager to the State who will have full knowledge of all clinical programs in effect under the Plan as well as all clinical programs offered by your organization. What percent of their time would be spent on the State's account? As an exhibit, please provide a statement detailing such experience and a resume.
7. Please confirm that a designated member service manager will be assigned to this account. What percent of their time would be spend on the State's account? As an exhibit, please provide a statement detailing such experience and a resume.
8. Please confirm that your company will provide the State with regular information concerning industry developments or new services and will provide articles and other communications at a frequency determined by the State for inclusion in member newsletters and websites.
9. At no cost to the State, please confirm that you will meet with the State on-site at least semi-annually, noting your company performance according to the performance guarantees in place and to review member utilization and outcomes.

#### C. Benefit Administration

10. Please confirm that services will extend nationwide to all eligible employees, non-Medicare retirees and dependents.
11. Please confirm that you will provide member concierge services for all of the following activities: selecting and locating network providers, facilitating surgeon/other physician-to-PCP discussions, coordinating medical data collection (e.g., pre-op lab testing), arranging provider appointments and travel, and coordinating follow-up care.
12. Please confirm that you are able to administer a travel and lodging benefit in its entirety, including collecting/reviewing receipts from members who are claiming the benefit, paying members' travel allowance when warranted, and issuing 1099s to members who have received the benefit.
13. Please confirm that you are able to support a variety of member steerage approaches including benefit differentials and cash incentives if selected in a plan design by the SEBC.
14. Please confirm that you will connect members with their health plan's member services to assist members with locating a PCP.
15. Please confirm that you are able to support referrals to/from the State's other health care resources (e.g., medical vendors' care management programs, telemedicine, diabetes prevention programs), when warranted.
16. Please confirm your willingness to build out your provider network within and/or around the State of Delaware.

17. Please confirm that your organization will provide relevant member communications materials, including support for the production and distribution of such materials, at no cost to the State and plan participants. This includes printing and postage. (Emails sent directly from the vendor to eligible members are not possible, though COE information could be shared in email newsletters sent from SBO.)
18. Please confirm that the State maintains flexibility to edit/approve all communication materials.
19. Please confirm your organization will conduct customer service surveys and report results on a semi-annual basis. (This is a requirement in the Performance Guarantees.) If you have a sample of a customer service survey, please provide a copy as an exhibit.
20. Please confirm that you will provide a toll-free member services number.
21. Please confirm that you can accept eligibility files in the industry standard 834 file format.
22. Please confirm that you can accept and process eligibility files from multiple sources for the same time period.
23. Please confirm that you are able to coordinate with the State's medical TPAs to accept, process and pay claims from medical providers within your COE network.
24. Please confirm that your organization is able to coordinate with the State's medical third-party administrators to ensure that any member cost-sharing associated with using the providers in your network is coordinated with the medical plan's annual deductible and out-of-pocket maximum.
25. Please confirm that your organization can use the medical policy guidelines utilized by the State's medical TPAs.
26. Please confirm that your organization can use the definition of medical necessity utilized by the State's medical TPAs.
27. On a monthly basis and at no cost to the State, please confirm that you agree to provide the State's data mining vendor, currently IBM Watson Health (formerly known as Truven Health Analytics), with claims data either directly with IBM Watson Health or indirectly via the State's medical third-party administrators. The selected organization(s) may, at the direction of the State, be required to provide claims data to other parties and/or business partners of the State, including, but not necessarily limited to, the State's healthcare consultant as determined necessary for the administration of the State's Group Health Insurance Program. Such requests shall be fulfilled at no cost to the State. Please refer to the file layouts referred to as Attachment 4. The State acknowledges that the release of claims data must be done in compliance with HIPAA Privacy rules and regulations.
28. Reporting – Please confirm that at no cost to the State:

- a. Your organization can provide ongoing management reports on a quarterly basis that include, but are not limited to, the following: member utilization of COEs, members' post-surgical clinical outcomes and financial savings to members and the State. Which reports are available on-line? As an exhibit, please provide a sample of your standard management reports.
- b. Please confirm your ability to maintain member records so that you can categorize members in the following employer types: Merit Agency, Public Education, Higher Education, State of Delaware Retirees, Non State Participating Groups as well as by Plan type and actives, non-Medicare retirees and Medicare retirees (if included, as determined by the SEBC). (See Attachment 5 for a detailed breakdown of GHIP participating groups.)
- c. Your organization can provide reporting on the State's experience in the aggregate as well as organized into three (3) separate groups – department or agencies, non-Medicare retirees/pensioners, and non-payroll participating groups – and include the corresponding State's accounting code and a designation of OPEB or non-OPEB status. (See Attachment 5 for a detailed breakdown of GHIP participating groups.)
- d. Please confirm that your organization can provide *ad hoc* reports as requested. Is there a fee for such reports? If so, please indicate in Appendix L, *COE Administrative Fees and Savings Estimates*. As an exhibit, please provide a sample of a type of *ad hoc* report that was produced for a client.

#### D. Financial

29. Please confirm that all fees or costs to administer the program are included in your pricing terms quoted in the Financial Proposal (Section V) and on Appendix L, *COE Administrative Fees and Savings Estimates*. **Fees or costs that are not included in your bid on those forms will not be considered by the State.**
30. Please confirm that you are willing to provide a guaranteed return on investment (ROI) of at least 1:1 (i.e., savings associated with your bundled case rates – excluding any savings associated with improvements in quality or avoidance of unnecessary procedures – will be at least as great as the administrative cost of your program). **Note:** Please outline any caveats to this guarantee, including any requirements in terms of plan design, member communications, etc. in your response to Section V.3. *Performance Guarantees*.
31. If you are selected as the winning bidder, please confirm that you would not require payment of any start-up costs from the State prior to the effective date of the program.
32. Please confirm that the State will receive a 90-day notice, when possible, of any event or negotiation that may cause a disruption to the provider network.
33. Please confirm that the State or its designee will have the right to audit on an annual basis with an auditor of its choice and with full cooperation of your organization, the services

and pricing provided in order to verify compliance with all program requirements and contractual guarantees. The State's right to audit shall survive the termination of the agreement between the parties for a period of three (3) years.

34. At minimum, guarantee proposed fees and discounted COE provider pricing for three (3) contract years (12 months per year) with two (2) one-year extensions, each at the discretion of the SEBC and with rate caps not to exceed 3% per year. Please include this in your response to Appendix L, *COE Administrative Fees and Savings Estimates*.
35. Please confirm that your organization agrees that if in the normal course of business, it, or any other organization with which the Bidder has a working arrangement, chooses to advance any funds that are due, to any provider, subsidiary or subcontractor, the cost of such advance must not be charged back to the State except the State must reimburse Bidder within the confines of the provisions of a contract.
36. Confirm that you agree not to appoint any agent, general agent, or broker, nor authorize payment of any kind to a party not approved in writing by the State.
37. Please confirm that your organization must submit to the State on its invoice an itemization of the charges and fees, and credit for services provided in the administration of the services.
38. Please confirm your organization's acceptance that any payments made by the State of Delaware will be by Automated Clearing House (ACH) as per its ACH processing procedures.
39. Please confirm that your organization must provide the State with an estimate of administrative fees and amounts of outstanding checks no later than 45 days following the close of each fiscal quarter.
40. Please confirm that your organization must provide financial reporting 45 days (under no circumstances to exceed 60 days) following the end of each quarter.

#### E. Implementation

41. Assuming a contract award by January 1, 2019 and an effective date of July 1, 2019 for membership engagement, as an exhibit provide a detailed implementation schedule including dates/tasks/roles (for both State and vendor resources).
42. Please confirm that your organization will lead the implementation process taking direction from the State of Delaware.
43. Confirm that you will conduct a pre-implementation testing process to ensure accuracy of plan administration prior to the effective date and that you will share the results of the testing process with the State.

F. Legal

44. The vendor agrees not to appoint any agent, general agent, or broker, nor authorize payment of any kind to a party not approved in writing by the State.
45. Please confirm that your organization will not use the names, home addresses or any other information obtained about participants of the medical program for offering for sale any property or services that are not directly related to services negotiated in the RFP without the express written consent of the State.
46. Please confirm that commission percentages, brokerage or contingent fees are not payable to any agent or broker by the State of Delaware.
47. Please confirm your acceptance that an activity central to the Scope of Services cannot take place at a physical location outside of the United States. Only support activities may be performed at satellite facilities such as a foreign office or division. Subcontractors are also subject to this provision.
48. Please confirm that within the past five (5) years the firm or any officer, controlling stockholder, partner, principal, or other person substantially involved in the contracting activities of the business is not currently suspended or debarred and is not a successor, subsidiary, or affiliate of a suspended or debarred business.
49. Please state whether your company is appropriately licensed to do business in the State of Delaware and provide a copy of the license, or, confirm that prior to the execution of a contract, you would initiate the process of an application. Confirm your understanding that work cannot begin until your organization has a valid State of Delaware business license.
50. Please confirm that your organization is operating as an independent contractor and that it is liable for any and all losses, penalties, damages, expenses, attorney's fees, judgments, and/or settlements incurred by reason of injury to or death of any and all persons, or injury to any and all property, of any nature, arising out of the vendor's negligent performance under this contract, and particularly without limiting the foregoing, caused by, resulting from, or arising out of any act of omission on the part of the vendor in their negligent performance under this contract.
51. Please confirm that your organization and any subcontractors, agents or employees employed by you shall not, under any circumstances, be considered employees of the State and they shall not be entitled to any of the benefits or rights afforded employees of the State.
52. Please confirm that your organization is operating as an independent contractor and shall maintain insurance that will protect against claims under Worker's Compensation Act and from any other claims for damages for personal injury, including death, which may arise from operations under this contract. The vendor is an independent contractor and is not an employee of the State of Delaware.

53. During the term of this contract, the vendor shall, at its own expense, carry insurance minimum limits as follows:

|    |                                   |                                                       |
|----|-----------------------------------|-------------------------------------------------------|
| a. | Comprehensive General Liability   | \$1,000,000 per person and \$3,000,000 per occurrence |
| b. | Medical or Professional Liability | \$1,000,000 per occurrence and \$3,000,000 aggregate  |
| c. | Misc. Errors and Omissions        | \$1,000,000 per occurrence and \$3,000,000 aggregate  |

The successful vendor must carry (a) and (b) and/or (c), above, depending on the type of service being delivered. If you believe that a type of coverage would not apply to your service, please explain.

If awarded the contract, the State of Delaware shall **NOT** be named as an additional insured.

As an exhibit, please provide a copy of your certificate of insurance with the appropriate types and coverage levels. At this time, you may or may not provide a copy of your certificate of insurance with the appropriate types and coverage levels, but, if awarded the contract, please confirm your understanding that you must provide a copy of your certificate of insurance before any work is done pursuant to the terms in the RFP and resulting contract.

54. As the effective date of any contract awarded under this RFP has yet to be determined, please confirm the latest date that you could be notified of a contract award in order for you to successfully implement your program for member communications for a May 2019 Open Enrollment period and a July 1, 2019 effective date.
55. If awarded the contract, please confirm your organization's willingness to enter into performance guarantees. Please follow the instructions in Appendix C and include the completed *Performance Guarantees* form in your bid package. ***If your offer does not receive a clarifying question or any other response from the State, it does not infer acceptance.***
56. Please confirm that upon termination of a contract your organization will not solicit any SEBC member or retiree for any services or products without the explicit written permission of the State.
57. Please confirm your understanding that any of the functions to be performed under a contract, if awarded, shall not be assigned by either party to another party, absent advance notice to the other party, and written consent to said assignment, which consent shall not be unreasonably withheld. In the event either party shall not agree to an assignment by the other party, then the contract shall terminate upon the effective date of said assignment.

58. **Please confirm your organization's acceptance of the following indemnity paragraphs. For your response, if you do not accept this indemnity paragraph as written, you must provide a redline of suggested changes. Be advised that the State cannot agree to major changes.**

Vendor shall indemnify and hold harmless the State, its agents and employees, from any and all liability, suits, actions or claims, together with all reasonable costs and expenses (including attorneys' fees) directly arising out of (A) the negligence or other wrongful conduct of the vendor, its agents or employees, or (B) vendor's breach of any material provision of this Agreement not cured after due notice and opportunity to cure, provided as to (A) or (B) that (i) vendor shall have been notified in writing by the State of any notice of such claim; and (ii) vendor shall have the sole control of the defense of any action on such claim and all negotiations for its settlement or compromise.

The State shall not indemnify the Vendor in the contract awarded under this RFP or any related contract. Vendor shall not request the State to indemnify or provide quasi-indemnification under any contract. An example of an unacceptable quasi-indemnification provision is:

The State asserting it is without legal authority to agree to such indemnification, acknowledge that Vendor, on behalf of itself and any affiliate, reserves such rights as it may have to obtain reasonable compensation from the State, against any loss, damage, costs of suit or other expenses resulting from the improper use or disclosure of data or any breach of this Agreement by State.

59. Please confirm your organization's agreement that:
- a. The contract may be terminated for convenience by the successful firm with 180 days written notice to the State.
  - b. The vendor can terminate the contract for cause with written notice to the State of no less than 180 days.
  - c. The State can terminate the contract for cause with written notice to the vendor of no less than thirty (30) days. The State anticipates the vendor will be given the opportunity to cure any default in performance well in advance of a notice of termination.
60. The State requires your organization to confirm that all services identified in your proposal are provided solely by your organization and identify any services that may be provided by a subcontractor. This includes graphics, mailing, and printing services, for example. Subcontractors are subject to all the terms and conditions of the RFP and the SEBC reserves the right to approve any and all subcontractors. If a subcontractor(s) is involved, note in your response to this question and complete Appendix F, *Subcontractor Information Form*, included herein for each subcontractor. The company OSD classification information is for self-identification only.

61. If your company is awarded the contract, please confirm your agreement that performing the services subject to this RFP, as set forth in 19 Del. C. § 710, you will not discriminate against any employee or applicant with respect to compensation, terms, conditions or privileges of employment because of such individual's race, marital status, genetic information, color, age, religion, sex, sexual orientation, gender identity, or national origin. The successful vendor shall comply with all federal and state laws, regulations and policies pertaining to the prevention of discriminatory employment practice. Failure to perform under this provision constitutes a material breach of contract.
62. Please confirm your organization's acceptance: The RFP and the executed Contract between the State and the successful organization will constitute the Contract between the State and the organization. In the event there is any discrepancy between any of these contract documents, the following order of documents governs so that the former prevails over the latter: contract, State of Delaware's RFP. No other documents, including your bid response, will be considered. These documents contain the entire agreement between the State and the organization.
63. Please confirm your organization's acceptance: The payment of an invoice by the SEBC shall not prejudice the SEBC's right to object or question any invoice or matter in relation thereto. Such payment by the SEBC shall neither be construed as acceptance of any part of the work or service provided nor as an approval of any costs invoiced therein. Vendor's invoice or payment shall be subject to reduction for amounts included in any invoice or payment theretofore made which are determined by the SEBC, based on audits, to not constitute allowable costs. Any payment shall be reduced for overpayment, or increased for underpayment on subsequent invoices.
64. Please confirm your organization's acceptance: The SEBC reserves the right to deduct from administrative fees that are or shall become due and payable to the vendor under this contract between the parties any amounts which are or shall become due and payable to the SEBC by the vendor.
65. Please confirm that your organization will not use the State's name, either express or implied, in any of its advertising or sales materials without the State's express written consent.
66. If your company is awarded the contract, please confirm your understanding that pursuant to 29 Del. C. § 6909B and effective November 4, 2014, the State does not consider the criminal record, criminal history or credit score of an applicant for state employment during the initial application process unless otherwise required by state and/or federal law. Vendors doing business with the State are encouraged to adopt fair background check provisions. Vendors can refer to 19 Del. C. § 711(g) for applicable established provisions.
67. Please confirm your acceptance that in the event of any dispute under a contract, you consent to jurisdiction and venue in the State of Delaware and that the laws of the State of Delaware shall apply to the contract except where Federal law has precedence.

68. Please confirm your acceptance that the State of Delaware reserves the right to pre-approve any news or broadcast advertising releases concerning this solicitation, the resulting contract, if awarded, the work performed, or any reference to the State of Delaware with regard to any project or contract performance. Any such news or advertising releases pertaining to this solicitation or resulting contract shall require the prior express written permission of the State of Delaware.
69. The State acknowledges that a contractor has the right to exercise full control over the employment direction, compensation and discharge of all persons employed by the contractor in the performance of services for their clients. However, please confirm that, if awarded the contract, your organization will attempt to honor the State's request for specific individuals to be assigned to managerial roles in all areas of account management.
70. Please confirm that, if awarded the contract and if applicable, your organization ("vendor") will provide on an annual basis Service Organization Control ("SOC") Reports 1 and 2 that address the internal control over financial reporting of vendor's services and other criteria that are applicable to non-financial reporting subject matter for vendor's services. SOC 1 and 2 reports may include multiple reports to reflect all processes and locations utilized by vendor in performing the Services. All SOC reports will be prepared by external auditors selected by the vendor with appropriate credentials. Upon the State's request, the vendor will confirm directly with the State's auditors to confirm separately any SOC report or Bridge Letters. Vendor will cause the SOC reports to be delivered to State promptly after such reports are delivered to vendor by the vendor's auditors. Upon the request of the State, vendor will deliver to the State a Bridge Letter or report to address any time gap between the date of the SOC reports delivered by vendor and the date of the State's audit that relies on such reports. SOC reports are prepared under the American Institute of Certified Public Accountants (AICPA) Statements on Standards for Attestation Engagements (SSAE) 16.
71. Please confirm that, if awarded the contract, your organization will provide a written report no later than forty-five (45) days following the close of each quarter which shall describe any judgment or settlement or pending litigation involving Contractor that could result in judgments or settlements in excess of One Hundred Thousand Dollars (\$100,000).
72. Please confirm that your company complies with all federal, state and local laws applicable to its activities and obligations including:
  - a. the laws of the State of Delaware;
  - b. the applicable portion of the Federal Civil Rights Act of 1964;
  - c. the Equal Employment Opportunity Act and the regulations issued there under by the federal government;
  - d. a condition that the proposal submitted was independently arrived at, without collusion, under penalty of perjury; and

- e. that programs, services, and activities provided to the general public under resulting contract conform with the Americans with Disabilities Act of 1990, and the regulations issued there under by the federal government.

If awarded the contract, your organization will keep itself fully informed of and shall observe and comply with all applicable existing Federal and State laws during its performance of the work. If your organization fails to comply with (a) through (e) of this paragraph, the State reserves the right to terminate the contract or consider the Contractor in default.

- 73. Please confirm your full HIPAA, EDI and Privacy compliance and that all State member data will be maintained in accordance with applicable federal, state and local regulations to ensure protection and confidentiality.
- 74. Please confirm the existence of strict policies and procedures for the protection of client and member Personal Health Information (PHI) and avoidance of security breaches under HIPAA and HITECH. Confirm the existence of breach notification procedures in the event of a release of PHI.
- 75. Please confirm your acceptance that, if awarded the contract, Contractor shall submit monthly invoices to the State in sufficient detail to support the services provided during the previous month. The State will not pre-pay for services. The State agrees to pay those invoices within thirty (30) days of receipt. In the event the State disputes a portion of an invoice, the State agrees to pay the undisputed portion of the invoice within thirty (30) days of receipt and to provide Contractor a detailed statement of the State's position on the disputed portion of the invoice within thirty (30) days of receipt. The State's failure to pay any amount of an invoice that is not the subject of a good-faith dispute within thirty (30) days of receipt shall entitle Contractor to charge interest on the overdue portion at the rate of 0.5% per month.
- 76. Please confirm your acceptance that, if awarded the contract, unless provided otherwise in an Appendix, all expenses incurred in the performance of the services, including communications and administration, are to be paid by Contractor.
- 77. Please confirm your understanding and acceptance that the State is a sovereign entity, and shall not be liable for the payment of federal, state and local sales, use and excise taxes, including any interest and penalties from any related deficiency, which may become due and payable as a consequence of this Agreement.
- 78. Please confirm your acceptance that, if awarded the contract, the State may suspend performance by Contractor under this Agreement for such period of time as the State, at its sole discretion, may prescribe by providing written notice to Contractor at least fifteen (15) days prior to the date on which the State wishes to suspend. Upon such suspension, the State shall pay Contractor its compensation, based on the percentage of the project completed and earned until the effective date of suspension, less all previous payments. Contractor shall not perform further work under this Agreement after the effective date of suspension. Contractor shall not perform further work under this Agreement after the

effective date of suspension until receipt of written notice from the State to resume performance.

79. Please confirm you have filled out the *State of Delaware Non-Collusion Statement* form, Appendix A, and included it in your bid package.
80. Please confirm you have filled out the *Officer Certification Form*, Appendix D, and included it in your bid package.
81. Please confirm you have filled out the *Employing Delawareans Report*, Appendix G, and included it in your bid package. (The number of Delawareans employed by your organization are not taken into consideration during the evaluation or scoring of your bid.)
82. Please confirm you have filled out the *Financial Ratings Form*, Appendix H, and included it in your bid package.
83. Please confirm your acceptance that if your organization currently has a contract with the State, the *Business Associate Agreement* in effect will be incorporated by reference in a contract and not re-negotiated.
84. Please confirm that, if awarded the contract, your organization will accept the terms in the *Business Associate Agreement*, see Attachment 3. If you do not accept the terms as written, you must provide a redline of suggested changes. **Be advised that the State cannot agree to major changes.** You cannot provide a copy of your organization's form for comparison by the State. If awarded a contract, the *Business Associate Agreement* must be signed on or before the effective date.

## IV. Questionnaire

Instructions:

**!!! IMPORTANT !!!**

A. **Responsiveness** –

- Generic responses or stock answers that do not address State-specific requirements will be deemed unresponsive.
- “Will discuss” and “will consider” are not appropriate answers.
- All questions are important to the State and therefore you may not answer that a topic is not applicable unless you specifically state why it is a service that does not apply for the plans or programs you are proposing.

B. **Respond to Each Question** –

- If a question is repeated in multiple sections and your answer is the same, do not refer to your answer in another section but copy it under each question.
- **DO NOT LEAVE A RESPONSE BLANK!** You must acknowledge that you feel the item does not apply and provide a reason why! Otherwise, we will need to ask you to reply in a follow-up question.

C. **Fees or Costs** - Fees or costs that are not included in your bid and stated on the appropriate appendices (forms) will not be considered by the State. A fee only stated in a response to a question, whether or not we remind you to include a fee on the appropriate appendix or form, will not be considered! You must document ALL fees and costs on Appendix L, *COE Administrative Fees and Savings Estimates*.

D. **Exceptions** - If you have an exception, you must copy and paste the term into the *Responses Exceptions Tracking* form, Appendix B, and provide a detailed explanation, or, check the box to acknowledge that you take no exceptions to the specifications, terms or conditions found in the *Minimum Requirements* or *Questionnaire* sections and submit it with your bid package.

E. **Numbering** - Please do not change the numbering of a question, even if there is an error in the sequence or a duplication. Thank you.

F. **Table and Check Box Format** – **!!! IMPORTANT !!!**

- Due to the table format, be sure to respond in the same row instead of adding a row beneath the question.

- **If a question asks for a response in a check box format**, please **bold** your selection(s) since the check box feature is not operational.
- **If a question asks for a selection (“pick”)**, please also use a **bold** formatting for your response.
- For any additional information you provide, either in a response to “other” or as information you feel is required to provide a complete response, please do not add a lengthy explanation that expands the cell beyond a reasonable number of sentences and length. Instead, reference an exhibit and use a table format that includes the section name, item number, copy of the question, and page number. The review committee must be able to easily find your response and refer back to the question!

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1.0 Bidder Profile

#	Question	Response
1.001	Please provide a brief history of your company. Include a summary of your status with respect to any past (within the last five (5) years), current, or prospective mergers and acquisitions. In addition, please describe your strategy towards growth and any immediate plans for expansion both nationally and in the State of Delaware's markets (if applicable).	

#	Question	Response
1.002	<p>Of your company's current clients, using the list of information below, provide three (3) or more references. Additionally, provide references for three (3) terminated clients and note the date of termination and reason.</p> <p>To the extent possible, the State would greatly prefer if one of your current client references was a public sector customer.</p> <p>Include the following information for each reference:</p> <ul style="list-style-type: none"> • Client name • Client principal location • Client contact including name, title address, email and phone number • Name of Account Manager • Total number of employees • Number of employees that are eligible for your company's services, if different • Effective date of contract <p>Your company must have proven ability to perform the services described in this RFP, therefore, you must provide the references at this time in order to show your ability to serve clients of similar size and complexity to the State. If selected as a finalist, you will be asked to arrange for your current client references to be contacted by the State or its designated representative. Specific instructions will be provided at that time.</p>	
1.003	Briefly describe annual counts of services and, if possible, the percentage of market share your COE network has been able to gain for an employer.	
1.004	Have you or any of your subsidiary or affiliated corporations ever been indicted or otherwise accused of any criminal misconduct within the past 10 years? If so, please explain and indicate the outcome as well as any actions and preventive measures now in place to prevent any repetition in the future.	
1.005	Describe any legal issues, conflicts of interest, or constraints that could conceivably affect with the services provided to the State.	
1.006	Confirm you have attached your company's most recent SOC report in your response.	<p><i>(Pick one of the following)</i></p> <p><input type="checkbox"/> Confirmed</p> <p><input type="checkbox"/> Not confirmed</p>
1.007	What is the size of your current book of business (by number of covered lives)?	
1.008	What percent of your book of business (by number of covered lives) would the State of Delaware represent among your other customers?	

#	Question	Response
1.009	Please describe your organization's experience, including the number of years of experience, with providing the scope of services outlined in Section I.C. Scope of Services, for plan sponsors with at least 50,000 covered lives. If your clients do not have plan sponsors with at least 50,000 covered lives, please respond based on your largest clients, and note their size (in covered lives). Also, indicate number of clients in total.	
1.010	What are your plans to expand your book of business in Delaware and surrounding areas (i.e., within 150 mile radius) over the next three (3) years?	
1.011	Describe how the account manager works within your company to support your clients.	
1.012	Describe how the account manager will conduct one-to-one meetings with the State, e.g., frequency, calls vs. visits, topics covered, etc.	
1.013	Are you willing to provide a dedicated representative to service the State of Delaware account? If so, please identify additional charge to do so in your response to Appendix L, <i>COE Administrative Fees and Savings Estimates</i> .	
1.014	Based on your experience with similar clients/programs, describe the resources that will be needed from the State of Delaware on an ongoing basis to manage the program. What level and frequency of interaction with the State of Delaware would you prefer to ensure program success?	
1.015	Provide the following information about your overall organization, not just the segment providing services outlined in Section I.C. Scope of Services, for the most recent completed fiscal year:	
	Fiscal year dates	
	Revenue	
	Operating profit	
	Debt	
	Number of employees	
	Ownership structure	<i>(Pick one of the following)</i> <input type="checkbox"/> Not for profit <input type="checkbox"/> Privately owned (for profit) <input type="checkbox"/> Publicly traded <input type="checkbox"/> Other (describe below)
1.016	What is the state of domicile for your company (state with regulatory control)?	
1.017	Do you have a parent organization? If yes, please provide their name, address, etc.	
1.018	Please describe any recent or pending mergers, acquisitions, or partnerships that have impacted or may impact the services you can offer.	
1.019	Summarize, in one paragraph, the key points of differentiation from your competitors.	

#	Question	Response
1.020	Provide information on any other service offerings you provide that might be of interest to the State and whether each are an internally built solution or whether you partner with a third party vendor for the solution.	
1.021	Provide a description of your product expansion roadmap. What other services, facilities or capabilities are planned in the next 3 years?	

2.0 COE Program Administration

2.1 Targeted Clinical Conditions and Bundled Services

#	Question	Response
2.101	Relative to your total book of business, respond to the following question based on the conditions specified below: Do you have or are you developing COEs for the following conditions? Please also provide a document or website with the COE services by location (city and state), including DRGs, optional conditions/treatments and opportunities for customizing which conditions are eligible.	<i>(Pick one of the following for each specified condition)</i>
	Bariatric surgery	<input type="checkbox"/> In place <input type="checkbox"/> Being developed <input type="checkbox"/> No plans to develop
	Cancer treatment	<input type="checkbox"/> In place <input type="checkbox"/> Being developed <input type="checkbox"/> No plans to develop
	Cardiac surgical procedures	<input type="checkbox"/> In place <input type="checkbox"/> Being developed <input type="checkbox"/> No plans to develop
	Infertility	<input type="checkbox"/> In place <input type="checkbox"/> Being developed <input type="checkbox"/> No plans to develop
	Joint replacement	<input type="checkbox"/> In place <input type="checkbox"/> Being developed <input type="checkbox"/> No plans to develop
	Maternity	<input type="checkbox"/> In place <input type="checkbox"/> Being developed <input type="checkbox"/> No plans to develop
	Spinal surgery	<input type="checkbox"/> In place <input type="checkbox"/> Being developed <input type="checkbox"/> No plans to develop
	Transplants	<input type="checkbox"/> In place <input type="checkbox"/> Being developed <input type="checkbox"/> No plans to develop
	Other (describe)	

#	Question	Response
2.102	What particular health care services (e.g., surgery, anesthesia, pre-op/post-op surgical consultations, follow-up care, rehabilitation/physical therapies) are bundled under your service offering? Are all of the services you offer included in your bundled case rates, or are certain services within your offering excluded from your bundled case rates?	
2.103	Are there any medical conditions that are not eligible for your services? If yes, please specify (e.g., pediatric, higher risk, excessive BMI such as >40, etc.).	
2.104	Is there a specific timeframe attached to bundled health care services (e.g., physical therapy could last several months after a surgical procedure)?	
2.105	Does your organization review claims data to tailor the services that would be bundled and offered? If so, is the claim data review conducted on a customer-specific basis, or is it broader (e.g., based on your book of business)?	
2.106	Would you recommend the State start with a comprehensive list of procedures/services that would be eligible for treatment by providers within your COE network, or start with a limited number and then add procedures/services as necessary?	
2.107	The State currently steers members to its medical TPAs' COE networks. What are your recommendations for how the State would approach phasing-in your COE network (e.g., immediate switch from medical TPAs' COE networks to yours, gradual transition to your COE network over time)? What has worked well for your other customers in this situation? For those customers, how has this been operationalized, and how has it been communicated to members?	
2.108	Do you have a preference for whether your COE network is offered as a replacement for the medical TPAs' COE networks, or, alternatively, your COE network is offered in conjunction with (i.e., alongside of) the medical TPAs' COE networks? In your response, please explain why you prefer this approach. How has your preferred approach been operationalized, and how has it been communicated to members?	
2.109	Describe any specialized case management programs for COEs, i.e., infertility nurses, bariatric surgery nurses, etc. Indicate if these programs require a buy-up to provide members with access.	
2.110	Describe your claims denial procedures, including coordination with the State's medical TPAs, Aetna and Highmark.	

#	Question	Response
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2.2 COE Provider Selection, Quality and Cost

#	Question	Response
2.201	What types of health care providers/specialties are included in your service offering? Are all providers/specialties included in your bundled case rates, or are certain providers/specialties within your offering excluded from your bundled case rates?	
2.202	How do you select physicians/specific surgeons for your COE network?	
2.203	How do you select facilities for your COE network?	
2.204	How often is your network of health care providers updated?	
2.205	Once a provider is designated as a COE, is there a minimum amount of time that they will remain designated as a COE before that designation is revisited?	
2.206	As an exhibit, confirm you have attached a list of your COE network providers available nationwide (with notation of the city and state where each COE provider is located and National Provider ID, if possible).	<i>(Pick one of the following)</i> <input type="checkbox"/> Confirmed <input type="checkbox"/> Not confirmed
2.207	Please comment on any historical changes in your network, including reasons for any providers dropping out of your network over time.	
2.208	What happens when a member elects to utilize one of your network providers that is not a participating provider in the member's health plan network?	
2.209	Describe your quality criteria for provider credentialing (including all data sources evaluated).	
2.210	Are patient reviews part of the quality determination? If so, how much weight are patient reviews given when measuring quality? How are patient reviews obtained? Identify whether the patient reviews can be from the State's members or must be from a broader base.	
2.211	Do you utilize any independent, third parties to evaluate provider quality? If so, identify the company(s) and how they perform the evaluations.	
2.212	Confirm the frequency for ongoing provider evaluation and quality assessment.	

#	Question	Response
2.213	Are factors such as visit volume, quality and frequency of follow-up evaluations taken into account when selecting hospitals, facilities (including ambulatory surgery centers) and/or physicians for your COE network?	
2.214	How often is the cost of a particular health care service determined or updated?	
2.215	Is the cost of health care services determined per county or other geographic region?	
2.216	How do you and/or your providers handle collection of member cost-sharing (i.e., copays, coinsurance, etc.)? How is this coordinated with the medical TPA?	
2.217	Confirm you have written policies in place for treatment protocols, infection control, and quality assurance. Do these policies vary by type of COE procedure? If so, how?	

2.3 Steerage Mechanisms

#	Question	Response
2.301	Describe the plan design steerage mechanisms listed below as follows: able to support (yes/no), % of book of business with mechanism in place, and other necessary information including any special issues, adjudication process, administration fees, etc.	
	Deductible/coinsurance waived for using COE	<i>Able to support (Y/N):</i> <i>% of BOB with mechanism in place:</i> <i>Additional information:</i>
	Pre-certification requirement prior to obtaining a procedure covered by a COE	<i>Able to support (Y/N):</i> <i>% of BOB with mechanism in place:</i> <i>Additional information:</i>
	Cash incentives	<i>Able to support (Y/N):</i> <i>% of BOB with mechanism in place:</i> <i>Additional information:</i>
	Travel/Lodging benefit	<i>Able to support (Y/N):</i> <i>% of BOB with mechanism in place:</i> <i>Additional information:</i>
	Other	
2.302	Outline any exceptions to the responses given to the prior question. For example, if you are unable to support plan design steerage for a cancer COE, please indicate that in your comments.	

#	Question	Response
2.303	How successful have you been for clients in shifting usage toward your COE and away from other facilities? Share case studies and/or testimonials as appropriate.	
2.304	What types of steerage mechanisms have you seen work the best in order to drive COE utilization? Share case studies and/or testimonials as appropriate. If you have public sector clients, please separately address your challenges and successes with that population.	
2.305	What is your proposed plan design for how your COE benefit would overlay with the State's existing plan design structure?	
2.306	The State has an existing travel and lodging allowance, and you must match the provisions. Do you have any recommendations for improvements to that benefit? Is the cost of this benefit included in your fees, or will the State need to pay for this every time a member uses the benefit?	
2.307	Do you have the ability to exclude certain members from the requirement to use the COE services you offer? (e.g., dependents under 18 years old)	

2.4 Coordination with Third Parties

#	Question	Response
2.401	Describe your ability to coordinate with the State's medical TPAs to accept, process and pay claims from medical providers within your COE network. Please describe the data you typically provide to the medical TPAs in order to do this. Please be specific and include all relevant operational details such as file layouts, timing and frequency of file feeds, details on any Aetna- or Highmark-specific nuances that the State should be aware of, etc.	
2.402	Describe your ability to integrate with the State's medical TPAs to share information regarding members' treatment, cost-sharing (e.g., deductible, copays, out-of-pocket maximum), etc. Please describe the data you typically provide to the medical TPAs in order to do this. Please be specific and include all relevant operational details such as file layouts, timing and frequency of file feeds, details on any Aetna- or Highmark-specific nuances that the State should be aware of, etc.	
2.403	Describe how you would work with the State and any third party vendor to coordinate benefits for a member with dual medical coverage.	

#	Question	Response
2.404	Describe your experience integrating with Aetna. Do you currently work with Aetna on behalf of clients? If so, how many mutual clients do you have?	
2.405	Please specify those items for which you are integrated with Aetna.	<i>(Pick all that apply)</i> <input type="checkbox"/> Claim accumulator sharing <input type="checkbox"/> Pre-certification coordination <input type="checkbox"/> Referrals <input type="checkbox"/> Pre-op coordination <input type="checkbox"/> Post-op coordination <input type="checkbox"/> No integration
2.406	Describe your experience integrating with Highmark of Delaware. Do you currently work with Highmark of Delaware on behalf of clients? If so, how many mutual clients do you have? Given the intricacies of the Blue Cross organization, please explain how your organization coordinates with Blue Cross on behalf of local Blue plan sponsors.	
2.407	Please specify those items for which you are integrated with Highmark of Delaware.	<i>(Pick all that apply)</i> <input type="checkbox"/> Claim accumulator sharing <input type="checkbox"/> Pre-certification coordination <input type="checkbox"/> Referrals <input type="checkbox"/> Pre-op coordination <input type="checkbox"/> Post-op coordination No integration
2.408	What frequency of data exchange with the State’s medical TPAs would be necessary to ensure that the member’s out-of-pocket cost share accumulations (deductible, OOPM, etc.) would always be current?	
2.409	Describe how you would integrate with the following. If your integration process for Aetna or Highmark differ in any of these areas from your standard approach that you previously described in response to the questions above, please identify and explain how your process for Aetna or Highmark differs from your standard.	
	Medical plan customer service	
	Medical plan case/utilization managers	
	Medical plan disease management nurses	
	Telemedicine	
	Plan sponsor’s data warehouse	
	On-site or near-site health center	
	ACO	
Other (please describe)		

#	Question	Response
2.410	Please describe how you would coordinate your services with a medical TPA for members enrolled in an IRS-qualified high deductible health plan with an HSA. ¹⁸	

2.5 Risk Management

#	Question	Response
2.501	Does your organization accept risk and if so, do you carry reinsurance and/or provider excess insurance?	
2.502	Has your organization ever been named in a malpractice suit related to COE services?	
2.503	What programs are in place to ensure HIPAA privacy, including training for your staff and your COE providers and maintaining confidentiality of member records?	

3.0 Member Management

3.1 Pre-Operative/Operative and Post-Operative Workflow

#	Question	Response
3.101	Provide a high-level workflow diagram that explains your member service processes and workflows, including the type of clinician available at each stage of the process (pre-operative assessments, facility and operative care, post-operative management, communication with the member's PCP, caregiver hand-offs to the member's PCP and other ancillary providers) for each targeted clinical condition/type of service/surgery. Confirm the workflow diagram is included within your response.	
3.102	Describe your ability to work with the member's PCP before, during and after the member's use of your COE services (e.g., securing records, determining medical necessity, conducting pre-operative testing and post-operative follow-up). What is the PCP's role in this process?	
3.103	Describe your ability to limit travel costs (i.e., employee time off and expenses) by leveraging the member's PCP in pre-operative testing and follow-up care.	

¹⁸ Please note, while the GHIP does not currently offer an IRS-qualified high deductible health plan as a medical plan option, this type of plan is being considered as a future medical plan option (timing TBD).

#	Question	Response
3.104	Describe any processes you have developed to limit preventable readmissions and ER care following procedures delivered via your COEs.	
3.105	Describe your ability to work with an employer and an employee to limit time off and return an employee to work (e.g., through improved pre-operative counseling and follow-up care, support for identifying modified work accommodations, coordination with the disability program vendor).	
3.106	Describe your ability to monitor a member's functional restoration following COE services, e.g., Hip Disability and Osteoarthritis Outcome Score (HOOS), Knee Injury and Osteoarthritis Outcome Score (KOOS), number of days before return to full duty, pain, function, etc.	
3.107	Explain how your offering covers or handles surgical complications. How does your benefit services directly connect and identify a subsequent service as a surgical complication?	
3.108	If one of your COE providers were to drop out of your network, how would you address transition of care for any GHIP members that were currently receiving treatment from that provider, either in preparation for surgery or as post-operative care? Do you provide a grace period or appeal process in these situations?	

3.2 Case Review and Oversight

#	Question	Response
3.201	Please detail the following functions/processes through the lifecycle of a member's case:	
	Member intake <i>For example: call center line, portals, FAQs – paper and electronic</i>	
	Case screening <i>Medical review (acquiring, reviewing and recommendations), prior authorization of surgery</i>	
	Case review <i>Who reviews and how are recommendations communicated? Do recommendations occur over the phone or face-to-face and or case review?</i>	

#	Question	Response
	<p>Expert analysis <i>Do both surgical and non-surgical professionals confer on medical necessity (e.g., cardiologist/CT surgeon, back surgeon/physiatrist)? Does your process include shared decision support? Would you recommend alternatives to surgical services if warranted? If so, how would you facilitate and follow-up on the care delivered via those alternatives?</i></p>	
	<p>Pre-operative and post-operative follow-up with member <i>What processes, if any, do you have to limit the number of COE visits and time loss?</i></p>	
	<p>Follow-up with attending physician <i>Does the member have 24/7 access to the COE post-operation, and who takes the calls? Does the attending physician take calls?</i></p>	
	<p>Electronic Medical Record (EMR) and post-surgical report <i>Do your COEs have EMRs? Are EMRs available to the member and/or the member's PCP? How soon after the surgery is the surgical report made available to the member's PCP and/or member? How would your COEs utilize information obtained from the DHIN to coordinate patient care?</i></p>	
	<p>Clinical team management <i>Please describe the clinical and administrative team that will assist the member. Is there a single point of contact and/or phone number?</i></p>	
	<p>Return-to-work (RTW) and disability planning <i>Please describe the clinical and administrative team that will assist the member and employer in minimizing time loss.</i></p>	
	<p>Other functions <i>Do your COEs offer a care navigator at the COE and/or pre-operation, during care and post-operation? Does the COE provide a travel allowance and/or any other support to a travel companion?</i></p>	
3.202	<p>Respond to the following questions based on your organization's staffing resources that oversee and support your COE services:</p> <p>How many physicians, in total, support your book of business by providing clinical oversight of your provider network and of member cases?</p> <p>What is the percentage of turnover (2017) for the physicians providing clinical oversight that support your book of business?</p> <p>How many non-clinical member-facing support staff support your book of business?</p>	

#	Question	Response
	What is the percentage of turnover (2017) for non-clinical member-facing support staff?	
	What percentage of your physicians providing clinical oversight are in-house, W-2 employees vs. contract employees for your COE services?	
3.203	Describe the credentials of the individuals who interact with members (educators, nurses, etc.). How is their performance reviewed, and against what criteria?	
3.204	Please address the following questions related to your medical directors:	
	How many medical directors are on staff at your company?	
	What are their areas of expertise?	

3.3 Member Services, Outreach and Follow-up

#	Question	Response
3.301	Complete each of the following items relative to your member services function.	
	Office location	
	Hours of Operation M-F (specify time zone)	
	Hours of Operation Sat/Sun/after hours (specify time zone)	
	Types of staff available during working hours and after hours (MD, nurse, the surgeon who performed the surgery)	
	Processes for how members can access member services function during working hours and after hours (e.g., by phone, by secure website, etc.)	
	Provide call center stats (time to answer, % abandonment, time on hold, etc.)	
3.302	Describe your escalation and resolution process for member issues and electronic systems problems (including portals and websites). Include steps, responsibilities, communications, follow-up measures and process to minimize/prevent future occurrences. Include any currently documented process flow/narratives as attachments.	
3.303	Provide details about your teams who may interact with members. Include location(s), number of staff, roles/responsibilities, and your service model. Describe the interactions between these teams, and types of interactions with plan members. What is the expected percentage of time attributed to the State?	

#	Question	Response
3.304	Are calls recorded and call notes documented? If yes, are the notes available for the State to review if there is a concern?	
3.305	What are your service standards for returning calls to your customers' staff and members? Describe how you monitor and report on this standard.	
3.306	Do you have an automated logging/tracking system that escalates unresolved issues? If yes, please describe.	
3.307	Do you utilize claims data to conduct predictive modeling and targeted outreach to members who may be preparing for surgery? If so, please describe your data requirements from the medical TPA in order to do this. Please be specific and include all relevant operational details such as any requested file layouts, timing and frequency of file feeds, etc.	
3.308	How would you handle a situation in which a member refuses to work with you (e.g., won't answer the phone, refuses to engage)? Are you able to notify the member's health plan care management program so that program might be able to engage the member?	
3.309	If a member has a dispute about a claim involving one of your COE network providers, would the member file an appeal with you, or with Aetna or Highmark?	

3.4 Online Experience

#	Question	Response
3.401	What online access is available to plan members as well as your COE network providers?	
3.402	To what extent is your solution mobile enabled? Is it available on both Android and iOS? What has been your pattern of mobile app updates?	
3.403	What other technical interactions can a participant have with your program? (e.g., texting, virtual visit, live chat, etc.)?	
3.404	Can you support single sign-on capabilities between Aetna and Highmark's member portals and your member portal? Can you support single sign-on from the SBO's employee benefits portal to your member portal? Please confirm any additional fees for establishing single sign-on in Appendix L, <i>COE Administrative Fees and Savings Estimates</i> .	

#	Question	Response
3.405	Do you provide online education and information to members? If so, do you include member-specific cost-share information such as deductibles, copays, and out-of-pocket expenses? How is this information generated in your system? How often is this information updated?	
3.406	Can your online member education steer members toward wellness programs or other initiatives sponsored by the State?	

4.0 Marketing and Communications

#	Question	Response
4.001	Describe your recommended communications and engagement campaign for a typical client. If you have experience with a public sector client, do you use a different approach?	
4.002	Are you willing to provide a communications budget to support the above campaign to promote your services? If so, please specify dollar amount on Appendix L, <i>COE Administrative Fees and Savings Estimates</i> .	
4.003	Do you use demographic targeting strategies in tailoring your member communications to specific groups?	
4.004	Outline the degree to which program communications can be customized to meet the State's specifications. Include any additional fees that would apply for these customizations on Appendix L, <i>COE Administrative Fees and Savings Estimates</i> .	
4.005	What types and frequency of communications have you seen work best to drive COE utilization? Share case studies and/or testimonials as appropriate.	
4.006	Please confirm you have attached a sample of your patient communication and education processes and materials for the following:	
	General COE services	(Pick one of the following) <input type="checkbox"/> Confirmed <input type="checkbox"/> Not confirmed
	Bariatric surgery	(Pick one of the following) <input type="checkbox"/> Confirmed <input type="checkbox"/> Not confirmed
	Cancer treatment	(Pick one of the following) <input type="checkbox"/> Confirmed <input type="checkbox"/> Not confirmed
	Cardiac surgical procedures	(Pick one of the following) <input type="checkbox"/> Confirmed <input type="checkbox"/> Not confirmed

#	Question	Response
	Infertility	<i>(Pick one of the following)</i> <input type="checkbox"/> Confirmed <input type="checkbox"/> Not confirmed
	Joint replacement	<i>(Pick one of the following)</i> <input type="checkbox"/> Confirmed <input type="checkbox"/> Not confirmed
	Maternity	<i>(Pick one of the following)</i> <input type="checkbox"/> Confirmed <input type="checkbox"/> Not confirmed
	Spinal surgery	<i>(Pick one of the following)</i> <input type="checkbox"/> Confirmed <input type="checkbox"/> Not confirmed
	Transplants	<i>(Pick one of the following)</i> <input type="checkbox"/> Confirmed <input type="checkbox"/> Not confirmed
	Other (explain)	
4.007	Explain the timeframe you find most effective for distributing communications on an ongoing basis.	
4.008	Explain the process and timing for responding to members' inquiries/requests for additional information.	
4.009	Explain the communication channels (i.e., paper mail, email, phone, online) you utilize to reach members. (Direct email communications are only possible with members who have provided their email address directly to you, i.e., as part of the registration process to use your online member portal.)	
4.010	Does your company have an in-house communications team to create and execute the communication strategy? If yes, provide details about the team. If no, what type of external resources do you use?	
4.011	How does your company track and document items mailed to participants?	
4.012	How does your company support the need for multiple languages, the visually impaired, and the hearing impaired?	

5.0 Reporting

#	Question	Response
5.001	Please confirm you have attached a copy of your standard operational report.	
5.002	What is the frequency for report delivery?	<i>(Pick one of the following)</i> <input type="checkbox"/> Monthly <input type="checkbox"/> Quarterly <input type="checkbox"/> Semi-annually <input type="checkbox"/> Annually <input type="checkbox"/> Other (specify)

#	Question	Response
5.003	What is the average member utilization during years one, two, and three of the initial contract period?	
5.004	What data is provided to the member? Include the source of this data, how frequently it is refreshed, and the process for validation of the data.	
5.005	Can the State access de-identified aggregate member data via a secure online portal? If yes, please describe your security processes and protocols required for access by the State. How frequently is the data updated?	
5.006	Can an alternate identification number be used in lieu of a Social Security Number as the primary identifier for a member's record? If so, and if you have any current or former customers that use an alternative ID in lieu of member Social Security Number, please describe an example including what alternative ID was used, whether you were required to share member-level data with a third-party on behalf of that customer (i.e., medical TPA, claims data warehouse), and how the process worked.	
5.007	What online services are available to the State's staff? Are reports or queries available "real-time" or batched and processed later? How much flexibility exists for your online reporting services? Do you offer an online administration manual for clients?	
5.008	What is your process for measuring member/patient satisfaction (CAHPS, Press Ganey)? Describe your process for obtaining member and client satisfaction information. Please attach a copy of your standard member and client satisfaction surveys.	
5.009	Will the State's own member satisfaction survey results be available, or are they aggregated with your other customers?	

6.0 Implementation

#	Question	Response
6.001	What is your recommended go-live date (e.g., at the beginning of the plan year, during open enrollment)? Can the go-live date be mid-plan year (i.e., 1/1)?	
6.002	Please describe the State's role in the implementation process.	
6.003	What resources will be available to the State during each phase of the implementation?	

#	Question	Response
6.004	Will the implementation team be dedicated? If no, how many other clients will the team implement during the same time period? To what extent is the ongoing team involved in the process?	
6.005	What data will be needed to ensure a smooth implementation and ongoing identification of participants? What is the expected source of the data?	
6.006	What historical information do you request for implementation?	
6.007	List three of the largest or most complex client implementations you have performed within the last two years. Describe issues, timing and team assignments.	

7.0 Customized Offering

#	Question	Response
7.001	Based on the description of the State’s goals and objectives provided in Section I, are there any additional considerations that you would recommend related to the State’s use of COEs?	
7.002	Please describe why you are the best company to provide a COE solution to the State.	

V. Financial Proposal

1.0 Fee Requirements

#	Question	Response
1.001	<p>Confirm that you have completed Appendix L, <i>COE Administrative Fees and Savings Estimates</i> with details on your fees, as requested.</p> <p>Note: You may also attach additional documentation about your financial proposal in your own preferred format, but at minimum, you must complete Appendix L, <i>COE Administrative Fees and Savings Estimates</i>.</p>	<p>(Pick one of the following)</p> <p><input type="checkbox"/> Confirmed</p> <p><input type="checkbox"/> Not confirmed, explain</p>
1.002	<p>Please describe how your administrative fees are captured in your financial proposal to the State. Are these fees reflected as a flat fee per-employee-per-month (PEPM), as a percentage of your bundled case rates, as a percentage of savings, or as some combination of all of these? If a portion of your administrative fees are captured as a load (percentage) of your case rates and/or savings, please comment on the amount (\$) or percent (%) load included for administrative fees.</p>	
1.003	<p>What did you assume as the percentage of eligible plan participants that chose to use your COE provider network? Does this assumption vary by type of procedure? If so, please describe. Are any plan participants excluded from your assumption of those who are eligible (e.g., dependents under age 18)?</p>	
1.004	<p>Under what conditions do you reserve the right to change your administrative fees (i.e., subscriber count changes by x% within y months)? Specify the percentage limits you apply and the resulting change in fees.</p>	
1.005	<p>Do you charge additional administrative fees as a result of the requirement to accept and process two (2) eligibility files (one from Aetna, one from Highmark) for the same time period on an ongoing basis? If your fee varies based on the number of sources for an eligibility file, please comment on how your fee varies. Please confirm that these fees are captured in your response to Appendix L.</p>	
1.006	<p>Does your financial proposal captured in Appendix L include any savings associated with your ability to redirect members to non-surgical treatment options where clinically appropriate to do so? If so, please describe the assumptions that factored into those savings estimates.</p>	

#	Question	Response
1.007	Does your financial proposal captured in Appendix L include any savings associated with reductions in complication rates as a result of members using higher quality providers? If so, please describe the assumptions that factored into those savings estimates.	
1.008	Does your financial proposal captured in Appendix L include any other savings estimates not already noted above? If so, please describe the assumptions that factored into those savings estimates.	
1.009	Do your contracts with your COE network providers include additional discounts on your bundled case rates if certain providers within your COE network receive additional volume of patients? If so, please describe. Is this reflected in your financial proposal captured in Appendix L?	
1.010	How do you invoice self-funded plan sponsors for the case rates and pricing associated with your providers?	
1.011	Would your company offer its services on a contingency basis (i.e., the State would pay for your services based on a percentage of savings or cost avoidance)?	

2.0 Estimated Savings and Return-on-Investment

#	Question	Response
2.001	What are the anticipated savings, return-on-investment (ROI) and associated assumptions stemming from your COE services? Specify savings for years one, two, and three of an initial contract period.	
2.002	What methodology do you use to determine savings? How are complications factored into the rate of savings?	
2.003	Do you include potential savings from avoided surgeries in your ROI calculation?	
2.004	What is the average member utilization typically experienced during years one, two, and three of the initial contract period?	
2.005	Do you offer the ability to share savings with members? If so, please answer the following:	<i>(Pick one of the following)</i> <input type="checkbox"/> Yes (answer sub-questions below) <input type="checkbox"/> No
	What is the methodology used in order to determine the amount to be shared?	
	How are savings shared with enrollees (i.e., waived cost-sharing, FSA/HRA/HSA contributions, gift cards, etc.)?	

#	Question	Response
	If your organization interfaces with FSA/HRA/HSA administrators, please list two (2) savings account administrators with whom you have worked to share savings with members. Have you previously worked with ASIFlex, the State’s FSA administrator?	
2.006	How would your proposal to share savings with members work for a member enrolled in an IRS-qualified high deductible health plan with an HSA? ¹⁹	
2.007	The percentage of employee and employer share of the premium rates is established in Delaware Code. ²⁰ Please comment on whether your proposal for how members would share savings would be either impacted by the Delaware Code, or would require changes to the Delaware Code.	

3.0 Performance Guarantees

#	Question	Response
3.001	Please outline any caveats to your guaranteed return on investment (ROI) of at least 1:1 (i.e., savings associated with your bundled case rates – excluding any savings associated with improvements in quality or avoidance of unnecessary procedures – will be at least as great as the administrative cost of your program), including any requirements in terms of plan design, member communications, etc. Please discuss your methodology for calculating ROI. What assumptions have you made regarding utilization of your COE network to achieve this guarantee?	
3.002	Would you be willing to offer any other savings guarantees as part of your financial proposal to the State? (e.g., savings due to improved quality of care delivered, savings due to avoided unnecessary procedures) If so, please discuss your methodology for guaranteeing savings, what percent of your fees would you be willing to place at risk for this guarantee, along with any other conditions or caveats included in this guarantee.	
3.003	Please confirm your willingness to provide warranties/guarantees for the following:	

¹⁹ Please note, while the GHIP does not currently offer an IRS-qualified high deductible health plan as a medical plan option, this type of plan is being considered as a future medical plan option (timing TBD).

²⁰ Delaware Code, Title 29, Chapter 52 Web Address: <http://delcode.delaware.gov/title29/c052/index.shtml>

#	Question	Response
	Pre-operative bundles	<i>(Pick one of the following)</i> <input type="checkbox"/> Confirmed – please describe <input type="checkbox"/> Not confirmed
	Professional and facility bundles	<i>(Pick one of the following)</i> <input type="checkbox"/> Confirmed – please describe <input type="checkbox"/> Not confirmed
	Outlier claims	<i>(Pick one of the following)</i> <input type="checkbox"/> Confirmed – please describe <input type="checkbox"/> Not confirmed
	Subrogation of hospitalizations, ER and other preventable claims occurring outside the COE facility or professional offices	<i>(Pick one of the following)</i> <input type="checkbox"/> Confirmed – please describe <input type="checkbox"/> Not confirmed
	Surgery — post-operative warranty (7, 30, 90 or greater days) for preventable death, infection, PE, infection, extended LOS, readmissions (COE and non-COE), related ER use, Choosing Wisely criteria	<i>(Pick one of the following)</i> <input type="checkbox"/> Confirmed – please describe <input type="checkbox"/> Not confirmed
	Infertility — evidence-based adherence (eSet), healthy baby vs. pregnancy, single vs. multiple cycles, refunds, and bundles	<i>(Pick one of the following)</i> <input type="checkbox"/> Confirmed – please describe <input type="checkbox"/> Not confirmed
	Cancer — preventable 30-day readmissions (e.g., neutropenia related sepsis), oral chemo vs. IV infusion, facility infusion vs. out-patient infusion, Choosing Wisely criteria	<i>(Pick one of the following)</i> <input type="checkbox"/> Confirmed – please describe <input type="checkbox"/> Not confirmed
3.004	Appendix C outlines other performance categories that the State typically requires of its vendor partners. Please indicate your willingness to accept these guarantees, including your proposed percentage of fees at risk for each performance category.	
3.005	Describe any other performance guarantees that you would be willing to offer to the State.	

VI. Technical Standards and Security Requirements

Please carefully read each term and requirement. Failure to meet any of these proposal criteria may result in disqualification of the proposal submitted by your organization.

1. File Layouts:
Please confirm that you can accept and transmit the file layouts as listed in Attachment 4.

Response:

2. Third Party Agreements:
Please confirm that you have global third party agreements in place with IBM Watson Health, or, indicate your understanding and acceptance that it will be necessary to enter into an agreement before data exchanges can take place.

Response:

3. Indemnity²¹:
Please confirm your organization's acceptance. For your response, if you do not accept this indemnity paragraph as written, you must provide a redline of suggested changes. Be advised that the State cannot agree to major changes!

Vendor shall indemnify and hold harmless the State, its agents and employees, from any and all liability, suits, actions or claims, including any claims or expenses with respect to the resolution of any **data security breaches/ or incidents**, together with all reasonable costs and expenses (including attorneys' fees) directly arising out of (A) the negligence or other wrongful conduct of the vendor, its agents or employees, or (B) vendor's breach of any material provision of this Agreement not cured after due notice and opportunity to cure, provided as to (A) or (B) that (i) vendor shall have been notified in writing by the State of any notice of such claim; and (ii) vendor shall have the sole control of the defense of any action on such claim and all negotiations for its settlement or compromise.

The State shall not indemnify the Vendor in the contract awarded under this RFP or any related contract. Vendor shall not request the State to indemnify or provide quasi-indemnification under any contract. An example of an unacceptable quasi-indemnification provision is:

The State asserting it is without legal authority to agree to such indemnification, acknowledge that Vendor, on behalf of itself and any affiliate, reserves such

²¹ This is the same indemnity paragraph that is in the *Minimum Requirements* section with the phrase "data security breaches or incidents" inserted.

rights as it may have to obtain reasonable compensation from the State, against any loss, damage, costs of suit or other expenses resulting from the improper use or disclosure of data or any breach of this Agreement by State.

Response:

4. Security and Encryption:

Computer, network, and information security is of paramount concern for the State and the Department of Technology and Information.

- a. The Center for Internet Security's (CIS) Top 20 Critical Security Controls are a recommended set of actions for cyber defense that provide specific and actionable ways to stop today's most pervasive and dangerous attacks. Confirm your level of compliance with the CIS Top 20. (A response that security threats are always changing is not acceptable.)

Response:

- b. Security measures are required by the State of Delaware for the transmission of its data. Please refer to the following policies and respond:

- i. The requirement of at least ten (10) characters in a password is preferred but not required. If you do not have an eight (8) or ten (10) character password in place at this time, please describe your password requirements and how it fulfills the intent of the policy to secure the State's data. (It is applicable for external access to the vendor's secure website by members/participants and the Statewide Benefits Office personnel. It is not a requirement for the vendor's internal data access system.) The policy document is located at:

<http://dti.delaware.gov/pdfs/pp/StrongPasswordStandard.pdf>

Response:

- ii. Vendors that transmit confidential Delaware data via email must use a secure encryption system. Please confirm your organization has this capability and state the system you use. The following requirements apply:

<http://dti.delaware.gov/pdfs/pp/SecureEmail.pdf>

Response:

- iii. It is the State's preference that confidential Delaware data will not be accessible on a mobile devices, but if so, the following requirements apply:

<http://dti.delaware.gov/pdfs/pp/MobileDeviceEncryptionStandard.pdf>

Please state whether or not Delaware's confidential data could be, or will be, accessible on mobile devices and state the encryption method that is used.

Response:

5. Software Inventory:

Please use the form at Appendix I – *Software Inventory*, for a list of any software that the Statewide Benefit Office’s account management personnel may need. For example, Adobe or Visio. Also list the web browsers (IE) or web service that participants would need to access the customer service interface.

Confirm Attached:

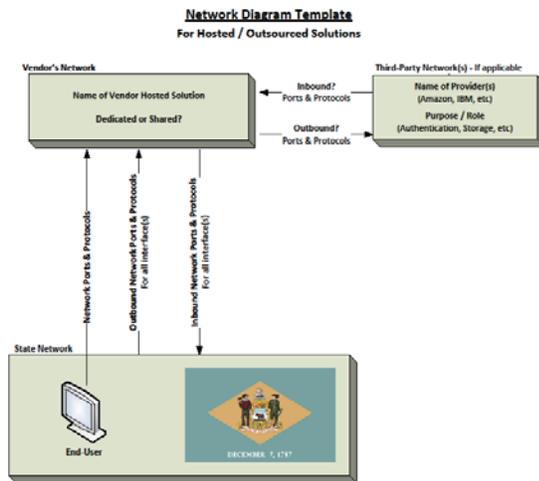
6. Additional Data Requests:

Please confirm your agreement that if you are awarded the contract and then request additional data, whether or not on a file feed or in a report, the State shall determine the cost of supplying the data and may deny the request.

Response:

7. Network Diagram:

As an exhibit, please provide a diagram with ports that clearly documents the user’s interaction with your organization’s website and the State. The network diagram should follow the following example:



Confirm Attached:

8. Appendix J - *Non-Public Data - State of Delaware Cloud and/or Offsite Hosting Mandatory Terms and Conditions* (“*Terms and Conditions*”)

Please complete Appendix J and include it in your bid package. If you have any response other than “accepted” or “confirmed” with an explanation, your response is considered an exception that will be evaluated by the Department of Technology and Information (DTI). Provide a detailed explanation and include a citation where requested, if applicable (for example, Delaware Department of Insurance or a federal law).

DTI will not allow changes to a term as it is written on their document, therefore the footnotes contain additional information or instructions for insurance products. **Please be sure to read the footnotes!**

Confirmed Attached:

9. Appendix J1 – *Data Confidentiality Agreement*

Please confirm that, if awarded the contract, your organization will accept the terms in the *Data Confidentiality Agreement* for the exchange of eligibility and claims data for testing purposes before the contract effective date. If you do not accept the terms as written, you must provide a redline of suggested changes. **Be advised that the State cannot agree to major changes.**

Confirmed Attached:

APPENDICES

APPENDIX A

STATE OF DELAWARE NON-COLLUSION STATEMENT

This is to certify that the undersigned vendor has neither directly nor indirectly, entered into any agreement, participated in any collusion or otherwise taken any action in restraint of free competitive bidding in connection with this proposal, **and further certifies that it is not a sub-contractor to another vendor who also submitted a proposal as a primary vendor in response to this solicitation** submitted this date to the State of Delaware, Department of Human Resources.

It is agreed by the undersigned vendor that the signed delivery of this bid represents the vendor's acceptance of the terms and conditions of this solicitation including all specifications and special provisions.

NOTE: Signature of the authorized representative **MUST** be of an individual who legally may enter his/her organization into a formal contract with the State of Delaware, Department of Human Resources.

COMPANY NAME _____

<input type="checkbox"/>	Corporation
<input type="checkbox"/>	Partnership
<input type="checkbox"/>	Individual

(Check one)

NAME OF AUTHORIZED REPRESENTATIVE _____

SIGNATURE _____ TITLE _____

COMPANY ADDRESS _____

PHONE NUMBER _____ FAX NUMBER _____

EMAIL ADDRESS _____

STATE OF DELAWARE
LICENSE NUMBER or CONFIRM WILL
APPLY IF AWARDED A CONTRACT

FEDERAL E.I. NUMBER _____

	Certification type(s)	Circle all that apply	
COMPANY CLASSIFICATIONS: CERT. NO.: _____	Minority Business Enterprise (MBE)	Yes	No
	Woman Business Enterprise (WBE)	Yes	No
	Disadvantaged Business Enterprise (DBE)	Yes	No
	Veteran Owned Business Enterprise (VOBE)	Yes	No
	Service Disabled Veteran Owned Business Enterprise (SDVOBE)	Yes	No

[The above table is for informational and statistical use only.]

PURCHASE ORDERS SHOULD BE SENT TO (COMPANY NAME): _____

ADDRESS _____

CONTACT _____

PHONE NUMBER _____ FAX NUMBER _____

EMAIL ADDRESS _____

AFFIRMATION: Within the past five years, has your firm, any affiliate, any predecessor company or entity, owner, Director, officer, partner or proprietor been the subject of a Federal, State, Local government suspension or debarment?

YES _____ NO _____ if yes, please explain _____

THIS PAGE SHALL BE SIGNED, NOTARIZED AND RETURNED FOR YOUR BID TO BE CONSIDERED

SWORN TO AND SUBSCRIBED BEFORE ME this _____ day of _____, 20 _____

Notary Public _____ My commission expires _____

City of County of State of _____

APPENDIX C

PERFORMANCE GUARANTEES

Instructions: If you propose alternative guarantees, performance results, or definitions, please use a strikeout font and insertion. **The State requires bidders to agree to place a percentage of retention charges (fees) per contract year at risk for performance guarantees; in your response to Section V.3. *Performance Guarantees*, please comment on your ability to place fees at risk for the following performance categories below, as well as your proposed percentage of fees at risk for each category.** The State reserves the right to negotiate both financial and non-financial performance guarantees with the selected vendor.

Implementation: While some implementation activities occur each year, such as reviewing plan design features and issuing employee communications, the bulk of the implementation activities will take place in Year 1. Since a successful program depends on a flawlessly executed implementation, a separate guarantee on implementation activities is required.

Terms: Vendor will perform a review of its records to determine whether each standard was met for the time period of the quarter immediately preceding the 45th day of the month following the end of a quarter (for example, November 15 for the first quarter (July 1 – September 30) of the plan year (July 1 to June 30). Quarterly results will be averaged on an annual basis and penalty payments, if any, will be made annually within six (6) months of the end of the plan year. In no instance will a measurement or penalties apply to any period less than a full quarter.

Vendor to Propose: Total Fees at Risk for Implementation and for Ongoing Performance

Implementation

Performance	Standard	Performance Measure	Frequency of Reporting	Fee at Risk
Future Contract Development	The vendor is expected to take their template contract form, or use the State's professional agreement contract template, and incorporate all the terms of the RFP, their bid responses and follow-up responses by the second draft (or first draft for a current vendor) so that wholesale changes are not required.		n/a	<i>Vendor to propose</i>

Performance	Standard	Performance Measure	Frequency of Reporting	Fee at Risk
Implementation and Account Manager Performance	Implementation manager and account executive /manager will participate in every implementation call and will be prepared to lead the calls, based on detailed agenda sent to team in advance.		n/a	<i>Vendor to propose</i>
Maintenance of Detailed Project Plan	Project plan must delineate due dates, responsible parties and critical linkages between tasks, as appropriate. Project plan will be updated and distributed in advance of each implementation weekly call.		n/a	<i>Vendor to propose</i>
Adherence to Key Deadlines	All key dates will be met to the extent Vendor has control and/or has notified State of risks of failure in advance of due date. State and Vendor will agree at the beginning of implementation on which deadlines are critical to program success.		n/a	<i>Vendor to propose</i>
Total for Implementation				<i>Vendor to propose</i>

Ongoing Performance

Performance	Standard	Performance Measure	Frequency of Reporting	Fee at Risk
Claim Administration/Customer Service				
Open Issue Resolution Time	The percentage of open inquiries completed within the stated number of days from initial receipt date to resolution date.	95.0% within 2 business days 98.0% within 5 business days	Quarterly	<i>Vendor to propose</i>

Performance	Standard	Performance Measure	Frequency of Reporting	Fee at Risk
Telephone Response Time	Maintain an average speed of answer of 30 seconds or less from the time of selection to speak to a live representative via the IVR system to the time a live person is on the line.	30 seconds or less Book of Business	Monthly	<i>Vendor to propose</i>
Call Abandonment Rate	Calculated automatically via automatic telephone call distribution system.	2% Book of Business	Monthly	<i>Vendor to propose</i>
Eligibility/Transfer Accuracy	Percentage of updates processed accurately	95% - 97%	Monthly	<i>Vendor to propose</i>
Timely Submission of Data to Data Mining Vendor	Claims and eligibility sent by the 15 th of the month	Claims and Enrollment files: 90% timely	Monthly	<i>Vendor to propose</i>
Data Security	Regularly advise the State of any changes in status regarding implementation of required data security procedures.	100%	On-going	<i>Vendor to propose</i>
Member Satisfaction Survey	Positive Response Rate	85% or higher	Annually	<i>Vendor to propose</i>
Reporting	Complete and Timely Submission of accurate reports (including utilization, clinical and financial results), as defined and mutually agreed upon with the State of Delaware and the Vendor	Complete, accurate and timely submission of reports, unless agreed to in writing by the State and Vendor.	Monthly	Accuracy: <i>Vendor to propose</i> Timelines: <i>Vendor to propose</i>

Performance	Standard	Performance Measure	Frequency of Reporting	Fee at Risk
Data Submission from Vendor to DHIN, ACOs	Timely submission of data (enrollment/attribution, medical and Rx claim files) from Vendor to DHIN and ACOs (if offered by vendor as part of the network for the State) by the 15 th of each month (or timing mutually agreed to by the State of Delaware and Vendor)	100% of data submissions within 5 days of due date (15 th of the month)	Monthly	<i>Vendor to propose</i>
Account Management				
Account Management Satisfaction ²²	Score of 3.0 or higher on the State's Account Management Survey Form.	2.9-2.5=.75% 2.4-2.0=1.5% <2.0=2.50%	Quarterly	<i>Vendor to propose</i>
Total for Ongoing Performance				<i>Vendor to propose</i>

²² Overall Account Management performance will be measured quarterly, and the annual performance determination will be based on the arithmetic mean of the quarterly measurements.

APPENDIX D

OFFICER CERTIFICATION FORM

Please have an officer of your company review and sign this worksheet to confirm the information is valid. Please include completed form with proposal.

Officer's Statement	
Company's Legal Name	
Company's Marketing Name (if different)	
Street Address	
City	
State	
Zip	
Phone Number	
Fax Number	
Email Address	
Name of Officer Completing Statement	
Title of Officer Completing Statement	
Phone Number of Officer Completing Statement	
Email Address of Officer Completing Statement	

I certify that our response to the State of Delaware's Request for Proposal for Centers of Excellence Administration for the GHIP, DHR18001-MedicalCOE, is complete and accurate to the best of my knowledge and contains no material omissions or misstatements. I acknowledge that the State of Delaware will rely upon the information included in our response to make decisions concerning the administration of these benefits that are offered to their employees.

Officer's Signature

Date Signed

APPENDIX F

SUBCONTRACTOR INFORMATION FORM

PART I – STATEMENT BY PROPOSING VENDOR		
1. CONTRACT NO.	2. Proposing Vendor Name:	3. Mailing Address
4. SUBCONTRACTOR		
a. NAME	4c. Company OSD Classification: Certification Number: _____	
b. Mailing Address:	4d. Women Business Enterprise <input type="checkbox"/> Yes <input type="checkbox"/> No 4e. Minority Business Enterprise <input type="checkbox"/> Yes <input type="checkbox"/> No 4f. Disadvantaged Business Enterprise <input type="checkbox"/> Yes <input type="checkbox"/> No 4g. Veteran Owned Business Enterprise <input type="checkbox"/> Yes <input type="checkbox"/> No 4h. Service Disabled Veteran Owned Business Enterprise <input type="checkbox"/> Yes <input type="checkbox"/> No	
5. DESCRIPTION OF WORK BY SUBCONTRACTOR		
6a. NAME OF PERSON SIGNING	7. BY (<i>Signature</i>)	8. DATE SIGNED
6b. TITLE OF PERSON SIGNING		
PART II – ACKNOWLEDGEMENT BY SUBCONTRACTOR		
9a. NAME OF PERSON SIGNING	10. BY (<i>Signature</i>)	11. DATE SIGNED
9b. TITLE OF PERSON SIGNING		

APPENDIX G

EMPLOYING DELAWAREANS REPORT²³
--

As required by House Bill # 410 (Bond Bill) of the 146th General Assembly and under Section 30, no bid for any public works or professional services contract shall be responsive unless the prospective bidder discloses its reasonable, good-faith determination of:

1.	Number of employees that would reasonably be anticipated to be employed on this account.	
2.	Percentage of such employees who are <i>bona fide</i> legal residents of Delaware.	
3.	Total number of employees of the bidder.	
4.	Total percentage of employees who are <i>bona fide</i> residents of Delaware.	

If subcontractors are to be used:

1.	Number of employees who are residents of Delaware.	
2.	Percentage of employees who are residents of Delaware.	

²³ The number of Delawareans employed by your organization are not taken into consideration during the evaluation or scoring of your bid.

APPENDIX H

FINANCIAL RATINGS

Carrier's most recent rating or filing (identify date) from the following agencies:

Vendor Ratings	Rating
A.M. Best: Rating Status	
Financial Rating (if rated)	
Date (if rated; if not rated, leave response cell blank)	
Standard & Poors: Rating Status	
Financial Rating (if rated)	
Date (if rated; if not rated, leave response cell blank)	
Fitch (formerly Duff and Phelps): Rating Status	
Financial Rating (if rated)	
Date (if rated; if not rated, leave response cell blank)	
Moody's: Rating Status	
Financial Rating (if rated)	
Date (if rated; if not rated, leave response cell blank)	

1. Has there been any change in your organization's ratings in the last two years? If yes, please explain the nature and reason(s) for the change.
2. Are there any outstanding legal actions pending against your organization? If so, please explain the nature and current status of the action(s).
3. What fidelity and surety insurance or bond coverage does your organization carry to protect your clients? Specifically describe the type and amount of the fidelity bond insuring your employees, which would protect this plan in the event of a loss.
4. Does your organization agree to furnish a copy of all such policies for review by legal counsel if requested?
5. Do you anticipate any mergers, transfer of company ownership, sales management reorganizations, or departure of key personnel within the next three (3) years that might affect your ability to carry out your proposal if it results in a contract with the State of Delaware? If yes, please explain.
6. Is your Company affiliated with another company? If yes, please describe the relationship.

Appendix J

NON-PUBLIC DATA - STATE OF DELAWARE CLOUD AND/OR OFFSITE HOSTING MANDATORY TERMS AND CONDITIONS

1. **Data Ownership:** The State of Delaware shall own all right, title and interest in its data that is related to the services provided by this contract. The Service Provider (Contractor) shall not access State of Delaware User accounts, or State of Delaware Data, except (i) in the course of data center operations, (ii) in response to service or technical issues, (iii) as required by the express terms of this contract, or (iv) at State of Delaware's written request.

Response:

2. **Data Protection:** Protection of personal privacy and sensitive data shall be an integral part of the business activities of the Service Provider to ensure that there is no inappropriate or unauthorized use of State of Delaware information at any time. To this end, the Service Provider shall safeguard the confidentiality, integrity, and availability of State information and comply with the following conditions:
 - a) All information obtained by the Service Provider under this contract shall become and remain property of the State of Delaware. At no time shall any data or processes which either belongs to or are intended for the use of State of Delaware or its officers, agents, or employees, be copied, disclosed, or retained by the Service Provider or any party related to the Service Provider for subsequent use in any transaction that does not include the State of Delaware.
 - b) At no time shall any data or processes which either belongs to or are intended for the use of State of Delaware or its officers, agents, or employees, be copied, disclosed, or retained by the Service Provider or any party related to the Service Provider for subsequent use in any transaction that does not include the State of Delaware.

Response:

3. **Data Location:** The Service Provider shall not store or transfer non-public State of Delaware data outside of the United States. This includes backup data and Disaster Recovery locations. The Service Provider will permit its personnel and contractors to access State of Delaware data remotely only as required to provide technical support. It is explicitly forbidden for the primary contractor or subcontractor staff to "share" access privileges. The awarded vendor will be required to comply with the Offshore IT Staffing Policy:

<http://dti.delaware.gov/pdfs/pp/OffshoreITStaffingPolicy.pdf> The primary contractor must reside in the United States and servers that store Delaware data cannot be located offshore.²⁴

Response:

4. **Encryption:**

- a) **Data in Transit:** The Service Provider shall encrypt all non-public data in transit regardless of the transit mechanism. The policy documents are located at:

<http://dti.delaware.gov/pdfs/pp/SecureFileTransport.pdf>

<http://dti.delaware.gov/pdfs/pp/DataClassificationPolicy.pdf>

Response:

- b) **Encryption at Rest:** For engagements where the Service Provider stores sensitive personally identifiable or otherwise confidential information, this **data shall be encrypted at rest**. The policy document is located at:

<http://dti.delaware.gov/pdfs/pp/WebApplicationSecurity.pdf>

Examples are: social security number, date of birth, driver's license number, financial data, federal/state tax information, and hashed passwords. The Service Provider's encryption shall be consistent with validated cryptography standards as specified in National Institute of Standards and Technology FIPS140-2, Security Requirements. The key location and other key management details will be discussed and negotiated by both parties.

When the Service Provider cannot offer encryption at rest, they must maintain, for the duration of the contract, cyber security liability insurance coverage²⁵ for any loss resulting from a data breach in accordance with the Cloud and Offsite Hosting Policy, <http://dti.delaware.gov/pdfs/pp/CloudandOffsiteHostingPolicy.pdf>. **Additionally**, where encryption of data at rest is not possible, the vendor must describe existing security measures that provide a similar level of protection.

Response:

²⁴ However, if a call center or claims processing office, for example, is located offshore, the transmission of data via secured means is acceptable if the secure transit mechanism that you are asked to describe is approved by the State. Describe your organization's relationship with any offshore staff, either as employees of your company or that of any subcontractor. State the scope (number and location) of the personnel, their role, and the process of data exchange, including a description of the data security measures.

²⁵ **The level of coverage is determined by the number of enrolled lives, 124,000 at \$148 each; \$18,352,000.** Proof of insurance is required at the time of award. If you have cyber liability insurance coverage (even if you have encryption-at-rest), please provide a copy as an exhibit.

5. **Breach Notification and Recovery**: Delaware Code requires public breach notification when citizens' personally identifiable information is lost or stolen. (Reference: 6 Del. C. § 12B-102. <http://delcode.delaware.gov/title6/c012b/index.shtml>) Additionally, unauthorized access or disclosure of non-public data is considered to be a breach. The Service Provider will provide notification without unreasonable delay and all communication shall be coordinated with the State of Delaware. When the Service Provider or their sub-contractors are liable for the loss, the Service Provider shall bear all costs associated with the investigation, response and recovery from the breach including but not limited to credit monitoring services with a term of at least three (3) years²⁶, mailing costs, website, and toll free telephone call center services. The State of Delaware shall not agree to any limitation on liability that relieves a Contractor from its own negligence or to the extent that it creates an obligation on the part of the State to hold a Contractor harmless.

Response:

6. **Notification of Legal Requests**: The Service Provider shall contact the State of Delaware upon receipt of any electronic discovery, litigation holds, discovery searches, and expert testimonies related to, or which in any way might reasonably require access to the data of the State. The Service Provider shall not respond to subpoenas, service of process, and other legal requests related to the State of Delaware without first notifying the State unless prohibited by law from providing such notice.²⁷

Response:

7. **Termination and Suspension of Service**: In the event of termination of the contract, the Service Provider shall implement an orderly return of State of Delaware data in CSV or XML or another mutually agreeable format. The Service Provider shall guarantee the subsequent secure disposal of State of Delaware data.
- a) **Suspension of Services**: During any period of suspension or contract negotiation or disputes, the Service Provider shall not take any action to intentionally erase any State of Delaware data.

Response:

- b) **Termination of any Services or Agreement in Entirety**:²⁸ In the event of termination of any services or agreement in entirety, the Service Provider shall not take any action to

²⁶ **Three years is non-negotiable.**

²⁷ This includes Freedom of Information Act (FOIA) requests.

²⁸ The State acknowledges that the ninety (90) day requirement is not applicable to insurance products. That timeframe is replaced with the following: Service Provider will retain the data for business processing reasons, such as claims run-out for twelve (12) months or until federal

intentionally erase any State of Delaware data for a period of ninety (90) days after the effective date of the termination. After such 90 day period, the Service Provider shall have no obligation to maintain or provide any State of Delaware data and shall thereafter, unless legally prohibited, dispose of all State of Delaware data in its systems or otherwise in its possession or under its control as specified in section 7d) below. Within this ninety (90) day timeframe, vendor will continue to secure and back up State of Delaware data covered under the contract.

Response:

- c) **Post-Termination Assistance**: The State of Delaware shall be entitled to any post-termination assistance generally made available with respect to the Services unless a unique data retrieval arrangement has been established as part of the Service Level Agreement²⁹.

Response:

- d) **Secure Data Disposal**: When requested by the State of Delaware, the provider shall destroy all requested data in all of its forms, for example: disk, CD/DVD, backup tape, and paper. Data shall be permanently deleted and shall not be recoverable according to National Institute of Standards and Technology. The policy document is located at: <http://dti.delaware.gov/pdfs/pp/DisposalOfElectronicEquipmentAndStorageMedia.pdf>

Response:

8. **Background Checks**: The Service Provider shall conduct criminal background checks and not utilize any staff, including sub-contractors, to fulfill the obligations of the contract who has been convicted of any crime of dishonesty, including but not limited to criminal fraud, or otherwise convicted of any felony or any misdemeanor offense for which incarceration for a minimum of one (1) year is an authorized penalty. The Service Provider shall promote and maintain an awareness of the importance of securing the State's information among the Service Provider's employees and agents.

Response:

regulatory or Delaware Insurance Code requirements have been satisfied. The State of Delaware acknowledges that, pursuant to 42 CFR 423.505, the Center for Medicare Services (“CMS”) requires retention for the current year plus ten (10) years.

²⁹ A service level agreement is defined as a contract.

9. **Data Dictionary:** Prior to go-live,³⁰ the Service Provider shall provide a data dictionary in accordance with the State of Delaware Data Modeling Standard at <http://dti.delaware.gov/pdfs/pp/DataModelingStandard.pdf>

Response:

10. **Security Logs and Reports:** The Service Provider shall allow the State of Delaware access to system security logs that affect this engagement, its data and or processes. This includes the ability for the State of Delaware to request a report of the records that a specific user accessed over a specified period of time.

Response:

11. **Contract Audit:** The Service Provider shall allow the State of Delaware to audit conformance including contract's terms³¹, system security and data centers as appropriate. The State of Delaware may perform this audit or contract with a third party at its discretion at the State's expense. Such reviews shall be conducted with at least thirty (30) days advance written notice and shall not unreasonably interfere with the Service Provider's business.

Response:

12. **Sub-Contractor Disclosure:** The Service Provider shall identify all of its **strategic business partners** related to services provided under this contract, including but not limited to, all subcontractors or other entities or individuals who may be a party to a joint venture or similar agreement with the Service Provider, who will be involved in any application development and/or **operations**.³²

Response to 12:

³⁰ In this instance, "go live" means that if your organization is awarded the contract, for Delaware data only, upon approval by the State, and before the first data exchange.

³¹ This would be only for the technology and data security terms in the contract.

³² In order to comply with the requirement for "operations", any company that **delivers technology services** for the State's account would have access to the data and therefore is subject to all the requirements in this Section. Examples would be claims processor(s) and companies that lease a software platform with data storage. The company must provide their business information with a detailed description of the services provided on a signed Subcontractor form and respond to the requirements in the entire *Technical Standards and Security Requirements* section with applicable appendices in a separate document. Please confirm your understanding of this requirement, list the subcontractor's business information, and describe in detail the technology services that would be provided including how the data is accessed.

13. **Operational Metrics:** The Service Provider and the State of Delaware shall reach agreement on operational metrics and document said metrics in the Service Level Agreement. Examples include but are not limited to:
- a) Advance notice and change control for major upgrades and system changes
 - b) System availability/uptime guarantee/agreed-upon maintenance downtime
 - c) Recovery Time Objective/Recovery Point Objective
 - d) Security Vulnerability Scanning

Response to 13:

APPENDIX J1

DATA CONFIDENTIALITY AGREEMENT

Data Exchange of Enrollment in the Group Health Insurance Plan

This Data Confidentiality Agreement (“Agreement”) is undertaken and effective on the date of the State Employee Benefit Committee (SEBC”) award on _____ pursuant to the parties’ performance of a certain contract (“Contract”) effective July 1, 2019, by and between the State of Delaware (“State”) by and through the Department of Human Resources (“OMB”) on its own behalf and on behalf of the group health plan it sponsors for employees, retirees, and other covered persons, collectively referred to hereafter as “Covered Persons”, and (“Contractor”) with offices at _____, (“Parties”).

WHEREAS, the State issued a Request for Proposal (“RFP”) for Centers of Excellence Administration for the Group Health Insurance Plan on March 26, 2018;

WHEREAS, in order to implement enrollment by the Covered Persons, the State and Contractor must exchange test and enrollment files prior to the effective date of the Contract;

WHEREAS, Contractor desires to provide such data technology services to the State on the terms set forth in the Request for Proposal and as stated below;

WHEREAS, the information provided by the State is classified as Personally Identifiable Information (PII) and is information that, if divulged, could compromise or endanger the people or assets of the State and is data that is specifically protected by law; and

WHEREAS, the State and Contractor represent and warrant that each party has full right, power and authority to enter into and perform under this Agreement;

FOR AND IN CONSIDERATION OF the premises and mutual agreements herein, the State and Contractor agree as follows:

1. The RFP provides for a data extract by and through Payroll Human Resources Statewide Technology (“PHRST”) and the Pension Office (hereafter “State”) to be provided to the Contractor to be used for implementation testing and enrollment.
2. The enrollment files generated by the State will be placed in a sub-folder on the State’s SFTP server. The Contractor is responsible to obtain the files from the server.
3. The RFP requires that the Contractor accept the enrollment files in specified formats.
4. The data is to be used for the following purposes and is not to be used for any other purpose.

- a. To populate the Contractor’s test environment; and
 - b. To populate the Contractor’s system so that the Covered Persons may receive services through the Centers of Excellence program in conjunction with their health insurance coverage.
5. No clause of this Agreement shall be considered a waiver of any portion of the terms set forth in the RFP for which a Contract has been awarded to the Contractor. The terms of the document entitled *Non-Public Data - State of Delaware Cloud and/or Offsite Hosting Mandatory Terms and Conditions*, which is part of the RFP and a copy of which is attached hereto for reference, shall apply to the test and enrollment files to be provided by the State prior to the effective date of the Contract.

This Agreement was drafted with the joint participation of the undersigned Parties and shall be construed neither against nor in favor of either, but rather in accordance with the fair meaning thereof.

IN WITNESS THEREOF, the Parties hereto have caused this Agreement to be in effect as of the latest date and year below written.

**STATE OF DELAWARE
DEPARTMENT OF HUMAN RESOURCES**

CONTRACTOR

Signature
Brenda L. Lakeman
Director of Statewide Benefits

Signature
Printed Name: _____
Title: _____

Date

Date

APPENDIX K

NON-DISCLOSURE AGREEMENT WITH CERTIFICATE OF DESTRUCTION

State of Delaware Centers of Excellence Administration for the Group Health Insurance Program

This Agreement is entered into as of March 26, 2018, by and between _____
_____ (“Vendor”)
and the State of Delaware (“State”).

“Proprietary Information” means information disclosed during the term of this Agreement that is not generally known and is proprietary to the State, or that the State is obligated to treat as proprietary. Proprietary Information shall include, but not be limited to: specifications and information about the State’s past, current or possible future employee, retiree and pensioner health plans; financial information or projections; non-public personal information, including protected health information and de-identified health information; including information obtained from third parties under nondisclosure agreements.

“Purpose of the Disclosure” means a review of modified claims dataset including details of service related to particular episodes of care without cost data (no allowed amounts, member payments, net paid amounts) and without personally identifiable member data related to the State of Delaware Group Health Insurance Program non-Medicare health plan enrollment for the purpose of responding to a proposal for administration of a Center of Excellence network.

The parties hereby agree as follows:

1. **Property of State.** All right, title and interest in and to the Proprietary Information shall be and remain vested in the State. Nothing in this Agreement shall grant the Vendor any license or right of any kind with respect to the Proprietary Information, other than to review and evaluate such information solely for the Purpose of the Disclosure set forth above. All Proprietary Information is provided on an “AS IS” basis; and all representations and warranties, express or implied, are hereby disclaimed.
2. **Vendor’s Obligations.** Vendor agrees that it will:
 - (a) use commercially reasonable efforts to safeguard the Proprietary Information, and to prevent any unauthorized access, reproduction, disclosure, or use of any of the Proprietary Information other than for the Purpose of the Disclosure and then only in strict compliance with the provisions hereof and subject to any applicable laws;

(b) disclose the Proprietary Information only to those officers, directors, employees, consultants and advisors of the Vendor who need to know such information in order to carry out the Purpose of the Disclosure and, in the event the employment or engagement of any such person is terminated, the Vendor agrees to use commercially reasonable efforts to recover any Proprietary Information in such person's custody or control;

(c) not remove any copyright notice, trademark notice, or other proprietary legend or indication of confidentiality set forth on or contained in any of the Proprietary Information;

(d) promptly notify the State in writing of any unauthorized use or disclosure of the Proprietary Information, including a detailed description of the circumstances of the disclosure and the parties involved. In the event that Vendor is required to disclose any portion of any Proprietary Information received from the State by operation of law, Vendor may do so, provided the Vendor shall immediately notify the State in writing and Vendor shall provide the State with reasonable cooperation and assistance in obtaining a suitable protective order, and in taking any other steps reasonably necessary, to preserve the confidentiality of any such Proprietary Information; and

(e) On or before September 1, 2018, Vendor shall dispose of all Proprietary Information in its systems or otherwise in its possession or under its control and in all of its forms, for example: disk, CD/DVD, backup tapes, and paper. Data shall be permanently deleted and shall not be recoverable, according to National Institute of Standards and Technology (NIST) approved methods and the attached certificate of destruction form shall be provided to the State of Delaware.

3. **Exceptions.** Notwithstanding the provisions of Section 2 above, Vendor has no obligation to maintain the confidentiality of any Proprietary Information which: (a) Vendor can demonstrate was known by Vendor without violation of any contractual, fiduciary or other obligation of confidentiality prior to the disclosure thereof by the State; (b) properly came into the possession of Vendor from a third party which was not under any obligation to maintain the confidentiality of such information; (c) has become available to members of the public through no act or fault on the part of Vendor in breach of this Agreement; or (d) Vendor can demonstrate that it was independently developed by or for Vendor without the use of Proprietary Information.
4. **Term.** Vendor's obligations hereunder with respect to Proprietary Information disclosed by the State shall apply to all Proprietary Information provided to Vendor by State with respect to the Purpose of Disclosure terminate upon the Vendor's certification to the State that Vendor has returned or destroyed all Proprietary Information and has not retained any copies thereof.

5. **Equitable Relief.** Vendor agrees that any unauthorized use of the Proprietary Information by Vendor shall cause the State irreparable harm for which its remedies at law would be inadequate. Therefore, in addition to any other rights it may have at law, the State shall be entitled to seek equitable relief.

7. **General.** This Agreement constitutes the entire agreement and understanding between the parties with respect to the Proprietary Information listed above, and supersedes all prior and contemporaneous negotiations, discussions and understandings of the parties, whether written or oral. No waiver or modification of any of the provisions of this Agreement shall be valid unless in writing and signed by both of the parties. Vendor’s rights under this Agreement may not be assigned to any third party without the State’s prior written consent. This Agreement shall be governed by and interpreted in accordance with the laws of the State of Delaware. Should any provision of this Agreement be determined to be void, invalid or otherwise unenforceable by any court of competent jurisdiction, such determination shall not affect the remaining provisions hereof, which shall remain in full force and effect.

VENDOR

STATE OF DELAWARE

 Authorized Signature

 Brenda L. Lakeman
 Director, Statewide Benefits

Name: _____

Title: _____

Address: _____

Address:
 Department of Human Resources
 Statewide Benefits Office
 97 Commerce Way, Suite 201
 Dover, DE 19904

**DELAWARE DEPARTMENT OF TECHNOLOGY AND INFORMATION
 CERTIFICATE OF DATA DESTRUCTION
 By External Entity/Company**

The information described below was destroyed in the normal course of business pursuant to State of Delaware retention schedule and the following policies and contract(s):

- The Delaware Information Security Policy, Disposal of Electronic Storage Media:
<https://dti.delaware.gov/pdfs/pp/DelawareInformationSecurityPolicy.pdf>
- Data Classification Policy:
<http://dti.delaware.gov/pdfs/pp/DataClassificationPolicy.pdf>
- Disposal of Electronic/Storage Media Policy:
<http://dti.delaware.gov/pdfs/pp/DisposalOfElectronicEquipmentAndStorageMedia.pdf>
- **Request for Proposal (RFP) for Centers of Excellence Administration, March 26, 2018:**
 On or before September 1, 2018, Company will destroy all data files received for the purposes of preparing a bid in response to this RFP including, but not necessarily limited to, a modified claims dataset of episodes of care without cost data and personally identifiable member data. Company will send a certified letter to the DTI Chief Security Officer indicating the date, time and confirmation of the destruction along with this completed form and any documentation produced from the data destruction/data wipe software such as a certificate or certification log. Send via certified mail (or by a delivery service such as UPS or FedEx with a signature receipt required) to: Delaware Department of Technology and Information, Office of the Chief Security Officer, 801 Silver Lake Blvd., Dover, DE 19904 (302-739-9500) with a copy via email or regular mail to: State of Delaware OMB, Statewide Benefits Office, Attn: Laurene Ehemann, 97 Commerce Way, Suite 201, Dover, DE 19904.

Company Name and Address:	
Date of Destruction:	Authorized By:
Description of Information Disposed of/Destroyed: Modified claims dataset of episodes of care without cost data and personally identifiable member data related to the State of Delaware’s group health insurance program for the purpose of responding to a proposal for administration of a Center of Excellence network.	
Inclusive Dates Covered: 2016-2018	
METHOD OF DESTRUCTION:	
<input type="checkbox"/> Burning	<input type="checkbox"/> Pulverizing
<input type="checkbox"/> Overwriting	<input type="checkbox"/> Reformatting
<input type="checkbox"/> Pulping	<input type="checkbox"/> Shredding
<input type="checkbox"/> Other:	
Records Destroyed By*:	
If On Site, Witnessed By:	
Department Manager:	

**If the records are destroyed by an outside firm, provide the company name and address and confirm that a contract exists.*

APPENDIX L

COE ADMINISTRATIVE FEES AND SAVINGS ESTIMATES

See separate document in Excel