



State of Delaware
Department of Human Resources
Statewide Benefits Office

STATE EMPLOYEE BENEFITS COMMITTEE

Request for Proposal for Group Accident and Critical Illness Supplemental Insurance

Release Date: August 30, 2019

Intent to Bid Deadline –
Friday, September 6, 2019, 1:00 p.m. ET (Local Time)

Mandatory Pre-Bid Meeting (Conference Call) –
Tuesday, September 10, 2019, 11:00 a.m. ET (Local Time)

Proposals Due –
Friday, September 27, 2019 by 1:00 p.m. ET (Local Time)

DHR2002–SuppIns

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Attachments

Note: All the attachments will be provided with an Intent to Bid.

1. Data File descriptions and layouts for both the State of Delaware (PHRST) and the University of Delaware on a biweekly basis. **Under no circumstances will social security numbers be transmitted.**
 - a. Eligibility to vendor
 - b. Requesting premium deductions from vendor per the 26 pay-cycle deduction schedules
 - c. Payroll deductions taken
2. Eligible Employee Census – State of Delaware and University of Delaware
 - a. Age banded and gender only. DOB will not be provided.

3. Enrollment Information - State of Delaware and University of Delaware for the five plan years supplemental insurance has been offered; FY16 through FY20
4. Eligibility and Enrollment Rules (Applicable terms are highlighted.)
5. State (PHRST) 2019 26 Pay-Cycle Deduction Schedule
6. University of Delaware 2019 26 Pay-Cycle Deduction Schedule (Note: Though 2019's schedule is the same as the State's, that is not always the case.)
7. Account Management Survey (Referenced in the Performance Guarantees)
8. Master Report List (Referenced in the Performance Guarantees)

I. Introduction

On behalf of the State of Delaware, the State Employee Benefits Committee (SEBC) is seeking proposals for a supplemental insurance benefit for group accident and critical illness (hereafter “Supplemental Benefits”) for the Group Health Insurance Program (GHIP). Supplemental Benefits are offered to active State of Delaware employees and University of Delaware employees and their dependents. School district, charter schools, and other higher education institution employees and their dependents are also eligible. Non-Medicare and Medicare retirees and employees and retirees of GHIP non-state groups are not eligible.

For complete information about the State of Delaware’s benefit programs, please go to <https://de.gov/statewidebenefits>.

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.C.)

Contract Effective Date	July 1, 2020
RFP Release Date	Friday, August 30, 2019
Intent to Bid Due¹	Friday, September 6, 2019 by 1:00 p.m. ET (Local Time)
Mandatory Pre-Bid Meeting (Conference Call)²	Tuesday, September 10, 2019 at 11:00 a.m. ET (Local Time)
Questions Due from Vendors	Friday, September 13, 2019 by 1:00 p.m. ET (Local Time)
Proposal Submissions Due	Friday, September 27, 2019 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

¹ 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.

² 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 that 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 <https://de.gov/statewidebenefits> for information about the programs.

The SBO administers the Group Health Insurance Program (GHIP). 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 plan year for the GHIP begins on July 1 and coincides with the State's fiscal year.

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 Delaware; the medical plan also includes a third-party network of surgeons of excellence that is administered directly by SurgeryPlus and is available to all plan participants regardless of whether they enrolled in an Aetna or Highmark Delaware medical plan option. Pharmacy Benefit Manager (PBM) services are carved out and administered by Express Scripts (ESI). The dental and vision benefit plans are 100% employee-pay-all and are not included with the health plan.

2.0 Background Information

The Statewide Supplemental Benefits Program began in July 2015 as outlined in Delaware Code Title 29 Chapter 52C through the passage of House Bill No. 336 of the 147th General Assembly. Benefits offered under the program are available to all benefit eligible State of Delaware employees and University of Delaware employees and their dependents. School district, charter schools, and other higher education institution employees and their dependents are also eligible. The population enrolled in the GHIP that is also eligible for Supplemental Benefits is approximately 33,000 employees and 44,000 dependents; historical enrollment in Supplemental Benefits for the State of Delaware and the University of Delaware has been provided in Attachment 3. Non-Medicare and Medicare retirees employees and retirees of GHIP non-state groups are not eligible. This is an employee-pay-all program allowing those who enroll to pay for their benefit elections through a post-tax general deduction taken from their paycheck.

The legislation states that:

- Eligible employees will be offered an opportunity to enroll in these supplemental benefit policies during the same Open Enrollment period as other state employee benefits with a plan year beginning on July 1. (Enrollment is permissible only once per year during Open Enrollment, except for new hires and newly benefit-eligible employees who have 60 days to apply for Supplemental Benefits from the date of becoming eligible for benefits.)
- The insurance shall offer income indemnity coverage that is guaranteed renewable for accident, cancer, and critical illness or critical care and recovery.
- The participating employee shall pay all premium or subscription charges for the full cost of the supplemental benefits with no premium cost to the State.
- The insurance carrier shall be licensed in the State of Delaware and maintain a claims loss ratio of not less than sixty percent (60%).
- The carrier shall be selected by a proper vote of the SEBC and shall have adequate servicing facilities³ to carry out the terms of the contract as awarded by the SEBC.
- The group monthly electronic statement file with payment deduction details, associated reconciliation of premiums paid, and claims administration and payment due will be administered by the carrier and at their expense. Vendor-issued reimbursements or credits resulting from premium overpayments or any other adjustments shall be issued directly to enrollees.
- The SEBC will review the Supplemental Benefits program participation annually, and if the SEBC determines that the volume of employee participation demonstrates a lack of interest or desire in accessing this program, the SEBC may vote to restructure, modify or terminate the program on or after July 1, 2020.

A copy of the final text of this legislation can be found online at:
<http://legis.delaware.gov/BillDetail?LegislationId=23212>.

The SEBC issued an RFP in September 2014 to solicit proposals for Supplemental Benefits from interested bidders. At the end of that procurement process, the SEBC awarded a contract to Continental American Insurance Company (“Aflac”); this contract terminates on June 30, 2020. The SEBC also made the following additional decisions about the Supplemental Benefits program that were not captured in the legislation:

- Premiums are deducted on an after-tax basis through payroll.
- Accident insurance should include coverage for on-the-job accidents.

³ In the context of this sentence, “facilities” does not mean only a physical location or place of business, but a vendor’s capacity, resources and capabilities.

- Accident insurance would have two offerings – a “low option” and a “high option” coverage.
- Cancer coverage was not a carve-out policy or rider and therefore was included in the critical illness policy.

As required by the legislation, the SEBC has evaluated enrollment in Supplemental Benefits to determine if the contract should be restructured, modified or terminated beyond June 30, 2020. In March 2019, the Health Policy & Planning subcommittee of the SEBC met to consider the merits of continuing the Supplemental Benefits program and issued a recommendation to the SEBC to continue offering this benefit. On April 8, 2019, the SEBC voted to direct the SBO to develop and advertise an RFP to continue the administration of the Supplemental Benefits program with the same in-force plan design. Other types of coverage will not be considered.

Interested bidders should note the following considerations when responding to this RFP:

- All terms and criteria noted within the legislation must be met⁴; any vendor’s bid which is determined not to meet any single requirement will be disqualified.
- Only one bid per respondent will be accepted. The State will not accept separate bids from individual insurance agents of the same insurance company.
- Respondents must issue a complete, integrated bid that identifies account representation to service the entire award. This account representative should be the only authorized representative to act on behalf of the respondent. Local franchises and providers must adhere to the master contract terms and conditions and service the account through the identified representative.
- Bidders are required to submit a proposal for insurance that matches the in-force plan designs, which are Guaranteed Issue.
- The contract resulting from this RFP is with the State, not with each individual participant. Bidders must agree to enter into a single contract with the State with individual certificates of insurance issued to participants, like any other type of insurance (such as life insurance).

⁴ This includes:

- i. The vendor must be licensed in the State of Delaware.
- ii. The vendor must have adequate servicing facilities to carry out the terms of the contract as awarded by the Committee.
- iii. The selected carrier shall maintain a claims loss ratio of not less than 60%.
- iv. The type of offered insurance shall be guaranteed renewable.
- v. The electronic payroll deduction file, reconciliation, claims administration and payment will be administered by the carrier at their expense.
- vi. Open enrollment for the supplement benefit policies will coincide with the open enrollment for state employee benefits beginning in 2015.

- Because the services requested are fully-insured products and the data provided by the State is used for underwriting purposes, the ownership of the data resides with the vendor.
- The State will provide eligibility files for State of Delaware (PHRST) and University of Delaware employees on a bi-weekly basis to the Supplemental Benefits vendor. Bidders will be asked to confirm acceptance of the State's eligibility file layouts (provided as Attachment 1). These files capture the subset of employees who are eligible for Supplemental Benefits and does not represent a full file of all employees (such as including those who are not eligible for these benefits). Bidders will also be asked to confirm acceptance of the State's eligibility and enrollment rules (provided as Attachment 4).
- The State requires the Supplemental Benefits vendor to send the group monthly electronic statement file with payment deduction details. At this time, one file is used for payroll deductions for State of Delaware employees and University of Delaware employees. The reconciliation of premiums paid must be done by the vendor without administrative support from the State. The accounting of claims administration and payments due would also be performed solely by the vendor. All these activities are at the vendor's own expense.
- The selected vendor cannot use employee contact information to directly sell any products or services offered outside of the group contract between the vendor and the State. This is a requirement of all the State's benefits vendors.
- Employees may call the Supplemental Benefits vendor – such as customer service agents – at any time. Vendors cannot solicit individual meetings with eligible employees outside of the one-on-one contact at Open Enrollment events such as Health Fairs. Under no circumstances will the State provide mailing or telephone numbers for benefit vendors to directly contact employees individually.
- Other points for interested bidders to note regarding the State's enrollment process and how it specifically impacts the Supplemental Insurance benefit:
 - The State's Open Enrollment is "passive" in that eligible employees are not required to take action by either enrolling, waiving or modifying their benefits. Should an employee choose to take no action during Open Enrollment, their benefit elections will continue in the same manner when the new plan year begins.
 - Open Enrollment is self-service for State employees. For the supplemental benefits program, self-service is via a link to the vendor's secure online portal. The State is interested in including a Single Sign On option in the future. Newly hired employees should not have access to paper enrollment forms under any circumstances.
 - Outside of Open Enrollment, new hires and newly eligible employees contact their agency's or school district's HR/Benefits Office for assistance with enrolling in

benefits within sixty days. After sixty days, eligible employees must wait to enroll until the next Open Enrollment period for a benefit effective date of July 1.

- Existing (not newly hired) active employees cannot make changes to their benefits during the plan year unless they have a qualifying event. However, the supplemental benefit is an exception in that the participant can terminate their coverage at any time.
- If the SEBC does not award this contract to the incumbent vendor:
 - The first open enrollment period with the new vendor, in May 2020, would be an “active” enrollment process. If an employee is enrolled in coverage and not making changes to their current benefits, coverage will continue through the next benefits plan year.
 - The incumbent may offer current covered members the option to enroll directly at either the group or an individual rate as self-pay. Payroll deduction would no longer be an option because there would not be a contract with the State.
- The State expects the Supplemental Benefits vendor to provide on-site representation at Health Fairs in April each year (subject to scheduling changes). As of the date of this RFP, three Health Fairs are planned during the same week; one in each county. While the State does not plan to hold educational meetings for May 2020 open enrollment, the State reserves the right to require representation at educational meetings through the duration of the contractual period. During these meetings, the vendor will provide benefit program updates including how to access its online education/enrollment portal.

B. Proposal Objectives and Scope of Services

The SEBC desires to contract with an organization specializing in providing Supplemental Benefits. The organization must have prior experience directly related to the services requested in this RFP. The selected organization(s) shall be required to provide the following services, at a minimum⁵:

- offer Supplemental Benefits coverage that meets all terms and criteria noted within the legislation and matches the in-force, Guaranteed Issue benefit designs:
 - Group Accident Insurance with a high option and low option:
https://enrollment.aflac.com/~/_/media/ASW/ProductBrochures/s_u/StateofDE/StateofDE_Acc_3-28-16%20pdf.ashx

⁵ This is a general list of services. Details are set forth in the Minimum Qualifications and Questionnaire sections. See also the list of requirements in the legislation.

- Group Critical Illness Insurance with cancer coverage:
https://enrollment.aflac.com/~media/ASW/ProductBrochures/s_u/StateofDE/StateofDE_CI_3-28-16%20pdf.ashx
- maintain a claims loss ratio of not less than sixty percent (60%), and establish and maintain a “Claims Loss Ratio Compliance Fund” in the event that the claims loss ratio report submitted by the organization for any fiscal year indicates that the total claims loss ratio for all fiscal years under the contract with the State is less than 60%;
- administer the group monthly electronic statement file with payment deduction details, associated reconciliation of premiums paid, and claims administration and payment due at the vendor’s own expense and without administration assistance by the State;
- possess the capability to accept electronic transfer of employee eligibility information;
- provide ease of access to a secure web portal for enrollment, account information, and reporting;
- process and pay claims in a timely manner;
- offer state of the art administrative services;
- support the State with communication to all eligible employees about the Supplemental Benefits program;
- provide excellent customer service to participants;
- provide excellent account management services to the Statewide Benefits Office (SBO), including timely reporting and superior implementation support;
- have a strong reputation and historical experience in the Supplemental Benefits market;
- provide competitive premium rates;
- agree to enter into a single contract with the State with individual certificates of insurance issued to participants;
- agree to guarantee the vendor’s own performance (i.e., role in supporting benefit administration, account management services); and
- be responsive to changes in the program and requests of the SEBC and the SBO.

C. Timetable/Deadlines

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

Event	Target (Local ET Time)
RFP Released	Friday, August 30, 2019
Intent to Bid Deadline ⁶	Friday, September 6, 2019, 1:00 p.m.
Mandatory Pre-Bid Meeting (Conference Call) ⁷	Tuesday, September 10, 2019, 11:00 a.m.
Questions due to SBO from Confirmed Bidders	Friday, September 13, 2019, 1:00 p.m.
Responses to Questions to Confirmed Vendors	By Friday, September 20, 2019
Deadline for Bids	Friday, September 27, 2019, 1:00 p.m.
Notification of Finalists - Invitation to Interview	Late October, 2019
Finalist Interviews ⁸	Mid-November, 2019
Contract Award	January, 2020
Contract Effective Date	July 1, 2020

D. 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

⁶ 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.

⁷ 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.

⁸ 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 member-facing online tools and resources, as well as any plan sponsor-facing online self-service tools available to the SBO for account management.

- 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 a single requirement in the legislation will result in disqualification. Failure to meet any of the other terms and criteria 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 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 winning 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. However, it is the intention of the SEBC to award one contract.

2.0 Evaluation Criteria

All proposals shall be evaluated using the same criteria and scoring process. The following criteria shall be used by the PRC to evaluate proposals:

Topic	Points Awarded	Description/Examples
Financial Terms	17 points	<ul style="list-style-type: none"> • Competitive premium rates for both types of coverage⁹.

⁹ Bidders should note that the competitiveness of their quoted rates will be evaluated both for each type of Supplemental Benefit plan as well as on an overall basis.

Topic	Points Awarded	Description/Examples
Experience and Qualifications	17 points	<ul style="list-style-type: none"> • Extensive experience administering the requested scope of services with clients of similar size. • Experienced designated resources (e.g., account manager, implementation manager) to the State's account for implementation and ongoing account management. • Has outstanding references that demonstrate an ability to meet the State's needs.
Technology Requirements	17 points	<ul style="list-style-type: none"> • Proven ability and infrastructure to customize services to meet the State's needs which includes coordination with a subcontractor's software platform, if applicable. • Ability to accurately reconcile a monthly electronic eligibility file and transmit accurate and timely bi-weekly payroll deduction files.
Customer Service	17 points	<ul style="list-style-type: none"> • Proven ability to provide excellent service by being responsive to the members' needs; such as, ease of enrollment, first call resolution, timely delivery of certificates of insurance, etc. • Excellent member-facing on-line tools.
Account Management	17 points	<ul style="list-style-type: none"> • Demonstrated ability for responsiveness and problem solving by account management personnel. • Superior ability to provide all account management services such as timely reporting and open enrollment support. • Availability and superior functionality of plan sponsor-facing online self-service account management tools.
Communication	10 points	<ul style="list-style-type: none"> • Willingness and proven ability to develop and launch a comprehensive communication plan to eligible plan participants before and during Open Enrollment.
Responsiveness	5 points	<ul style="list-style-type: none"> • 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	100 points	

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.

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 preparation. The proposal the SEBC selects will be a binding document. As such, the SEBC will expect the proposing firm to honor all representations made in its proposal.

3.0 RFP Award Notification

The contract shall be awarded to the vendor 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 who submits the lowest bid or the vendor who receives the highest total point score. Rather the contract will be awarded to the vendor 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 Technical Standards and Security Requirements by the Department of Technology and Information (DTI). After a final selection is made, the winning vendor 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 winning vendor 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.

E. Confidentiality of Documents

The State of Delaware and its constituent agencies are required to comply with the State of Delaware Freedom of Information Act, 29 Del. C. § 10001, et seq. ("FOIA"). FOIA requires that the State of Delaware's records are public records (unless otherwise declared

by FOIA or other law to be exempt from disclosure) and are subject to inspection and copying by any person upon a written request. The content of all proposals is subject to FOIA's public disclosure obligations.

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 (collectively referred to herein as "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 unresponsive, may not be recommended for selection, and any applicable protection for the vendor's confidential business information may be lost.

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. Premiums are only considered confidential and proprietary during the bid evaluation process.

The confidential business information must be submitted as one electronic pdf copy as follows:

- 1) A letter from the Vendor's legal counsel describing the information in the attached document(s) and representing in good faith that the information in each document is not "public record" as defined by 29 Del. C. § 10002. The letter must briefly state the reason(s) that the information meets the said definitions. (See Section II.C., Submission of Proposal, for detailed instructions.)
- 2) Copies of the non-redacted pages with that information must be in the same pdf behind the letter.

A vendor's determination as to its confidential business information shall not be binding on the State. 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, Vendor(s) assume the risk that confidential business information included within a proposal may enter the public domain.

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.

B. General Terms and Conditions

1. **Intent to Bid –** **!!!IMPORTANT!!!**
 - a. You must indicate your Intent to Bid via email to Ms. Laurene Eheman at laurene.eheman@delaware.gov by Friday, September 6, 2019, 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, mailing and physical address, 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 this document will be provided along with the attachments.
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@delaware.gov.
3. **Definitions –**
 - a. The following terms are used interchangeably throughout this RFP:
 - i. bidder, vendor, contractor, organization, service provider
 - ii. member, participant
 - iii. SEBC, State of Delaware
 - iv. proposal, bid, vendor’s submission
 - v. non-payroll group, participating group
 - vi. shall, will, and/or must
 - vii. Scope of Services, Scope of Work
 - b. **Customer Service –** Services to the members/participants, 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 a copy of the bidder’s business license, a resume, or sample mailings.
4. **Mandatory Pre-Bid Meeting – A conference call will take place on Tuesday, September 10, 2019, 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 and the SEBC’s expectation for the proposing firm to honor all representations made in its proposal. 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, and
- The administrative person who will be compiling the hard and electronic copies and confidential and proprietary request, if applicable, the redacted copies.

Your bid will not be accepted if your organization does not participate in the conference call. Meeting minutes may be taken. 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**¹⁰ the vendor shall notify the contact for this RFP, Ms. Laurene Eheman, electronically, and only electronically, laurene.eheman@delaware.gov, at least ten (10) business days before the proposal due date, therefore, no later than 4:30 p.m., Friday, September 13, 2019, by submitting the *RFP Terms and Conditions Exception Tracking*, Appendix C. 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

¹⁰ Examples include (1) if there is conflicting information about the nature of the Supplemental Benefits plan designs or about the nature of the covered population between in the Scope of Services and the Minimum Requirements.

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@delaware.gov, no later than ten (10) business days, no later than Friday, September 13, 2019, 1:00 p.m. ET (Local Time), 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@delaware.gov no later than Friday, September 13, 2019, 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.

8. **Best and Final Rates or Offer (“BAFO”)** - The State may or may not request improved rates before the determination of finalists. Therefore, you are encouraged to submit your best pricing initially in your bid response. A BAFO may be requested of finalists.

Contract Term / Rate Guarantee Periods

The term of the contract will be for three (3) years beginning July 1, 2020 and ending June 30, 2023. The State will have the option to renew the contract for two (2) additional one-year periods. The vendor must guarantee financial terms for five (5) years, through June 30, 2025.

Contract Termination

The term of the contract between the winning organization and the State will be for three (3) years and may be renewed for two (2) additional one (1) year extensions at the discretion of the SEBC. The contract may be terminated for convenience by the winning 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 winning 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 H.

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. A fee will be at risk as set forth in the Performance Guarantees if this requirement is not met. Please refer to Appendix H.

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.

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. General Directions for 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 ten 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 hard copies of the responses to follow-up questions to your bid response binder.
- d. Please use multiple smaller binders instead of one large binder (6# for example). A very large and heavy binder is hard to manage. 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 the electronic version of the document.
- f. Please submit **two (2) 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 because then we cannot read it. Send to the following address:

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

2. **General Directions for Electronic Copies –**

- a. Include a *complete* non-redacted electronic copy of your proposal in a PDF format on its own CD or flash drive. 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!
- c. 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".
- d. The following documents are to ALSO be included in Word or Excel format:
 - 1. Minimum Requirements
 - 2. Questionnaire
 - 3. Appendix J, *Rate Quote* (Excel as provided)

e. Please label the CD or flash drive with your company name and carefully package it for shipping.

3. **Confidential Information, Generally –**

Confidential and proprietary information identified in the attorney’s letter and redacted from the vendor’s proposal will be treated as confidential during the evaluation process.

4. **Directions for Confidential and Proprietary Submission, if any –**

In order to preserve the confidential and proprietary status of the appropriately designated portion of your bid, your bid must be submitted as follows: Submit one (1) electronic pdf copy that contains a letter from the Vendor’s legal counsel describing the information in the attached documents (pages from the bid response) and representing in good faith that the information in each document is not “public record” as defined by 29 Del. C. § 10002. The letter must briefly state the reason(s) that the information meets the said definitions. The single pdf would have the signed letter and each page of the bid response with that information behind it in the order stated in the letter so that the State can identify the information without having to look through the entire bid response. For large sections or appendices, please submit a sheet that identifies the material, not the multitude of pages. For example, “Appendix C – *GeoAccess Report*”.

5. **Directions for the Redacted Electronic Copy¹¹, if applicable –**

- a. Any information you deem confidential and proprietary as identified in the attorney’s letter must be redacted. The State is not responsible for incorrect redactions or reviewing your submission to determine whether or not the information asserted as confidential and proprietary is redacted. Mistakes in redactions are the sole responsibility of the bidder.
- b. Redaction Method - 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 can be reversed in a Word version.
- c. PDF - A *complete* electronic copy is needed with the redacted materials in a PDF format. We need this separate complete electronic copy to use for FOIA requests. You must scan all the documents as directed above in the *General Directions for Electronic Copies* above. For large sections or appendices, please submit a sheet that identifies the material, not pages of black redactions. 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)”.

¹¹ A redacted hard copy is not required.

6. **Questions and Summary –**

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.

Summary	Hard Copies	Electronic Copies on one CD or Flash Drive
Confidential and Proprietary Information, <u>if any</u> : The attorney’s cover letter along with one set of <u>only</u> the non-redacted pages that match the information listed in the attorney’s cover letter - not the complete bid.	0	Scanned as one PDF document
Complete bid <u>with</u> redacted sections	0	Only PDF versions with “redacted” in the file name and in one electronic folder
Complete bid <u>without</u> redacted sections	2	PDFs of the entire bid and Word and Excel versions of the sections and appendices as listed in Section 2.d above.

7. **Follow-Up Responses and Finalist Presentations**

- a. The same format requirements apply to follow-up responses and presentation materials.
- 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.
8. **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, September 27, 2019**. 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.
9. **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 Title 29, Delaware Code, Chapter 100, Freedom of Information Act, the contents of any proposal that are not part of the public record will not be disclosed. Proposals become the property of the State of Delaware at the proposal submission deadline.
10. **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 B, and include it in your bid package.
11. **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.
12. **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.
13. **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 Ehemann 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. For example, the box is received on the Wednesday before the Friday deadline. Since the box remains unopened it can be removed by the bidder up until the deadline and substituted with a sealed box containing the revised proposal.

14. **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.
15. **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.
16. **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.
17. **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.
18. **Basis of Cost Proposal** – Your proposal must be based on your estimated cost of all expenses for the services and funding arrangements requested.
19. **Certification of Independent Price Determination** – By submission of a proposal, the proposing firm certifies that the premium rates 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 premium rates, the intention to submit a proposal, or the methods or factors used to calculate the premium rates proposed. Please fill out the *State of Delaware Non-Collusion Statement*, Appendix A, and include it in your bid package.
20. **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.

21. **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 rates. 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.**
22. **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.
23. **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.
24. **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.
25. **Contact with State Employees** – Unless expressly requested to contact another State employee or SBO’s consulting firm, 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.
26. **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.

27. **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

The minimum requirements are mandatory. Failure to meet a single requirement in the legislation will result in disqualification. Failure to meet any of the other minimum requirements outlined in the RFP may result in disqualification of the proposal submitted by your organization.

Please review Section II.A., Proposal Response Requirements for additional guidelines.

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** – Because this is an employee-pay-all benefit, administrative fees and costs cannot be paid by the State for any type of cost under any circumstances.
- F. **Best and Final Offer** - Best and final premium rates may not be requested after your bid submission. Please provide your best and final rates or offer with your initial proposal.

- G. **Legal Section** – In lieu of attaching the State’s template contract, the stipulations in the Legal section are terms that will be in the contract with the winning bidder. Therefore, each term should be reviewed by an attorney for a response. The State cannot “pre-negotiate” a contract with each bidder, therefore if there are suggested changes by the vendor and the State does not respond that does not infer acceptance by the State.
- H. **Numbering** – Please do not change the numbering of a question, even if there is an error in the sequence or a duplication.
- I. **Checkboxes and Long Responses** – The checkbox format does not work, so please bold the selection. If the response is more than a few sentences long, please insert your response below the question and not in the third column so that the electronic and hard copy document is more manageable. Use your best judgment for easy readability.
- J. **Coverage Types** –
- If a requirement does not specify either the Critical Illness or Accident coverage, either in the section heading or question itself, it applies to both types.
 - If your response is specifically for only one type of coverage and the requirement does not specify it, please be sure to note the type of coverage.

INTRODUCTION

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 URL.

1.0 Core Capabilities and Experience

#	Minimum Requirement	Response
1.01	The selected vendor must have at least five (5) years’ experience as an organization in providing the type of services to be procured through this competitive RFP process. Please confirm that you have reviewed the Scope of Services included in this RFP and that you have provided these services for other clients. The determination of the length of time an entity has provided these services will be based upon the initial date the entity established a contractual relationship to provide such services. The proposing organization must provide sufficient detail to	<i>(Pick one of the following)</i> <input type="checkbox"/> Confirmed <input type="checkbox"/> Not confirmed, explain

#	Minimum Requirement	Response
	demonstrate it has experience in working with Supplemental Benefits programs similar in size and complexity. Because more detailed questions follow, please provide <u>only a broad outline</u> here of the organization’s years of experience and qualifications listed in the Scope of Services	
1.02	Please confirm that you will provide and administer both coverages requested: a “low option” and “high option” for Group Accident and Critical Illness or Critical Care and Recovery with cancer coverage included. No other types of coverage will be considered and both supplemental insurance types must be included in your bid.	<i>(Pick one of the following)</i> <input type="checkbox"/> Confirmed <input type="checkbox"/> Not confirmed, explain
1.03	Your company must have proven ability to perform the services described in this RFP. Of your company's current clients, please list three (3) or more references with an excess of 30,000 eligible employees.	<i>(Pick one of the following)</i> <input type="checkbox"/> Confirmed <input type="checkbox"/> Not confirmed, explain
References		
	Please confirm ALL references (active and terminated) provided in your response include valid contact information (i.e., name, phone number, email address, etc.) and are aware that they will be contacted during the RFP evaluation process. Note: At least three current and three terminated references are required on this section.	<i>(Pick one of the following)</i> <input type="checkbox"/> Confirmed <input type="checkbox"/> Not confirmed, explain
1.04	Please provide three (3) references for current customers. The State of Delaware would prefer at least one public sector customer reference of comparable size; however, this is not required.	
(a)	a. Customer Name	
	Customer Principal Location	
	Number of Employees	
	Number of Subscribers	
	Effective Date of Contract	
	Customer Contact Name	
	Job Title	
	Address	
	Telephone Number	
	Email	
	Name of Account Manager	
	b. Customer Name	
	Customer Principal Location	
	Number of Employees	
	Number of Subscribers	
	Effective Date of Contract	
	Customer Contact Name	
	Job Title	

#	Minimum Requirement	Response
	Address	
	Telephone Number	
	Email	
	Name of Account Manager	
	c. Customer Name	
	Customer Principal Location	
	Number of Employees	
	Number of Subscribers	
	Effective Date of Contract	
	Customer Contact Name	
	Job Title	
	Address	
	Telephone Number	
	Email	
Name of Account Manager		
1.04 (b)	Please provide references for three (3) terminated customers. The State of Delaware would prefer customer references of comparable size; however, this is not required. No timing restrictions on how recently the reference and your company terminated the contractual relationship.	
	a. Terminated Customer Name	
	Terminated Customer Principal Location	
	Number of Employees (during contract period)	
	Number of Subscribers (during contract period)	
	Contract Period	
	Date of Termination	
	Reason for Termination	
	Customer Contact Name	
	Job Title	
	Address	
	Telephone Number	
	Email	
	Name of Account Manager	
	b. Terminated Customer Name	
	Terminated Customer Principal Location	
	Number of Employees (during contract period)	
	Number of Subscribers (during contract period)	
	Contract Period	
	Date of Termination	
	Reason for Termination	
Customer Contact Name		
Job Title		

#	Minimum Requirement	Response
	Address	
	Telephone Number	
	Email	
	Name of Account Manager	
	c. Terminated Customer Name	
	Terminated Customer Principal Location	
	Number of Employees (during contract period)	
	Number of Subscribers (during contract period)	
	Contract Period	
	Date of Termination	
	Reason for Termination	
	Customer Contact Name	
	Job Title	
	Address	
	Telephone Number	
	Email	
	Name of Account Manager	
1.05	<p>Please provide the contact name, title, phone number, email and brief biography for the following positions who will be assigned to the State of Delaware’s account. If available, please provide a resume as an exhibit.</p> <p>Specify whether any of the following account team members would only support one or both coverages.</p>	<p><i>(Pick one of the following)</i></p> <p><input type="checkbox"/> Confirmed, explain</p> <p><input type="checkbox"/> Not confirmed</p>
	<i>Executive Sponsor</i>	
	Contact name	
	Title	
	Phone number	
	Email address	
	Fax number	
	Current client load	
	Percent of time dedicated to the State of Delaware	
	<i>Account Executive</i>	
	Contact name	
	Title	
	Phone number	
	Email address	
	Fax number	
	Current client load	
	Number of years with organization	

#	Minimum Requirement	Response
	Number of years in current position	
	Total number of accounts	
	Would this person be designated or dedicated to the State's account? If designated, what percentage of their time would be dedicated to the State of Delaware?	(Pick one of the following) <input type="checkbox"/> Confirmed, explain <input type="checkbox"/> Not confirmed
	Please confirm that this individual is, at a minimum, a senior level manager with at least five (5) years' experience providing Fertility Benefit services administration account management, of which three (3) years' experience must have been in providing these services to clients of similar size. Please provide a statement detailing such experience and a resume.	(Pick one of the following) <input type="checkbox"/> Confirmed, explain <input type="checkbox"/> Not confirmed
	<i>Account Manager</i>	
	Contact name	
	Title	
	Phone number	
	Email address	
	Fax number	
	Current client load	
	Number of years with organization	
	Number of years in current position	
	Total number of accounts	
	Would this person be designated or dedicated to the State's account? If designated, what percentage of their time would be dedicated to the State of Delaware?	(Pick one of the following) <input type="checkbox"/> Confirmed, explain <input type="checkbox"/> Not confirmed
	<i>Implementation Manager</i>	
	Contact name	
	Title	
	Phone number	
	Email address	
	Fax number	
	Current client load	
	Number of years with organization	
	Number of years in current position	
	Total number of accounts	
	Confirm this person would be designated to the State's account. What percentage of their time would be dedicated to the State of Delaware during implementation?	(Pick one of the following) <input type="checkbox"/> Confirmed, explain <input type="checkbox"/> Not confirmed
	Confirm that the implementation manager will have successfully managed at least five (5) prior implementations which included the requested scope of services within this RFP.	(Pick one of the following) <input type="checkbox"/> Confirmed, explain <input type="checkbox"/> Not confirmed
	<i>Eligibility/Enrollment</i>	
	Contact name	

#	Minimum Requirement	Response
	Title	
	Phone number	
	Email address	
	Fax number	
	Current client load	
	Percent of time dedicated to the State of Delaware	
	<i>Claims Supervisor</i>	
	Contact name	
	Title	
	Phone number	
	Email address	
	Fax number	
	Current client load	
	Percent of time dedicated to the State of Delaware	
	<i>Member Services Supervisor</i>	
	Contact name	
	Title	
	Phone number	
	Email address	
	Fax number	
	Current client load	
	Percent of time dedicated to the State of Delaware	
	<i>Operations Manager</i>	
	Contact name	
	Title	
	Phone number	
	Email address	
	Fax number	
	Current client load	
	Percent of time dedicated to the State of Delaware	
	<i>Other Important Role(s)</i>	
	Contact name	
	Title	
	Phone number	
	Email address	
	Fax number	
	Current client load	
	Percent of time dedicated to the State of Delaware	
1.06	Verify that the primary contact and/or lead personnel assigned to the supplemental benefits administration transition/implementation teams	(Pick one of the following) <input type="checkbox"/> Confirmed

#	Minimum Requirement	Response
	and account management teams will attend the vendor interviews, if you are invited to participate (see Section I.D. Timeline/Deadlines for additional details)	<input type="checkbox"/> Not confirmed, explain
1.07	<p>Please confirm you provided access information to an on-line demonstration site for both member-facing and account management functions.</p> <p>If selected as a finalist, during the finalists' presentation you will be required to provide a demonstration of the on-line access for participants and any account management functions.</p>	<p><i>(Pick one of the following)</i></p> <input type="checkbox"/> Confirmed <input type="checkbox"/> Not confirmed, explain

2.0 Benefit Administration

#	Minimum Requirement	Response
2.01	<p>Please confirm you can administer the State's current Supplemental Benefits design:</p> <p>Group Accident Insurance with a high option and low option: https://enrollment.aflac.com/~media/ASW/ProductBrochures/s_u/StateofDE/StateofDE_Acc_3-28-16%20pdf.ashx</p> <p>Group Critical Illness Insurance with cancer coverage: https://enrollment.aflac.com/~media/ASW/ProductBrochures/s_u/StateofDE/StateofDE_CI_3-28-16%20pdf.ashx</p>	<p><i>(Pick one of the following)</i></p> <input type="checkbox"/> Confirmed <input type="checkbox"/> Not confirmed, explain
2.02	<p><i>Applicable to non-incumbent vendors only</i> – Please confirm your acceptance that current enrollees (FY2020) will <u>not</u> roll-over to a new vendor. Current enrollees may be given the opportunity to move to a self-pay policy with the FY2020 incumbent. Interested employees must actively choose the benefit during Open Enrollment in May, 2020, for the contract effective date of July 1, 2020.</p>	<p><i>(Pick one of the following)</i></p> <input type="checkbox"/> Confirmed <input type="checkbox"/> Not confirmed, explain
2.03	<p>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.</p>	<p><i>(Pick one of the following)</i></p> <input type="checkbox"/> Confirmed <input type="checkbox"/> Not confirmed, explain
2.04	<p>Please confirm that the State maintains flexibility to edit/approve all communication materials.</p>	<p><i>(Pick one of the following)</i></p> <input type="checkbox"/> Confirmed <input type="checkbox"/> Not confirmed, explain
2.05	<p>Please confirm your organization will conduct customer service surveys and report results on a semi-annual basis. If you have a sample of a customer service survey, please provide a copy as an exhibit.</p>	<p><i>(Pick one of the following)</i></p> <input type="checkbox"/> Confirmed <input type="checkbox"/> Not confirmed, explain
2.06	<p>Please confirm that you will provide a customer service toll-free telephone line during normal business hours.</p>	<p><i>(Pick one of the following)</i></p> <input type="checkbox"/> Confirmed <input type="checkbox"/> Not confirmed, explain

#	Minimum Requirement	Response
2.07	Please confirm that you will provide a toll-free telephone number for the Statewide Benefits Office account management personnel and HR benefit representatives.	<i>(Pick one of the following)</i> <input type="checkbox"/> Confirmed <input type="checkbox"/> Not confirmed, explain
2.08	Please confirm that you can accept eligibility files in the industry standard 834 file format.	<i>(Pick one of the following)</i> <input type="checkbox"/> Confirmed <input type="checkbox"/> Not confirmed, explain
2.09	Please confirm that you can accept and process eligibility files from multiple sources for the same time period. (Currently there is one file, but that may change.)	<i>(Pick one of the following)</i> <input type="checkbox"/> Confirmed <input type="checkbox"/> Not confirmed, explain
2.10	Please confirm that an alternate identification number can 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.	<i>(Pick one of the following)</i> <input type="checkbox"/> Confirmed <input type="checkbox"/> Not confirmed, explain
2.11	Participants may only enroll during Open Enrollment in May for coverage beginning on the following July 1, the start of the State's fiscal year. New hires shall follow the eligibility and enrollment rules outlined in Attachment 4. Please confirm that your organization will accept these election rules. Deviations are not permitted.	<i>(Pick one of the following)</i> <input type="checkbox"/> Confirmed <input type="checkbox"/> Not confirmed, explain
2.12	Benefit eligible employees and new hires must enroll for the supplemental benefits program following the self-service process via a link to the vendor's secure online portal. New hires should not have access to paper enrollment forms under any circumstances.	<i>(Pick one of the following)</i> <input type="checkbox"/> Confirmed <input type="checkbox"/> Not confirmed, explain
2.13	Please confirm that SBO's and UD's administrative staff will have on-line access to enrollment information.	<i>(Pick one of the following)</i> <input type="checkbox"/> Confirmed <input type="checkbox"/> Not confirmed, explain
2.14	The State of Delaware (PHRST) and the University of Delaware will provide a full eligibility file on a bi-weekly basis. Please confirm that your system will accept the file layouts, see Attachment 1, and apply all changes such as address, changes in employment status, etc. Changes, either of a data type or addition of a data type, will not be accepted.	<i>(Pick one of the following)</i> <input type="checkbox"/> Confirmed <input type="checkbox"/> Not confirmed, explain
2.15	Please attach as an exhibit a flow diagram for claims processing.	<i>(Pick one of the following)</i> <input type="checkbox"/> Confirmed <input type="checkbox"/> Not confirmed, explain
2.16	<u>Reporting – Please confirm that at no cost to the State:</u> a. Your organization can provide the reports listed in the Master Report List, Attachment 8. Which reports are available on-line? As an exhibit, please provide a sample of your standard management reports.	<i>(Pick one of the following)</i> <input type="checkbox"/> Yes <input type="checkbox"/> No, explain

#	Minimum Requirement	Response
	b. Your organization can provide <i>ad hoc</i> reports as requested. As an exhibit, please provide a sample of a type of <i>ad hoc</i> report that was produced for a client.	<i>(Pick one of the following)</i> <input type="checkbox"/> Yes <input type="checkbox"/> No, explain
2.17	Please include samples of your standard open enrollment communication materials as an exhibit(s).	<i>(Pick one of the following)</i> <input type="checkbox"/> Confirmed <input type="checkbox"/> Not confirmed, explain
2.18	Please provide samples of employee enrollment materials that would be used for on-line enrollment.	<i>(Pick one of the following)</i> <input type="checkbox"/> Confirmed <input type="checkbox"/> Not confirmed, explain
2.19	Please confirm that your organization will provide support and assistance, as needed and requested, to work with the State's technical division to provide a URL for a link to your enrollment website.	<i>(Pick one of the following)</i> <input type="checkbox"/> Confirmed <input type="checkbox"/> Not confirmed, explain
2.20	Confirm that you can meet the target turnaround time of 24 hours from receipt of enrollment data to processing.	<i>(Pick one of the following)</i> <input type="checkbox"/> Confirmed <input type="checkbox"/> Not confirmed, explain
2.21	If you are awarded the business, when will the insurance or benefits booklet or certificate of insurance be sent to employees?	<i>(Pick one of the following)</i> <input type="checkbox"/> Confirmed <input type="checkbox"/> Not confirmed, explain
2.22	Please confirm your organization agrees to mail the certificate(s) of insurance to the insured's home address at no cost to the State?	<i>(Pick one of the following)</i> <input type="checkbox"/> Confirmed <input type="checkbox"/> Not confirmed, explain
2.23	Please confirm that enrollment information and the certificate(s) of insurance will be mailed to the homes of all newly hired & newly eligible employees within fourteen (14) calendar days upon receipt of the eligibility file from the State.	<i>(Pick one of the following)</i> <input type="checkbox"/> Confirmed <input type="checkbox"/> Not confirmed, explain
2.24	Please confirm that you will meet with the State on-site at least annually, and if required by the State on a quarterly basis, noting your company performance according to the performance guarantees in place and to review plan participation.	<i>(Pick one of the following)</i> <input type="checkbox"/> Confirmed <input type="checkbox"/> Not confirmed, explain
2.25	Please confirm that your organization will provide on-site representation at Health Fairs in April each year. As of the date of this RFP, three Health Fairs are planned during the same week; one in each county. While the State does not plan to hold educational meetings for May 2020, the State reserves the right to make adjustments to the Open Enrollment on-site activities that require vendor participation.	<i>(Pick one of the following)</i> <input type="checkbox"/> Confirmed <input type="checkbox"/> Not confirmed, explain
2.26	Please confirm your organization will provide separate support and assistance as needed and requested to UD in connection with the May 2020 Open Enrollment period. Ongoing support will be requested as needed and required.	<i>(Pick one of the following)</i> <input type="checkbox"/> Confirmed <input type="checkbox"/> Not confirmed, explain
2.27	Please confirm that your organization will perform all premium and plan coverage and tier enrollment reconciliations at no cost to the State and without assistance or support from the State. The necessary data to perform these reconciliations will be provided through the eligibility feeds and payroll deduction files.	<i>(Pick one of the following)</i> <input type="checkbox"/> Confirmed <input type="checkbox"/> Not confirmed, explain

#	Minimum Requirement	Response
2.28	<p>Do you agree to provide year-end financial accounting showing at a minimum: premiums received, incurred claims (preferred) or paid claims, and enrollment counts by line of coverage? How soon after the close of the plan year will the financial accounting be provided? Please provide samples of these reports.</p> <p>The delivery of the financial reporting must be consistent with the frequency listed in the Master Report List, Attachment 8.</p>	<p><i>(Pick one of the following)</i></p> <p><input type="checkbox"/> Confirmed</p> <p><input type="checkbox"/> Not confirmed, explain</p>
2.29	<p>Please confirm that employees who are terminated from active status (for example, terminated, retired, or on leave without pay) and elect to continue coverage could be set up on a direct billing basis. The State will not perform any reconciliations related to premium collection or adjustments in plan coverage and tier enrollment related to direct bill members.</p>	<p><i>(Pick one of the following)</i></p> <p><input type="checkbox"/> Confirmed</p> <p><input type="checkbox"/> Not confirmed, explain</p>
2.30	<p>Payroll Deductions - Open Enrollment must be done via a secure vendor website. Please confirm that your organization will capture the information and send an electronic deduction file to the State to upload into the State’s payroll system. The vendor must use the current file specifications, see Attachment 1.</p>	<p><i>(Pick one of the following)</i></p> <p><input type="checkbox"/> Confirmed</p> <p><input type="checkbox"/> Not confirmed, explain</p>
2.31	<p>Active State and UD employees are paid on a bi-weekly basis (26-pay schedule), however some employees are paid on a 22-pay schedule. These are typically school district and higher education employees. Therefore, deductions in June and July may be doubled, tripled, or quadrupled in a specific pay-period. Example pay schedules for active employees (PHRST system) and UD are provided in Attachments 5 and 6. A schedule of the multiple number of deductions during a specific pay period will be finalized with the awarded vendor. Please confirm that you can adjust your system to administer the payroll deduction schedules along with multiple deductions in specific pay periods.</p>	<p><i>(Pick one of the following)</i></p> <p><input type="checkbox"/> Confirmed</p> <p><input type="checkbox"/> Not confirmed, explain</p>
2.32	<p>Please confirm your acceptance that there is no minimum enrollment requirement for the two types of coverages.</p>	<p><i>(Pick one of the following)</i></p> <p><input type="checkbox"/> Confirmed</p> <p><input type="checkbox"/> Not confirmed, explain</p>
2.33	<p>Please confirm whether enrollees can cancel coverage at any time</p>	<p><i>(Pick one of the following)</i></p> <p><input type="checkbox"/> Confirmed</p> <p><input type="checkbox"/> Not confirmed, explain</p>
2.34	<p>Please confirm 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.</p>	<p><i>(Pick one of the following)</i></p> <p><input type="checkbox"/> Confirmed</p> <p><input type="checkbox"/> Not confirmed, explain</p>
2.35	<p>Please confirm, if selected as a finalist, during finalist’s presentations you will include a demonstration of your member-facing online tools, portal and resources, as well as any “super user” online self-service tools available to the SBO for account management.</p>	<p><i>(Pick one of the following)</i></p> <p><input type="checkbox"/> Confirmed</p> <p><input type="checkbox"/> Not confirmed, explain</p>

3.0 Implementation

#	Minimum Requirement	Response
3.01	The effective date of the contract awarded under this RFP will be July 1, 2020. It is anticipated that the award will be made in mid-January, 2020. Please confirm that if you are awarded the contract no later than January 31, 2020, you would be able to successfully implement the Supplemental Benefits program for a May Open Enrollment period and a July 1, 2020, effective date.	<i>(Pick one of the following)</i> <input type="checkbox"/> Confirmed <input type="checkbox"/> Not confirmed, explain
3.02	Assuming a contract award by January 2020 and an effective date of July 1, 2020 for membership engagement, as an exhibit provide a detailed implementation schedule and include:	
	a. Steps required to implement the program	<i>(Pick one of the following)</i> <input type="checkbox"/> Confirmed <input type="checkbox"/> Not confirmed
	b. Role played by the plan sponsor/vendor	<i>(Pick one of the following)</i> <input type="checkbox"/> Confirmed <input type="checkbox"/> Not confirmed
	c. Testing of eligibility feed and payroll deduction files	<i>(Pick one of the following)</i> <input type="checkbox"/> Confirmed <input type="checkbox"/> Not confirmed
	d. Production and distribution of enrollment materials	<i>(Pick one of the following)</i> <input type="checkbox"/> Confirmed <input type="checkbox"/> Not confirmed
	e. Contacts and personnel assigned to each step of the implementation process	<i>(Pick one of the following)</i> <input type="checkbox"/> Confirmed <input type="checkbox"/> Not confirmed
	f. Establishment of on-line plan information	<i>(Pick one of the following)</i> <input type="checkbox"/> Confirmed <input type="checkbox"/> Not confirmed
	g. On-line Open Enrollment in mid-May	<i>(Pick one of the following)</i> <input type="checkbox"/> Confirmed <input type="checkbox"/> Not confirmed
3.03	Please confirm that your organization will lead the implementation process taking direction from the State of Delaware Describe what involvement would typically be expected from the SBO to support the implementation process.	<i>(Pick one of the following)</i> <input type="checkbox"/> Confirmed <input type="checkbox"/> Not confirmed, explain
3.04	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.	<i>(Pick one of the following)</i> <input type="checkbox"/> Confirmed <input type="checkbox"/> Not confirmed, explain

4.0 Financial

#	Minimum Requirement	Response
4.01	Please confirm that all rates or costs to administer the program are included in your pricing terms quoted in Appendix J, <i>Rate Quote</i> .	<i>(Pick one of the following)</i> <input type="checkbox"/> Confirmed

#	Minimum Requirement	Response
		<input type="checkbox"/> Not confirmed, explain
4.02	Please confirm your acceptance that that the State will not pay any fees or costs of any type or under any circumstance for this employee-pay-all benefit.	(Pick one of the following) <input type="checkbox"/> Confirmed <input type="checkbox"/> Not confirmed, explain
4.03	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.	(Pick one of the following) <input type="checkbox"/> Confirmed <input type="checkbox"/> Not confirmed, explain
4.04	Please confirm your quote is for Guaranteed Issue benefits with rates that will be paid on a post-tax basis. The accident coverage will include on-the-job accident coverage and the critical illness plan will include coverage for cancer.	(Pick one of the following) <input type="checkbox"/> Confirmed <input type="checkbox"/> Not confirmed, explain
4.05	If a plan design is changed in the future by the SEBC, please confirm that there will be no cost to the State to communicate all plan and premium changes to the insureds.	(Pick one of the following) <input type="checkbox"/> Confirmed <input type="checkbox"/> Not confirmed, explain
4.06	Please confirm that, as defined in the Annual Statement, your company maintains a claims loss ratio of not less than sixty percent (60%).	(Pick one of the following) <input type="checkbox"/> Confirmed <input type="checkbox"/> Not confirmed, explain
4.07	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.	(Pick one of the following) <input type="checkbox"/> Confirmed <input type="checkbox"/> Not confirmed, explain
4.08	Please confirm that your proposed rates are guaranteed and provide quotes for both pricing structures: a) five (5) contract years of 12 months per year, or b) three (3) contract years plus rate caps expressed in a percentage for Years 4 and 5. (The rate cap cannot be cumulative. For example, if you quote 3% each year and raise the rates 1% in Year 4, you cannot raise the rates 5% in Year 5.) In both options, please confirm your understanding that the State has the right to renew the contract for optional Years 4 and 5. You must include both pricing options in your response on Appendix J, <i>Rate Quote</i> .	(Pick one of the following) <input type="checkbox"/> Confirmed <input type="checkbox"/> Not confirmed, explain
4.09	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.	(Pick one of the following) <input type="checkbox"/> Confirmed <input type="checkbox"/> Not confirmed, explain
4.10	Please confirm the quoted premiums do not include broker fees. The State recognizes that the premiums quoted may have a "cost-of-doing-business fee" that is paid to a broker; however, the State will not pay broker fees directly.	(Pick one of the following) <input type="checkbox"/> Confirmed <input type="checkbox"/> Not confirmed, explain
4.11	Please 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.	(Pick one of the following) <input type="checkbox"/> Confirmed <input type="checkbox"/> Not confirmed, explain

#	Minimum Requirement	Response
4.12	Confirm your guaranteed rates include processing claim run-out after termination. If yes, how long will you process claims after contract termination in a run-out situation?	<i>(Pick one of the following)</i> <input type="checkbox"/> Confirmed <input type="checkbox"/> Not confirmed, explain
4.13	Are the rates portable for individuals retiring or leaving employment? Would the self-pay rates match the group rates?	<i>(Pick one of the following)</i> <input type="checkbox"/> Confirmed <input type="checkbox"/> Not confirmed, explain
4.14	<i>For the incumbent vendor only</i> – Please respond to the following questions assuming the termination of the Supplemental Benefits contract on 06/30/20.	
	a. Could participants choose to keep their coverage with you effective 7/1/2020 on a self-pay basis?	<i>(Pick one of the following)</i> <input type="checkbox"/> Yes <input type="checkbox"/> No, explain
	b. If so, would they receive self-pay rates that are the same as the current group rates?	<i>(Pick one of the following)</i> <input type="checkbox"/> Confirmed <input type="checkbox"/> Not confirmed, explain
	c. If individual rates would apply, can you please provide your proposed individual rates effective 7/1/2020.	<i>(Pick one of the following)</i> <input type="checkbox"/> Confirmed <input type="checkbox"/> Not confirmed, explain
	d. How would you communicate the rates and process of the change to the participants?	<i>(Pick one of the following)</i> <input type="checkbox"/> Confirmed <input type="checkbox"/> Not confirmed, explain
	e. Please confirm that you agree to allow the State to review and approve all communications prior to distribution to employees.	<i>(Pick one of the following)</i> <input type="checkbox"/> Confirmed <input type="checkbox"/> Not confirmed, explain
	f. How would you internally process the change from payroll deduction to self-pay in order to avoid a gap in coverage?	
	g. Please confirm that any State or University of Delaware employee that elects to maintain an individual plan with you effective 7/1/2020, cannot have their premiums paid via payroll deduction. The employee must be enrolled in the State’s group plan for a payroll deduction.	<i>(Pick one of the following)</i> <input type="checkbox"/> Confirmed <input type="checkbox"/> Not confirmed, explain
4.15	Please confirm, for each subsection below, that in the event that the claims loss ratio report you submit as required by Attachment 8, Master Report List, for any fiscal year indicates that the total claims loss ratio for all fiscal years under the Agreement is less than 60%, you will establish and maintain a “Claims Loss Ratio Compliance Fund” on the following terms:	
	a. You will establish the Claims Loss Ratio Compliance Fund on an accounting basis as a separate asset account and only disburse from the account for the purposes designated in this Agreement (i.e., to any policy holder who was a policy holder at any time during the term of your contract with the State.)	<i>(Pick one of the following)</i> <input type="checkbox"/> Confirmed <input type="checkbox"/> Not confirmed, explain
	b. Upon submitting a claims loss ratio report, you will designate funds to the Claims Loss Ratio Compliance Fund account in an amount sufficient when combined with incurred claims to make the Claims Loss Ratio for the State program in its entirety from the date of	<i>(Pick one of the following)</i> <input type="checkbox"/> Confirmed <input type="checkbox"/> Not confirmed, explain

#	Minimum Requirement	Response
	inception meet the 60% minimum Claims Loss Ratio specified in 29 Del. C. § 5292.	
	c. At the termination of your initial contract, whether at the end of plan year three, four or five, you shall distribute any balance in the Claims Loss Ratio Compliance Fund to the policy holders (any person who was a policy holder for at least 12 months during the term of the Agreement). If you are awarded a contract beyond year five of the initial contract, the State may in its discretion to issue a written waiver that allows you to continue the Claims Loss Ratio Compliance Fund under the new contract.	(Pick one of the following) <input type="checkbox"/> Confirmed <input type="checkbox"/> Not confirmed, explain
	d. When the Claims Loss Ratio Compliance Fund is distributed, each person who was a policy holder at any time during the term of the Agreement shall be entitled to a distribution equal to a percentage of the ending balance in the Claims Loss Ratio Compliance Fund multiplied by: <u>Total Premiums Paid to Contractor by the individual policy holder</u> <u>Total Premiums Paid to Contractor by all policy holders</u>	(Pick one of the following) <input type="checkbox"/> Confirmed <input type="checkbox"/> Not confirmed, explain
	e. You will be responsible for the calculation and distribution of Claims Loss Ratio Compliance Fund to policy holders at your expense. The State shall have authority to audit your calculation and distribution of Claims Loss Ratio Compliance Fund to policy holders.	(Pick one of the following) <input type="checkbox"/> Confirmed <input type="checkbox"/> Not confirmed, explain
	f. Any returned checks or distributions that cannot be made to policy holders within 12 months shall be escheated to the State. The State shall have authority to audit your escheatment of returned checks or distributions that cannot be made to policy holders.	(Pick one of the following) <input type="checkbox"/> Confirmed <input type="checkbox"/> Not confirmed, explain
	g. Please confirm your understanding that if you fail to comply with subsections a. through f. of Minimum Requirement 4.21, such failure is a violation of 29 Del. C. § 5292 and will be referred to the Insurance Commissioner of the State for enforcement action pursuant to 18 Del. C. § 520.	(Pick one of the following) <input type="checkbox"/> Confirmed <input type="checkbox"/> Not confirmed, explain

5.0 Legal¹²

#	Minimum Requirement	Response
5.01	<u>Non-Solicitation of Program Participants:</u> Please confirm that your organization will not use the names, home addresses or any other information obtained about participants of the programs for the purpose of 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.	(Pick one of the following) <input type="checkbox"/> Confirmed <input type="checkbox"/> Not confirmed, explain
5.02	<u>Contract Termination:</u>	(Pick one of the following) <input type="checkbox"/> Confirmed

¹² In lieu of attaching the State's template contract, the stipulations in the Legal section are terms that will be in the contract with the winning bidder. Therefore, each term should be reviewed by an attorney for a response. The State cannot "pre-negotiate" a contract with each bidder, therefore if there are suggested changes by the vendor and the State does not respond that does not infer acceptance by the State.

#	Minimum Requirement	Response
	Please confirm your organization agrees that upon termination of an insurance contract with your company, your company would remain liable for all pending and unreported claims incurred prior to the termination date.	<input type="checkbox"/> Not confirmed, explain
5.03	<u>Offshoring:</u> 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.	<i>(Pick one of the following)</i> <input type="checkbox"/> Confirmed <input type="checkbox"/> Not confirmed, explain
5.04	<u>Persons Substantially Involved in Contracting Activities:</u> 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.	<i>(Pick one of the following)</i> <input type="checkbox"/> Confirmed <input type="checkbox"/> Not confirmed, explain
5.05	<u>Delaware Business License:</u> 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.	<i>(Pick one of the following)</i> <input type="checkbox"/> Confirmed <input type="checkbox"/> Not confirmed, explain
5.06	<u>Negligent Performance:</u> 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.	<i>(Pick one of the following)</i> <input type="checkbox"/> Confirmed <input type="checkbox"/> Not confirmed, explain
5.07	<u>Subcontractors – Not Employees of the State of Delaware:</u> 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.	<i>(Pick one of the following)</i> <input type="checkbox"/> Confirmed <input type="checkbox"/> Not confirmed, explain
5.08	<u>Workers’ Compensation Claims:</u> 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.	<i>(Pick one of the following)</i> <input type="checkbox"/> Confirmed <input type="checkbox"/> Not confirmed, explain
5.09	<u>Insurance Coverage:</u>	<i>(Pick one of the following)</i> <input type="checkbox"/> Confirmed

#	Minimum Requirement	Response
	<p>If the contractual service requires the transportation of State employees, the vendor shall secure at its own expense the following coverage;</p> <ul style="list-style-type: none"> i. Automotive Liability (Bodily Injury)\$100,000/\$300,000. ii. Automotive Property Damage (to others) \$25,000. <p>Additionally, the successful vendor must carry the following coverage:</p> <ul style="list-style-type: none"> a. Comprehensive General Liability \$1,000,000 per person / \$3,000,000 per occurrence and/or b. Professional Liability \$1,000,000 per person / \$3,000,000 per occurrence and/or c. Miscellaneous Errors and Omissions (E&O) \$1,000,000 per person / \$3,000,000 per occurrence. <p>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.</p> <p>As an exhibit, please provide a copy of your certificate of insurance with the appropriate types and coverage levels. If you do not have the coverage and are 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.</p>	<input type="checkbox"/> Not confirmed, explain
5.10	<p><u>Non-Solicitation of State Employees:</u> Please confirm that upon termination of a contract your organization will not solicit any State employee for any services or products without the explicit written permission of the State.</p>	<p><i>(Pick one of the following)</i></p> <input type="checkbox"/> Confirmed <input type="checkbox"/> Not confirmed, explain
5.11	<p><u>Non-Assignment:</u> 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.</p>	<p><i>(Pick one of the following)</i></p> <input type="checkbox"/> Confirmed <input type="checkbox"/> Not confirmed, explain
5.12	<p><u>Indemnification:</u></p> <p>a. 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.</p> <p>Vendor shall indemnify and hold harmless the State, its agents and employees, from any and all liability, suits, actions or claims,</p>	<p><i>(Pick one of the following)</i></p> <input type="checkbox"/> Confirmed <input type="checkbox"/> Not confirmed, explain

#	Minimum Requirement	Response
	<p>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.</p> <p>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:</p> <p style="padding-left: 40px;">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.</p>	
	<p>b. (This paragraph is not a duplicate – see bolded phrase.) 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 agree to major changes.</p> <p>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.</p>	<p><i>(Pick one of the following)</i></p> <p><input type="checkbox"/> Confirmed</p> <p><input type="checkbox"/> Not confirmed, explain</p>
5.13	<p><u>Contract Termination</u> – Please confirm your organization’s agreement that:</p> <p>a. The contract may be terminated for convenience by the successful firm with 180 days written notice to the State.</p> <p>b. The vendor can terminate the contract for cause with written notice to the State of no less than 180 days.</p>	<p><i>(Pick one of the following)</i></p> <p><input type="checkbox"/> Confirmed</p> <p><input type="checkbox"/> Not confirmed, explain</p> <p><i>(Pick one of the following)</i></p> <p><input type="checkbox"/> Confirmed</p>

#	Minimum Requirement	Response
	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.	<input type="checkbox"/> Not confirmed, explain <i>(Pick one of the following)</i> <input type="checkbox"/> Confirmed <input type="checkbox"/> Not confirmed, explain
5.14	<u>Non-Discrimination:</u> 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.	<i>(Pick one of the following)</i> <input type="checkbox"/> Confirmed <input type="checkbox"/> Not confirmed, explain
5.15	<u>Entire Agreement:</u> 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.	<i>(Pick one of the following)</i> <input type="checkbox"/> Confirmed <input type="checkbox"/> Not confirmed, explain
5.16	<u>Use of the State's Name in Advertising or Sales Materials:</u> Please confirm that your organization will not use the State's name, logo or seal, either express or implied, in any of its advertising or sales materials without the State's express written consent.	<i>(Pick one of the following)</i> <input type="checkbox"/> Confirmed <input type="checkbox"/> Not confirmed, explain
5.17	<u>Background Check Provisions:</u> 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.	<i>(Pick one of the following)</i> <input type="checkbox"/> Confirmed <input type="checkbox"/> Not confirmed, explain
5.18	<u>Laws of the State of Delaware:</u> 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.	<i>(Pick one of the following)</i> <input type="checkbox"/> Confirmed <input type="checkbox"/> Not confirmed, explain

#	Minimum Requirement	Response
5.19	<p><u>State’s Right to Pre-Approve Releases about this Solicitation:</u> 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.</p>	<p><i>(Pick one of the following)</i> <input type="checkbox"/> Confirmed <input type="checkbox"/> Not confirmed, explain</p>
5.20	<p><u>Account Management Team Selection:</u> 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.</p>	<p><i>(Pick one of the following)</i> <input type="checkbox"/> Confirmed <input type="checkbox"/> Not confirmed, explain</p>
5.21	<p><u>Pending Litigation:</u> 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). Alternatively, if your company is publicly traded, please provide the website of the SEC 10-Q and 10-K filing.</p>	<p><i>(Pick one of the following)</i> <input type="checkbox"/> Confirmed <input type="checkbox"/> Not confirmed, explain</p>
5.22	<p><u>Compliance with Laws:</u></p> <p>a. Please confirm that your company complies with all federal, state and local laws applicable to its activities and obligations including:</p> <ul style="list-style-type: none"> i. the laws of the State of Delaware; ii. the applicable portion of the Federal Civil Rights Act of 1964; iii. the Equal Employment Opportunity Act and the regulations issued there under by the federal government; iv. a condition that the proposal submitted was independently arrived at, without collusion, under penalty of perjury; and v. 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. vi. Health Insurance Portability and Accountability Act of 1996 (“HIPAA”). vii. Electronic Data Interchange (EDI) Rule viii. Privacy laws <p>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</p>	<p><i>(Pick one of the following)</i> <input type="checkbox"/> Confirmed <input type="checkbox"/> Not confirmed, explain</p>

#	Minimum Requirement	Response
	State reserves the right to terminate the contract or consider the Contractor in default.	
5.23	<p><u>Lag Payroll Billing and Payment Process:</u> The Contractor agrees to abide by the State’s lag payroll billing and payment process. The monthly payroll deductions will be paid within thirty (30) days of the end of that month. If an employee misses a payment under a non-payroll payment agreement, no payment will be made by the State to the Contractor. Contractor agrees to provide credit for retroactive terminations for up to ninety (90) days.</p>	<p>(Pick one of the following)</p> <input type="checkbox"/> Confirmed <input type="checkbox"/> Not confirmed, explain
5.24	<p><u>Payment of Expenses, Costs or Fees:</u> Please confirm your acceptance that all expenses incurred in the performance of the services, including communications and administration, are to be paid by Contractor. The State has no obligation to pay premiums, fees or costs to the Contractor to communicate or administer the program and for the performance of any services required of this employee-pay-all benefit.</p>	<p>(Pick one of the following)</p> <input type="checkbox"/> Confirmed <input type="checkbox"/> Not confirmed, explain
5.25	<p><u>State as a Sovereign Entity:</u> 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.</p>	<p>(Pick one of the following)</p> <input type="checkbox"/> Confirmed <input type="checkbox"/> Not confirmed, explain
5.26	<p><u>ACH Payment Processing:</u> 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.</p>	<p>(Pick one of the following)</p> <input type="checkbox"/> Confirmed <input type="checkbox"/> Not confirmed, explain
5.27	<p><u>Non-Collusion Statement:</u> Please confirm you have filled out the <i>State of Delaware Non-Collusion Statement Form</i>, Appendix A, and included it in your bid package.</p>	<p>(Pick one of the following)</p> <input type="checkbox"/> Confirmed <input type="checkbox"/> Not confirmed, explain
5.28	<p><u>Performance Guarantees:</u> If awarded the contract, please confirm your organization’s willingness to enter into performance guarantees. Please follow the instructions in Appendix H and include the completed <i>Performance Guarantees</i> form in your bid package. <i>If your offer does not receive a clarifying question or any other response from the State, it does not infer acceptance.</i> The State reserves the right to negotiate both financial and non-financial performance guarantees with the selected vendor:</p> <ul style="list-style-type: none"> • Implementation <ul style="list-style-type: none"> ○ Future contract development ○ Implementation and Account Manager Performance ○ Maintenance of Detailed Project Plan ○ Adherence to Key Deadlines • Implementation and Ongoing Administration <ul style="list-style-type: none"> ○ Open Enrollment Communications ○ Certificate of Insurance ○ Eligibility Updating 	<p>(Pick one of the following)</p> <input type="checkbox"/> Confirmed <input type="checkbox"/> Not confirmed, explain

#	Minimum Requirement	Response
	<ul style="list-style-type: none"> ○ Eligibility Reporting ○ Payroll Files ○ Reconciliation ● Claims Processing <ul style="list-style-type: none"> ○ Financial Accuracy ○ Claim Turnaround Time – Processing ● Member Services <ul style="list-style-type: none"> ○ Call Center – Email Responsiveness ○ Web Site Availability ● Reporting <ul style="list-style-type: none"> ○ Reporting Package ● Account Management <ul style="list-style-type: none"> ○ Account Management Meeting ○ Account Management Survey 	
5.29	<u>Officer Certification Form:</u> Please confirm you have filled out the <i>Officer Certification Form</i> , Appendix B, and included it in your bid package.	(Pick one of the following) <input type="checkbox"/> Confirmed <input type="checkbox"/> Not confirmed, explain
5.30	<u>Subcontractors – Subject to all Contract Terms:</u> 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 – including technology platforms . Other examples are graphics, mailing, and printing services. 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 D, <i>Subcontractor Information Form</i> , included herein for each subcontractor. The company OSD classification information is for self-identification only. Each vendor is required to submit the forms for their subcontractors.	(Pick one of the following) <input type="checkbox"/> Confirmed <input type="checkbox"/> Not confirmed, explain
5.31	<u>Employing Delawareans Report:</u> Please confirm you have filled out the <i>Employing Delawareans Report</i> , Appendix E, 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.)	(Pick one of the following) <input type="checkbox"/> Confirmed <input type="checkbox"/> Not confirmed, explain
5.32	<u>Financial Ratings Form:</u> Please confirm you have filled out the <i>Financial Ratings Form</i> , Appendix F, and included it in your bid package.	(Pick one of the following) <input type="checkbox"/> Confirmed <input type="checkbox"/> Not confirmed, explain
5.33	<u>Software Inventory Form:</u> Please confirm you have filled out the <i>Software Inventory Form</i> , Appendix G, and included it in your bid package.	(Pick one of the following) <input type="checkbox"/> Confirmed <input type="checkbox"/> Not confirmed, explain
5.34	<u>Business Associate Agreement:</u> <i>Non-Incumbents Only</i> - Please confirm you will enter into the agreement, Appendix K. If you have suggested changes, please provide the document with redlines. However, please be advised that the State will not consider major changes.	(Pick one of the following) <input type="checkbox"/> Confirmed <input type="checkbox"/> Not confirmed, explain

5.35	<p><u>Changes/Modifications to the Agreement:</u></p> <p>a. Please confirm your organization’s agreement with the State’s right to modify the benefit design for the program during the contract period with reasonable notice and if permissible under State and federal laws.</p> <p>b. Willingness to supply the State with renewal information and/or contract amendments at least 180 days prior to renewal.</p> <p>c. Please confirm that significant changes that could negatively impact employees/participants may only take effect annually on the anniversary of the plan effective date or as permissible under State and federal law. Such changes must be communicated in writing with a sixty (60) days’ written notice to employees and ninety (90) days’ notice to the Statewide Benefits Office.</p>	<p>(Pick one of the following)</p> <p><input type="checkbox"/> Confirmed</p> <p><input type="checkbox"/> Not confirmed, explain</p> <p>(Pick one of the following)</p> <p><input type="checkbox"/> Confirmed</p> <p><input type="checkbox"/> Not confirmed, explain</p> <p>(Pick one of the following)</p> <p><input type="checkbox"/> Confirmed</p> <p><input type="checkbox"/> Not confirmed, explain</p>
5.36	<p>State whether or not you are providing any information you declare to be confidential or proprietary for the purpose of exclusion from the public record under 29 Del. C. ch. 100, Delaware Freedom of Information Act. If so, you must follow the directions for submission in the <i>Confidentiality of Documents</i> and <i>Submission of Proposal</i> sections.</p>	<p>(Pick one of the following)</p> <p><input type="checkbox"/> Confirmed</p> <p><input type="checkbox"/> Not confirmed, explain</p>
5.37	<p>Please confirm your understanding and acceptance that the State is not responsible for incorrect redactions or reviewing your submission to determine whether or not any information asserted as confidential and proprietary is redacted. Mistakes in redactions are the sole responsibility of the bidder.</p>	<p>(Pick one of the following)</p> <p><input type="checkbox"/> Confirmed</p> <p><input type="checkbox"/> Not confirmed, explain</p>
5.38	<p><u>Data Confidentiality Agreement</u> For non-incumbents only: Please confirm that, if awarded the contract, your organization will accept the terms in the <i>Data Confidentiality Agreement</i>, Appendix I, for the exchange of the eligibility data and payroll deduction files <u>for testing purposes only</u> before the Open Enrollment period. 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.</p>	<p>(Pick one of the following)</p> <p><input type="checkbox"/> Confirmed</p> <p><input type="checkbox"/> Not confirmed, explain</p>

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** – Because this is an employee-pay-all benefit, administrative fees and costs cannot be paid by the State for any type of cost or under any circumstances.

D. **Numbering** – Please do not change the numbering of a question, even if there is an error in the sequence or a duplication.

E. **Checkboxes and Long Responses** – The checkbox format does not work, so please bold the selection. If the response is more than a few sentences long, please insert your response below the question and not in the third column so that the electronic and hard copy document is more manageable. Use your best judgment for easy readability.

F. Coverage Types –

- If a question does not specify either the Critical Illness or Accident coverage, either in the section heading or question itself, it applies to both types.
- If your response is specifically for only one type of coverage and the question does not specify it, please be sure to note the type of coverage.

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).	
1.002	Do you have a parent organization? If yes, please provide their name, address, etc.	
1.003	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.	
1.004	Describe any legal issues, conflicts of interest, or constraints that could conceivably affect with the services provided to the State.	
1.005	Do you have any restrictions or pending reviews by local/municipal, State, or Federal authorities for noncompliance with local/municipal, State or Federal regulations? If yes, please describe.	
1.006	Do you have any significant litigation and/or government action pending, or has there been any taken or proposed against your company during the most recent 5 years? If yes, please describe.	
1.007	Has your company filed for bankruptcy in the past 10 years? If yes, please explain.	
1.008	Did ownership change within the past 24 months, or is a change being considered in the next four (4) years? If yes, please describe.	
1.009	Do you have a parent organization? If yes, please provide their name, address, etc.	
1.010	Provide the following information about your overall organization, not just the segment providing services outlined in Section I.C. Proposal Objectives and 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)
1.011	What is the state of domicile for your company (state with regulatory control)?	

#	Question	Response
1.012	Please describe any recent or pending mergers, acquisitions, or partnerships that have impacted or may impact the services you can offer.	
1.013	What is the size of your current book of business (by number of covered lives)? Please complete the chart below showing your organizations enrollment in the indicated supplemental insurance programs as of July 1, 2019:	
	a. Accident	# of Employees Covered: # of Employer Plans Inforce: # of State Government Plans Inforce:
	b. Cancer	# of Employees Covered: # of Employer Plans Inforce: # of State Government Plans Inforce:
	c. Critical Illness / Critical Care and Recovery	# of Employees Covered: # of Employer Plans Inforce: # of State Government Plans Inforce:
1.014	As a method of measuring your organization’s experience in the supplemental/voluntary market, please provide a full list of “employee-pay-all” benefit programs that are provided by your organization. Also include a short description of each program along with the number of groups and lives currently enforce.	
1.015	What percent of your book of business (by number of covered lives) would the State of Delaware represent among your other customers?	
1.016	Please describe your organization’s experience, including the number of years of experience, with providing the scope of services outlined in Section I.C. Proposal Objectives and Scope of Services, for plan sponsors with at least 30,000 covered lives. If your clients do not have plan sponsors with at least 30,000 covered lives, please respond based on your largest clients, and note their size (in covered lives). Also, indicate number of clients in total.	
1.017	Indicate the number and percentage of employer clients your organization contracts with (as of January 1 of the current year) for your Supplemental Benefits products, within the tiers defined below.	
	Less than 2,500 employees	# of Employers: % of Employer Base: Total # of Subscribers:
	2,501 – 5,000 employees	# of Employers: % of Employer Base: Total # of Subscribers:
	5,001 to 10,000 employees	# of Employers: % of Employer Base: Total # of Subscribers:

#	Question	Response
	10,001 to 25,000 employees	# of Employers: % of Employer Base: Total # of Subscribers:
	25,001 to 50,000 employees	# of Employers: % of Employer Base: Total # of Subscribers:
	More than 50,000 employees	# of Employers: % of Employer Base: Total # of Subscribers:
1.018	What is the average tenure (in years) of your client base?	
1.019	Provide your persistency/retention rate for your client relationships for the most recent calendar year (2018).	Persistency/retention: ____ %
1.020	How many new accounts did you win in 2018 (relative to the services asked for in this RFP)?	
1.021	How many accounts did you lose from all causes (e.g., normal contract termination, migration to in-sourcing, migration to another provider, M&A activity, etc.) over the past 12 months?	
1.022	Provide a description of your product expansion roadmap. What other services, facilities or capabilities are planned in the next 3 years?	
1.023	Identify your planned investment in systems and technology for the next 2 years. Briefly describe the details of this planned investment.	
1.024	Are there any plans for other major capital investments, divestments, or system conversions during the next 12 months? If yes, please describe.	
1.025	Describe the responsibilities of the account manager set forth by your company to support your clients.	
1.026	Describe how the account manager will conduct one-to-one meetings with the State, e.g., frequency, calls vs. visits, topics covered, etc.	
1.027	What sales/service office would handle the general servicing of this account?	
1.028	How many lives and number of accounts are currently handled at that sales/service office?	
1.029	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?	

2.0 Supplemental Benefits Administration

2.1 General Benefit Administration (All Supplemental Benefits)

#	Question	Response
2.101	Please provide a sample insurance or benefits booklet or a Certificate of Coverage prepared by your firm for each coverage solicited.	
2.102	Please provide sample copies of your firm's insurance policies, or other agreements, which would be used for the State's Supplemental Benefits plans.	
2.103	If applicable, describe your Evidence of Insurability procedure. Do you provide an electronic Evidence of Insurability (EOI)? Please provide a copy of your EOI form.	
2.104	Please provide samples of on-going employee administration materials.	
2.105	How do you typically market insurance coverage to a group this size?	
2.106	Describe your claims denial procedures.	
2.107	Please describe the claims appeal process. Is it the same for both coverages?	
2.108	What is the average lag time between receipt of eligibility information and information downloading into your system? The maximum lag time?	Average lag time: Maximum lag time:
2.109	What would you require from the State of Delaware to process Accident insurance and/or Critical Illness run-out claims, following the termination of the contract? Please respond per each coverage, as applicable.	
2.110	How are cancellations processed so that payroll deductions are stopped correctly? If you have a subcontractor as your IT/enrollment platform, please describe that process in detail.	(Pick one of the following) <input type="checkbox"/> Confirmed, explain <input type="checkbox"/> Not confirmed, explain
2.111	<i>Non- incumbent vendors only</i> – What involvement would typically be expected from the SBO to support the open enrollment process each year?	
2.112	<i>Incumbent vendor only</i> – Please describe your strategy targeting the improvement of the Open Enrollment experience. This includes directly addressing employee questions and technical issues regarding your enrollment site so that problems are solved without requiring the SBO to get involved).	
2.113	<i>Incumbent vendor only</i> – How do you address discrepancies with enrollment changes across your systems throughout the year.	
2.114	<i>Incumbent vendor only</i> – Does your organization have plans to change your IT/enrollment platform subcontractor? If so, when?	

#	Question	Response
2.115	<i>Non- incumbent vendors only</i> – Do you have ownership of the software, member/plan sponsor portal and benefits platform used for the administration of the benefits procured through this RFP?	
2.116	<i>Non- incumbent vendors only</i> – If you subcontract your IT platform and/or enrollment portal with a third party, how is this relationship managed and coordinated to ensure a seamless member experience? In your response, please include a description of the following:	
	a. To what extent will the State of Delaware have to interact with the third party and how visible will the third party be for members?	
	b. Whether the State would have administrative access to your enrollment records for State and University of Delaware employees only.	
	c. Which vendor - you or your subcontractor - would answer questions and troubleshoot issues for employees experiencing technical difficulties with enrollment on the subcontractor's portal?	
	d. Is there any need for coordination between your internal claims and/or enrollment system of record with the IT platform/enrollment portal of your subcontractor? If so, please describe the coordination, along with what happens when discrepancies are identified.	
	e. Please describe any services or platform functionality that is fully controlled by your subcontractor that you will not have input into or control over.	
2.117	<i>Non- incumbent vendors only</i> – Please provide copies of all paper forms used by your firm to administer the plan. Are the function of the form(s) also available on-line? For example, a claim form would be available on paper and on-line. Note: New hires must enroll electronically via a link to the vendor’s secure online portal and should not have access to paper enrollment forms under any circumstances.	(Pick one of the following) <input type="checkbox"/> Confirmed <input type="checkbox"/> Not confirmed, explain
2.118	<i>Non- incumbent vendors only</i> – Please confirm whether evidence of insurability is required for accident or critical illness coverage portability. If so, please explain the evidence of insurability process.	(Pick one of the following) <input type="checkbox"/> Confirmed, explain <input type="checkbox"/> Not confirmed, explain

2.2 Accident Insurance Benefit

#	Question	Response
2.201	When was your Accident product line established?	
2.202	Please provide the following information related to your Accident product experience as of July 1, 2019:	
	a. Number of Group Accident plans in effect	

#	Question	Response
	b. Enrolled Lives	
	c. Employee Enrollment Percentage (Enrolled EEs/Eligible EEs)	
	d. Inforce Annual Premium: Group Accident plans	
2.203	What is your target client size for this product?	
2.204	Within the scope of your group accident policy, what value-added services does your organization have to separate you from other carriers offering similar products?	
2.205	Does your Accident program allow the insured to collect benefits for more than one covered accident/injury? If so, please explain.	
2.206	Is there a waiting period before the claim(s) is paid? If so, please explain.	
2.207	Is portability available to all employees and dependents? If so, please describe the process for transferring an insured from the group plan to a direct-billed plan.	
2.208	Does coverage automatically terminate at a certain age? If so, please explain.	
2.209	Do the policy's benefits automatically reduce at a certain age? If so, please explain.	
2.210	Is there a waiver of premium provision? If so, please describe.	
2.211	Please explain your preexisting condition clause, if any. Can it be eliminated from coverage?	
2.212	Is coverage available to employees that reside in all 50 states? If not, please list the state(s) where coverage is not available.	
2.213	Are there any rates/costs that are not included in your standard pricing that would be the responsibility of, and be direct-billed to, the insured? If so, please describe.	
2.214	What is the maximum benefit available on a guaranteed issue basis?	
2.215	Will existing employees be subject to evidence of insurability requirements during open enrollment periods in subsequent years if they are moving from the low option plan to the high option plan? If yes, what are the evidence of insurability requirements?	
2.216	Please detail the claims adjudication process. What information must the participant provide with a claim submission? What documentation is used to determine the validity of a claim submission?	

2.3 Critical Illness or Critical Care and Recovery Insurance Benefit

#	Question	Response
2.301	When was your Critical Illness or Critical Care and Recovery product line established?	
2.302	Please provide the following information related to your Critical Illness or Critical Care and Recovery product experience as of July 1, 2019:	
	a. Number of Group Critical Illness plans in effect	
	b. Enrolled Lives	
	c. Employee Enrollment Percentage (Enrolled EEs/Eligible EEs)	
	d. Inforce Annual Premium: Group Critical Illness/Critical Care and Recovery	
2.303	What is your target client size for this product?	
2.304	Within the scope of your group critical illness policy, what value-added services does your organization have to separate you from other carriers offering similar products?	
2.305	Define the catastrophic conditions that are covered. Provide your definition of each and the percent of benefit payable.	
2.306	Does your Critical Illness/Critical Care and Recovery program allow the insured to collect benefits for more than one covered illness (including more than one type of cancer)? If yes, what is the maximum number of instances where an insured can collect benefits for a condition that reoccurs?	
2.307	Is there a wellness/health screening rider available? If so, please describe. Does this have any impact particularly for plans that may pay incentives for employees that offer wellness financial incentives under the medical plan?	
2.308	Is there a waiting period before the benefits are paid? If so, please explain.	
2.309	Does coverage automatically terminate at a certain age? If so, please explain.	
2.310	Do the policy's benefits automatically reduce at a certain age? If so, please explain.	
2.311	Is there a waiver of premium provision? If so, please describe.	
2.312	Please explain your preexisting condition clause, if any. Can it be eliminated from coverage?	
2.313	Is coverage available to employees that reside all 50 states? If not, please list the state(s) where coverage is not available.	
2.314	Are there any rates/costs that are not included in your standard pricing that would be the responsibility of, and be direct-billed to, the insured? If so, please describe.	
2.315	What is the maximum benefit available on a guaranteed issue basis?	

#	Question	Response
2.316	Please detail the claims adjudication process. What information must the participant provide with a claim submission? What documentation is used to determine the validity of a claim submission?	

3.0 Member Services (All Supplemental Benefits)

#	Question	Response
3.001	Complete each of the following items relative to your member services function.	
	a. Office location	
	b. Hours of Operation M-F (specify time zone) If different than EST, what accommodations will you make to ensure appropriate coverage?	
	c. Hours of Operation Sat/Sun/after hours (specify time zone) If different than EST, what accommodations will you make to ensure appropriate coverage?	
	d. Processes for how members can access member services function during working hours and after hours (e.g., by phone, by secure website, etc.)	
	e. Provide call center stats (time to answer, % abandonment, time on hold, etc.)	
3.002	If awarded a contract for services under this RFP, at your expense, will you allow the SEBC's representatives to tour both the customer service office and claim office that will service the State?	
3.003	Will dedicated, not designated, customer service representatives be assigned to this account? If not, please explain.	
3.004	Are customer service representatives separate from the claim processing unit or do claim processors have customer service responsibilities?	
3.005	What would be the standard communication procedure between the Statewide Benefits Office staff and your local service office and the claim processing office?	
3.006	What would be the standard communication procedure between the State of Delaware agency, UD, and HR benefit representative staff and your local service office and the claim processing office?	
3.007	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.	

#	Question	Response
3.008	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?	
3.009	Are calls recorded and call notes documented? If yes, are the notes available for the State to review if there is a concern?	
3.010	What are your service standards for returning calls to your customers' staff and members? Describe how you monitor and report on this standard.	
3.011	Do you have an automated logging/tracking system that escalates unresolved issues? If yes, please describe.	
3.012	Do you utilize claims data to conduct predictive modeling and targeted outreach to members who may submit supplemental benefit claims? If so, please describe your data requirements to do this. Please be specific and include all relevant operational details.	

4.0 Online Experience

#	Question	Response
4.001	What online access is available to plan members?	
4.002	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?	
4.003	What other technical interactions can a participant have with your program? (e.g., texting, live chat, etc.)?	
4.004	Do you provide online education and information to members? How is this information generated in your system? How often is this information updated?	
4.005	Can your online member education steer members toward wellness programs or other initiatives sponsored by the State?	

5.0 Marketing and Communications

#	Question	Response
5.001	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?	
5.002	Please describe the ongoing communications support, personnel, and resources that will be provided to support the awareness of your programs.	

#	Question	Response
5.003	Do you use demographic targeting strategies in tailoring your member communications to specific groups of employees (educators, shift workers with irregular schedules, spouses)?	
5.004	Outline the degree to which program communications can be customized to meet the State's specifications at no cost to the State	
5.005	Can communications be personalized with the State's logo or other State information at no cost to the State?	
5.006	Explain the timeframe you find most effective for distributing communications on an ongoing basis.	
5.007	Explain the process and timing for responding to members' inquiries/requests for additional information.	
5.008	Explain the communication channels (i.e., paper mail, email, phone, online, text) 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.)	
5.009	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?	
5.010	Does your company track and document items mailed to participants?	
5.011	How does your company support the need for multiple languages, the visually impaired, and the hearing impaired?	

6.0 Reporting

#	Question	Response
6.001	Based on your book of business, specifically your public-sector clients of similar size to the State, what is the average member utilization during years one, two, and three of the initial contract period? Please disclose the number of public sector clients included in your response to this question.	<i>(Pick respond to all the following)</i> Year 1: Year 2: Year 3:
6.002	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?	
6.003	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?	

#	Question	Response
6.004	What is your process for measuring member/patient satisfaction (CAHPS, Press Ganey)? Describe your process for obtaining member and client satisfaction information.	
6.005	Will the State's own member satisfaction survey results be available, or are they aggregated with your other customers?	

7.0 Implementation – *Non-Incumbents Only*

#	Question	Response
7.001	What resources will be available to the State during each phase of the implementation?	
7.002	List three of the largest or most complex client implementations you have performed within the last two years. Describe issues, timing and team assignments.	

8.0 Customized Offering

#	Question	Response
8.001	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 coverage of Supplemental Benefits and related services?	
8.002	Provide information on any other insurance products or 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.	
8.003	Please describe any additional value-added services your company offers for these products and the corresponding fee. Please attach promotional or communication materials, if available.	

V. Technical Standards and Security Requirements

The minimum requirements are mandatory. Failure to meet a single requirement in the legislation will result in disqualification. Failure to meet any of the other minimum requirements outlined in the RFP may result in disqualification of the proposal submitted by your organization.

If a subcontractor will be accepting file feeds and you are using their platform for your operations, please be sure to fill out Appendix D, *Subcontractor Information Form*.

1. Subcontractors – Subject to all Contract Terms - 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 – **including technology platforms**. 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 D, *Subcontractor Information Form*, included herein for each subcontractor. The company OSD classification information is for self-identification only. Each vendor is required to submit the forms for their subcontractors.

Response:

2. Strong Password Requirement - A strong password requirement is applicable to your member facing secure website if members/participants can access any personally-identifiable information. This would typically be for their personal account with claim or claim-type data. It also applies for “super-users”, Statewide Benefits Office personnel, for activities such as accessing reports with personally-identifiable information. It is not a requirement for the vendor’s internal data access system.

The requirement for a strong password is eight (8) characters and a password of ten (10) characters is strongly preferred. The policy document is located at: <http://webfiles.dti.gov/pdfs/pp/StrongPasswordStandard.pdf>. Please state the length of your password and it’s formatting requirements.

Response:

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

Confirm Attached:

4. 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:

5. Data Security - Even though fully-insured insurance products are not subject to HIPAA and HITECH, it is vital that the State's data be kept secure. Please describe how your organization, or your subcontractor identified in Paragraph 1 above, would ensure the security of the State's data, not only through technical means, but also policies and procedures and the existence of breach notification procedures.

Response:

6. Appendix I – Data Confidentiality Agreement ****For Non-Incumbent Only****
Please confirm that, if awarded the contract, your organization will accept the terms in the *Data Confidentiality Agreement* for the exchange of eligibility 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:

7. Link to Enrollment Website ****For Non-Incumbent Only****
During the Open Enrollment period, employees have the ability to access their benefit choices through a single portal to enroll in some benefits and be linked to other benefit websites. Please confirm that your organization has the capability to link your enrollment website from the State's single sign-on site, a PeopleSoft based program.

Response:

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 subcontractor 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 _____

COMPANY CLASSIFICATIONS: CERT. NO.:	Certification type(s)	Circle all that apply	
		Minority Business Enterprise (MBE)	Yes
	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 B

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 Request for Proposal for Group Accident and Critical Illness Supplemental Insurance, DHR2002-SuppIns, 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 D

SUBCONTRACTOR INFORMATION FORM

PART I – STATEMENT BY PROPOSING VENDOR/CONTRACTOR

Name of PROPOSING VENDOR/CONTRACTOR:

Name and Address of SUBCONTRACTOR:

Company OSD Classification, if any: Certification Number: Check all that apply: Women Business Enterprise <input type="checkbox"/> Yes <input type="checkbox"/> No Minority Business Enterprise <input type="checkbox"/> Yes <input type="checkbox"/> No Disadvantaged Business Enterprise <input type="checkbox"/> Yes <input type="checkbox"/> No Veteran Owned Business Enterprise <input type="checkbox"/> Yes <input type="checkbox"/> No Service Disabled Veteran Owned Business Enterprise <input type="checkbox"/> Yes <input type="checkbox"/> No	
-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------	--

DETAILED DESCRIPTION OF WORK BY SUBCONTRACTOR

PROPOSING VENDOR/CONTRACTOR:		
-------------------------------------	--	--

NAME:	BY (<i>Signature</i>)	DATE SIGNED
TITLE:		

ACKNOWLEDGEMENT BY SUBCONTRACTOR		
-----------------------------------------	--	--

NAME	BY (<i>Signature</i>)	DATE SIGNED
TITLE		

APPENDIX E

EMPLOYING DELAWAREANS REPORT¹³

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.	

¹³ The number of Delawareans employed by your organization are not taken into consideration during the evaluation or scoring of your bid.

APPENDIX F

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 & Poor's: Rating Status	
Financial Rating (if rated)	
Date (if rated; if not rated, leave response cell blank)	
Fitch: 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 H

PERFORMANCE GUARANTEES

Instructions: The State requires bidders to agree to place a percentage of fees (i.e., premiums) per contract year at risk for performance guarantees. If you propose alternative guarantees, performance results, or definitions, please use a strikeout font and insertion. You are encouraged to provide additional fees at risk; bidders that do so will be viewed favorably by the State.

If your offer does not receive a clarifying question or any other response from the State, it does not infer acceptance. 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 for implementation activities is required. An overall rating of satisfactory at the end of the implementation period is required. It will be based on ongoing feedback provided by the SBO on the status of the implementation and by September 1, 2020, the State will determine whether an overall rating of satisfactory was met. Penalty payments, if any, will be made by December 31, 2020.

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 of the plan year – July 1 to September 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.

Non-Incumbent's Implementation

Performance Guarantee	Standard/Performance Measure	Fee at Risk (\$ or % of Total Year 1 Premiums)
Future Contract Development	The State will incorporate all of the minimum requirements in the RFP and any variance identified in the bid response accepted by the State for performance commitments in the first draft of the contract. The vendor cannot propose changes that are not included in the terms of the RFP or their bid offering necessitating an excessive number of drafts.	<i>Vendor to propose</i>

Performance Guarantee	Standard/Performance Measure	Fee at Risk (\$ or % of Total Year 1 Premiums)
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 the team in advance.	<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.	<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.	<i>Vendor to propose</i>
<i>Total Implementation</i>		<i>Vendor to propose</i>

Incumbent's Implementation

Performance Guarantee	Standard/Performance Measure	Fee at Risk (\$ or % of Total Year 1 Premiums)
Future Contract Development	The State will incorporate all of the minimum requirements in the RFP and any variance identified in the bid response accepted by the State for performance commitments in the first draft of the contract. The vendor cannot propose changes that are not included in the terms of the RFP or their bid offering necessitating an excessive number of drafts.	<i>Vendor to propose</i>

Total % of Premiums at Risk for Implementation and Ongoing Administration – 5.00%

Guarantee	Performance Results	Definition / Calculation	% of Premiums at Risk
Implementation and On-Going Administration (2%)			
Open Enrollment Communications	100% of enrollment materials will be provided within three (3) days of need-by date for all requests received at least ten (10) days prior to need-by dates. Attendance at all Health Fairs, Benefit Representative meetings and educational sessions.	Self-Explanatory	0.25%
Certificate of Insurance	100% of certificates or communication concerning certificate availability will be delivered within ten (10) business days of receipt of clean membership data.	Measured from the last date of Open Enrollment or new employee enrollment to the date the certificates are delivered. (Membership files received after 4:00 PM ET will count as the next business day.)	0.25%
Eligibility Updating	97% of electronic eligibility files will be processed within three (3) business days of receipt of clean data delivered via SFTP outside of annual Open Enrollment.	Measured from the date the eligibility file is received by vendor to the date eligibility files are loaded to vendor's system. (Eligibility files received after 4:00 PM ET will count as the next business day.) Measured on vendor's Book of Business.	0.25%
Eligibility Reporting	99% of membership post-processing reports will be forwarded within one (1) business day of processing of eligibility files.	Measured from the date membership files are processed to the date post-processing reports are forwarded to client. Measured based on Book of Business.	0.25%
Payroll Files	100% of payroll files will be sent and processed from PHRST/UD	Measured based on prescribed schedule adherence.	0.5%

Guarantee	Performance Results	Definition / Calculation	% of Premiums at Risk
	each pay period as per prescribed schedule.		
Reconciliation	100% of payroll deductions will be reconciled monthly.	Processed deductions will be reconciled monthly to ensure that amounts provided through the payroll deduction process match the requested premiums.	0.5%

Claim Processing (0.5%)

Financial Accuracy	Contractor will pay the correct amount on clean and valid claims with at least 99% accuracy.	Based on a statistically significant sample of the specific client claims population. (Calculation: total \$ correctly paid in sample / total \$ in sample)	0.25%
Claim Turnaround Time – Processing	95% of clean and valid claims processed within five (5) business days.	Measurement: Claim received date to the date claim is processed and ready for payment. The received date will be defined as the date all necessary information is received by the insurer. Measured on Total Book of Business.	0.25%

Member Services (0.5%)

Call Center – Email Responsiveness	Responding to 95% of calls/emails within 24 hours, excluding holidays and weekends.	Self-Explanatory. Measured on Total Book of Business.	0.25%
Web Site Availability	Web site accessible to plan participants a minimum of 98% of the time. From 6am to 10pm EST during Open Enrollment, website must be 100% available with all components related to OE fully operational. Failure to meet website requirements during OE will not be subject to average	Self-Explanatory Measured on Book of Business.	0.25%

Guarantee	Performance Results	Definition / Calculation	% of Premiums at Risk
	quarterly criteria and will result in automatic application of full penalty.		

Reporting (1.0%)

Reporting Package	Timely provide all reports of the subject and frequency as listed in the Master Report List, Attachment 8. Any Master Report Lists established during the term of this Agreement are hereby incorporated by reference into the Agreement. During the term of this Agreement, the State and Contractor can change the reporting requirements by mutual written agreement.	Self-Explanatory	1.0%
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Account Management (1.0%)

Account Management Meeting	Quarterly account management meetings with the State of Delaware with at least one on-site annually.	Self-Explanatory	0.5%
Account Management Survey	Average score of Strongly Agree (5), Agree (4), or Somewhat Agree (3) with SBO's account management team based upon the Account Management Survey, Attachment 7	Self-Explanatory	0.5%
Total % of Annual Premiums at Risk			5.00%

APPENDIX I

DATA CONFIDENTIALITY AGREEMENT

****FOR A NON-INCUMBENT ONLY****

Data Exchange for the Supplemental Insurance Program

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, 2020, by and between the State of Delaware (“State”) by and through the Department of Human Resources (“DHR”) on its own behalf and on behalf of the group health plan it sponsors for employees 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 the Supplemental Insurance program on August 30, 2019;

WHEREAS, in order to implement enrollment by the Covered Persons, the State and Contractor must exchange test, eligibility and payroll deduction 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”) to be provided to the Contractor to be used for implementation testing and enrollment.
2. The eligibility 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 eligibility 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 eligible members may enroll in the Supplemental Insurance program.
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.

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
 Faith L. Rentz
 Director of Statewide Benefits

 Signature
 Printed Name: _____
 Title: _____

 Date

 Date

APPENDIX J

RATE QUOTE

See separate document in Excel

APPENDIX K

BUSINESS ASSOCIATE AGREEMENT

This Business Associate Agreement (“BA Agreement”) is undertaken pursuant to the parties’ performance of a certain contract (“Contract”) effective , by and between the State of Delaware by and through the State Employee Benefits Committee (“Plan Sponsor”), on its own behalf and on behalf of the group health plan it sponsors for employees or other covered persons (the “Plan”), and (“Contractor”).

In the performance of services on behalf of the Plan pursuant to the Contract, and in order for Contractor to use, disclose or create certain information pursuant to the terms of the Contract, some of which may constitute Protected Health Information (“PHI”) (defined below), Contractor is a Business Associate of the Plan as that term is defined by the Health Insurance Portability and Accountability Act of 1996, including the modifications required under the American Recovery and Reinvestment Act of 2009 (“ARRA”), and its implementing Administrative Simplification regulations (45 D.F.R. §§142, 160, 162 and 164) (“HIPAA”). Accordingly, Contractor, the Plan and Plan Sponsor mutually agree to modify the Contract to incorporate the terms of this BA Agreement to comply with the requirements of HIPAA, and to include additional provisions that Plan Sponsor, the Plan and Contractor desire to have as part of the Contract.

Therefore, in consideration of the mutual covenants contained herein and for other good and valuable consideration, the parties agree as follows:

I. DEFINITIONS

The following terms used in this Agreement shall have the same meaning as those terms in the HIPAA Rules: Breach, Data Aggregation, Designated Record Set, Disclosure, Health Care Operations, Individual, Minimum Necessary, Notice of Privacy Practices, Protected Health Information, Required By Law, Secretary, Security Incident, Subcontractor, Unsecured Protected Health Information, and Use.

A. Specific Definitions

1. Business Associate. “Business Associate” shall generally have the same meaning as the term “business associate” at 45 CFR 160.103, and in reference to the party to this agreement, shall mean Contractor.
2. Covered Entity. “Covered Entity” shall generally have the same meaning as the term “covered entity” at 45 CFR 160.103, and in reference to the party to this agreement, shall mean the Plan.
3. HIPAA Rules. “HIPAA Rules” shall mean the Privacy, Security, Breach Notification, and Enforcement Rules at 45 CFR Part 160 and Part 164.

II. PERMITTED USES AND DISCLOSURES BY CONTRACTOR

- A. During the continuance of the Contract, Contractor will perform services necessary in connection with the Plan as outlined in the Contract. These services may include Payment activities, Health Care Operations, and Data Aggregation as these terms are defined in 45 CFR §164.501. In connection with the services to be performed pursuant to the Contract, Contractor is permitted or required to use or disclose PHI it creates or receives for or from the Plan or to request PHI on the Plan’s behalf as provided below.
- B. Functions and Activities on the Plan’s Behalf. Unless otherwise limited in this BA Agreement, Contractor may use or disclose PHI to perform functions, activities, or services for, or on behalf of, the Plan as specified in the Contract. Contractor may decide in its own reasonable discretion what

uses and disclosures of PHI are required for it to perform administrative services for the Plan as outlined in this BA Agreement and in the Contract as well as in accordance with the law.

1. Use for Contractor's Operations. Contractor may use PHI it creates or receives for or from the Plan for Contractor's proper management and administration or to carry out Contractor's legal responsibilities in connection with services to be provided under the Contract.
2. Disclosures for Contractor's Operations. Contractor may disclose the minimum necessary of such PHI for Contractor's proper management and administration or to carry out Contractor's legal responsibilities, but only if the following conditions are met:
 - a. The disclosure is required by law; or
 - b. Contractor obtains reasonable assurance, evidenced by written contract, from any person or organization to which Contractor will disclose such PHI that the person or organization will:
 - i) Hold such PHI in confidence and use or further disclose it only for the purpose for which Contractor disclosed it to the person or organization or as required by law; and
 - ii) Promptly notify Contractor (who will in turn promptly notify the Plan) of any instance of which the person or organization becomes aware in which the confidentiality of such PHI was breached.
3. Minimum Necessary Standard. In performing functions and activities in connection with the Contract, Contractor agrees to make reasonable efforts to use, disclose or request only the minimum necessary PHI to accomplish the intended purpose of the use, disclosure or request.

D. Data Aggregation Services. The Plan agrees and recognizes that Contractor performs Data Aggregation services for the Plan, as defined by the HIPAA Rules. In the course of performing normal and customary services under the Contract, this data aggregation is an essential part of Contractor's work on behalf of the Plan under the Contract. Accordingly, Contractor can perform these data aggregation services in its own discretion, subject to any limitations imposed by the Contract. The term "Data Aggregation" is defined under the HIPAA Rules to mean, with respect to PHI created or received by a Business Associate in its capacity as the Business Associate of a covered entity, the combining of such PHI by the Business Associate with the PHI received by the Business Associate in its capacity as a Business Associate of another covered entity, to permit data analyses that relate to the health care operations of the respective covered entities.

D. Prohibition on Unauthorized Use or Disclosure

1. Non-permitted Use and Disclosure of PHI. Contractor will neither use nor disclose PHI it creates or receives for or from the Plan or from another Business Associate of the Plan, except as permitted or required by the Contract and this BA Agreement, as required by law, as otherwise permitted in writing by the Plan, or as authorized by a Covered Person.
2. Disclosure to the Plan and the Plan Business Associates. To the extent permitted or required by the Contract and this BA Agreement, Contractor will disclose PHI to other Business Associates of the Plan which the Plan has identified in a writing provided to Contractor. Contractor shall only disclose such PHI to such Business Associates, in their capacity as Business Associates of the Plan. Other than disclosures permitted by this Section II or as otherwise specifically identified in the Contract, Contractor will not disclose Covered Persons' PHI to the Plan or to a Business Associate of the Plan except as directed by the Plan in writing.

3. No Disclosure to Plan Sponsor. Contractor will not disclose any Covered Persons' PHI to Plan Sponsor, except as permitted by and in accordance with Section VII or as otherwise specifically identified in the Contract.

III. OBLIGATIONS AND ACTIVITIES OF CONTRACTOR

- A. Contractor will develop, document, implement, maintain and use appropriate administrative, technical and physical safeguards to preserve the integrity and confidentiality of, and to prevent non-permitted use or disclosure of, PHI created or received for or from the Plan.
- B. Contractor agrees to mitigate, to the extent practicable, any harmful effect that is known to Contractor of a use or disclosure of PHI by Contractor in violation of the requirements of this BA Agreement.
- D. Contractor agrees to report to Covered Entity, without unreasonable delay and in any event within thirty (30) days, any use or disclosure of the PHI not provided for by this BA Agreement or otherwise in writing by the Plan. Contractor shall maintain a written log recording the date, name of Covered Person and description of PHI for all such unauthorized use or disclosure and shall submit such log to the Plan Sponsor semiannually and by request. Contractor agrees to directly provide notice to any effected participants in the event of a Breach and to send a written log each such Breach and notice to participants to the Covered Entity within thirty (30) days of notification. Contractor agrees to notify participants in accordance with the guidelines and standards set forth by the Department of Health and Human Services under the American Reinvestment & Recovery Act and the HITECH Act.
- D. Contractor will require that any agent, including a subcontractor, to whom it provides PHI as permitted by this BA Agreement (or as otherwise permitted with the Plan's prior written approval), agrees to the same restrictions and conditions that apply through this BA Agreement to Contractor with respect to such information.
- E. Contractor agrees to make internal practices, books, and records relating to the use and disclosure of PHI received from, or created or received by Contractor on behalf of, Covered Entity available to the Covered Entity, or at the request of the Covered Entity to the Secretary, in a time and manner designated by the Covered Entity or the Secretary, for purposes of the Secretary determining Covered Entity's compliance with the HIPAA Rules.
- F. Contractor agrees to implement administrative, physical, and technical safeguards (as set forth in the Security Rule) that reasonably and appropriately protect the confidentiality and integrity (as set forth in the Security Rule), and the availability of Electronic PHI, if any, that Contractor creates, receives, maintains, or transmits electronically on behalf of Covered Entity. Contractor agrees to establish and maintain security measures sufficient to meet the safe harbor requirements established pursuant to ARRA by making data unreadable, indecipherable, and unusable upon receipt by an unauthorized person. Contractor agrees to provide adequate training to its staff concerning HIPAA and Contractors responsibilities under HIPAA.
- G. Contractor agrees to report to Covered Entity any Security Incident of which Contractor becomes aware.
- H. Contractor agrees to ensure that any agent, including a subcontractor, to whom it provides Electronic PHI, agrees to implement reasonable and appropriate safeguards to protect such information.

IV. INDIVIDUAL RIGHTS OBLIGATIONS

- A. Access.** Contractor and the Plan agree that, wherever feasible, and to the extent that responsive information is in the possession of Contractor, Contractor will provide access to PHI as required by 45 CFR §164.524 on the Plan's behalf. Contractor will provide such access according to its own procedures for such access. Contractor represents that its procedures for such access comply with the requirements of 45 CFR §164.524. Such provision of access will not relieve the Plan of any additional and independent obligations to provide access where requested by an individual. Accordingly, upon the Plan's written or electronic request or the direct request of a Covered Person or the Covered Person's Personal Representative, Contractor will make available for inspection and obtaining copies by the Plan, or at the Plan's direction by the Covered Person (or the Covered Person's personal representative), any PHI about the Covered Person created or received for or from the Plan in Contractor's custody or control contained in a Designated Record Set, so that the Plan may meet its access obligations under 45 CFR §164.524. All fees related to this access, as determined by Contractor, shall be borne by Covered Persons seeking access to PHI.
- B. Amendment.** Contractor and the Plan agree that, wherever feasible, and to the extent that responsive information is in the possession of Contractor, Contractor will amend PHI as required by 45 CFR §164.526 on the Plan's behalf. Contractor will amend such PHI according to its own procedures for such amendment. Contractor represents that its procedures for such amendment comply with the requirements of 45 CFR §164.526. Such amendment will not relieve the Plan of any additional and independent obligations to amend PHI where requested by an individual. Accordingly, upon the Plan's written or electronic request or the direct request of a Covered Person or the Covered Person's Personal Representative, Contractor will amend such PHI contained in a Designated Record Set, in accordance with the requirements of 45 CFR §164.526. Upon receipt of written or electronic notice from the Plan, Contractor will amend or permit the Plan access to amend any portion of the PHI created or received for or from the Plan in Contractor's custody or control, so that the Plan may meet its amendment obligations under 45 CFR §164.526.
- D. Disclosure Accounting.** So that the Plan may meet its disclosure accounting obligations under 45 CFR §164.528, Contractor and the Plan agree that, wherever feasible and to the extent that disclosures have been made by Contractor, Contractor will provide the accounting that is required under 45 CFR §164.528 on the Plan's behalf. Contractor will provide such accounting according to its own procedures for such accounting. Contractor represents that its procedures for such accounting comply with the requirements of 45 CFR §164.528. Such provision of disclosure accounting will not relieve the Plan of any additional and independent obligations to provide disclosure accounting where requested by an individual. Accordingly, upon the Plan's written or electronic request or the direct request of a Covered Person or the Covered Person's Personal Representative, Contractor will provide an accounting as set forth below.

1. Disclosure Tracking

Starting as of the Effective Date of the Contract, Contractor will record each disclosure of Covered Persons' PHI, which is not exempted from disclosure accounting that Contractor makes to the Plan or to a third party.

The information about each disclosure that Contractor must record ("Disclosure Information") is (a) the disclosure date, (b) the name and (if known) address of the person or entity to whom Contractor made the disclosure, (c) a brief description of the PHI disclosed, and (d) a brief statement of the purpose of the disclosure.

For repetitive disclosures of Covered Persons' PHI that Contractor makes for a single purpose to the same person or entity (including the Plan), Contractor may record (a) the Disclosure Information for the first of these repetitive disclosures, (b) the frequency, periodicity or number of these repetitive disclosures, and (c) the date of the last of these repetitive disclosures.

2. Exceptions from Disclosure Tracking

Contractor is not required to record disclosure information or otherwise account for disclosures of PHI that this BA Agreement or the Plan in writing permits or requires: (i) for the purpose of the Plan's payment activities or health care operations, (ii) to the individual who is the subject of the PHI disclosed, or to that individual's personal representative; (iii) to persons involved in that individual's health care or payment for health care; (iv) for notification for disaster relief purposes, (v) for national security or intelligence purposes, (vi) to law enforcement officials or correctional institutions regarding inmates; (vii) pursuant to an authorization; (viii) for disclosures of certain PHI made as part of a limited data set; (ix) for certain incidental disclosures that may occur where reasonable safeguards have been implemented; (x) for disclosures prior to April 14, 2003; or (xi) as otherwise excepted under 45 CFR §164.528.

3. Disclosure Tracking Time Periods

Contractor will have available for the Plan or for Covered Persons the Disclosure Information required for the six (6) years immediately preceding the date of the Plan's request for the Disclosure Information (except Contractor will not be required to have Disclosure Information for disclosures occurring before April 14, 2003).

D. Right to Request Restrictions and Confidential Communications

So that the Plan may meet its obligations to evaluate requests for restrictions and confidential communications in connection with the disclosure of PHI under 45 CFR §164.522, Contractor and the Plan agree that, wherever feasible and to the extent that communications are within the control of Contractor, Contractor will perform these evaluations on behalf of the Plan. Contractor will evaluate such requests according to its own procedures for such requests, and shall implement such appropriate operational steps as are required by its own procedures. Contractor represents that its procedures for evaluating such requests comply with the requirements of 45 CFR §164.522. Such evaluation will not relieve the Plan of any additional and independent obligations to evaluate restrictions or implement confidential communications where requested by an individual. Accordingly, upon the Plan's written or electronic request or the direct request of a Covered Person or the Covered Person's Personal Representative, Contractor will evaluate requests for restrictions and requests for confidential communications, and will respond to these requests as appropriate under Contractor's procedures.

V. OBLIGATIONS OF THE COVERED ENTITY

- A. Covered Entity shall provide Contractor with any changes in, or revocation of, permission by Individual to use or disclose PHI, if such changes affect Contractor's permitted or required uses and disclosures.
- B. Covered Entity shall notify Contractor of any restriction to the use or disclosure of PHI that Covered Entity has agreed to in accordance with 45 CFR 164.522.
- D. Covered Entity shall not request Contractor to use or disclose PHI in any manner that would not be permissible under the HIPAA Rules if done by Covered Entity except as provided in this BA Agreement. In no event shall Covered Entity request Contractor to disclose to Covered Entity or agents of Covered Entity any PHI unless such disclosure is the minimum necessary disclosure that satisfies the request and that such disclosure is solely for the purpose of treatment, payment or plan operations.

VI. BREACH OF PRIVACY OBLIGATIONS

Without limiting the rights of the parties under the Contract, the Plan will have the right to terminate the Contract if Contractor has engaged in a pattern of activity or practice that constitutes a material breach or violation of Contractor's obligations regarding PHI under this BA Agreement and, on notice of such material breach or violation from the Plan, fails to take reasonable steps to cure the breach or end the violation.

If Contractor fails to cure the material breach or end the violation after the Plan's notice, the Plan may terminate the Contract by providing Contractor written notice of termination, stating the uncured material breach or violation that provides the basis for the termination and specifying the effective date of the termination. Such termination shall be effective sixty (60) days from this termination notice.

A. Effect of Termination.

1. Return or Destruction upon Contract End

Upon cancellation, termination, expiration or other conclusion of the Contract, Contractor will if feasible return to the Plan or destroy all PHI, in whatever form or medium (including in any electronic medium under Contractor's custody or control), that Contractor created or received for or from the Plan, including all copies of such PHI that allow identification of any Covered Person who is a subject of the PHI. Contractor will complete such return or destruction as promptly as practical after the effective date of the cancellation, termination, expiration or other conclusion of the Contract.

Following notice, Contractor shall pay the costs incurred in returning or destroying such PHI unless Plan Sponsor agrees to reimburse Contractor for reasonable costs following good faith negotiation between Contractor and Plan Sponsor subject to the requisite appropriation by the Delaware General Assembly as required by Title 29 Delaware Code Chapter 65 and Article 8, Section III of the Delaware Constitution.

2. Disposition When Return or Destruction Not Feasible

The Plan recognizes that in many situations, particularly those involving data aggregation services performed by Contractor for the Plan and others, that it will be infeasible for Contractor to return or destroy PHI. Accordingly, where in Contractor's discretion such return or destruction is infeasible, for any such PHI, upon cancellation, termination, expiration or other conclusion of the Contract, Contractor will limit its further use or disclosure of the PHI to those purposes that make their return to the Plan or destruction infeasible.

VII. PLAN SPONSOR'S PERFORMANCE OF PLAN ADMINISTRATION FUNCTIONS

A. Communication of PHI. Except as specifically agreed upon by Contractor, the Plan and Plan Sponsor, and in compliance with any requirements imposed by this Section VII, all disclosures of PHI from Contractor pursuant to the Contract shall be made to the Plan, except for disclosures related to enrollment or disenrollment in the Plan.

B. Summary Health Information. Upon Plan Sponsor's written request for the purpose either to, (a) obtain premium bids for providing health insurance coverage for the Plan, or (b) modify, amend or terminate the Plan, Contractor is authorized to provide Summary Health Information regarding the Covered Persons in the Plan to Plan Sponsor.

D. Plan Sponsor Representation. Plan Sponsor represents and warrants (A) that the Plan has been established and is maintained pursuant to law, (B) that the Plan provides for the allocation and delegation of responsibilities for the Plan, including the responsibilities assigned to Contractor under the Contract, (C) that the Plan includes or incorporates by reference the appropriate terms

of the Contract and this BA Agreement, and (D) that the Plan incorporates the provisions required by 45 CFR §164.504.

- D. **Plan Sponsor's Certification**. Contractor will not disclose Covered Persons' PHI to Plan Sponsor, unless and until the Plan authorizes Contractor in writing to disclose the minimum necessary Covered Persons' PHI to Plan Sponsor for the plan administration functions to be performed by Plan Sponsor as specified in the Plan.
- E. **Contractor Reliance**. Contractor may rely on Plan Sponsor's certification and the Plan's written authorization, and will have no obligation to verify that the Plan complies with the requirements of 45 CFR §164.504 or this BA Agreement or that Plan Sponsor is complying with the Plan.
- F. **The Plan Amendment**. Before the Plan will furnish Plan Sponsor's certification described above to Contractor, the Plan will ensure (1) that its Plan establishes the uses and disclosures of Covered Persons' PHI consistent with the requirements of 45 CFR §164 that Plan Sponsor will be permitted and required to make for the plan administration functions Plan Sponsor will perform for the Plan, and (2) that Plan Sponsor agrees to all the applicable conditions imposed by §164.504 on the use or disclosure of PHI.

VIII. **MISCELLANEOUS**

- A. **Regulatory References**. A reference in this BA Agreement to a section in the HIPAA Rules means the section as in effect or as amended, and for which compliance is required.
- B. **Survival**. The respective rights and obligations of Contractor under Section IV of this BA Agreement shall survive the termination of this BA Agreement.
- D. **Interpretation**. Any ambiguity in this BA Agreement shall be resolved in favor of a meaning that permits Covered Entity to comply with the HIPAA Rules. Except to the extent specified by this BA Agreement, all of the terms and conditions of the Contract shall be and remain in full force and effect. In the event of any inconsistency or conflict between this BA Agreement and the Contract, the terms and provisions and conditions of this BA Agreement shall govern and control. Nothing express or implied in this BA Agreement and/or in the Contract is intended to confer, nor shall anything herein confer, upon any person other than the parties and the respective successors or assigns of the parties, any rights, remedies, obligations, or liabilities whatsoever. This BA Agreement shall be governed by and construed in accordance with the same internal laws that are applicable to the Contract.
- D. **Duration**. This BA Agreement will continue in full force and effect for as long as the Contract remains in full force and effect. This BA Agreement will terminate upon the cancellation, termination, expiration or other conclusion of the Contract.
- E. **Term**. The Term of this BA Agreement shall be effective as of the date appearing on the signature page, and shall terminate when all of the PHI provided by Covered Entity to Contractor, or created or received by Contractor on behalf of Covered Entity, is destroyed or returned to Covered Entity, or, if it is infeasible to return or destroy PHI, protections are extended to such information, in accordance with the termination provisions of this BA Agreement.
- F. **Amendment**. Upon the effective date of any final regulation or amendment to final regulations with respect to the HIPAA Rules, this BA Agreement will automatically amend such that the obligations imposed on Plan Sponsor, the Plan and Contractor remain in compliance with such regulations, unless (1) Contractor elects to terminate the Contract by providing Plan Sponsor and the Plan notice of termination in accordance with the Contract at least thirty (30) days before the effective date of such final regulation or amendment to final regulations; or (2) Contractor notifies the Plan of its objections to any such amendment. In the event of such an objection, the parties will negotiate in good faith in connection with such changes or amendment to the relevant final regulation.

- G. Conflicts.** The provisions of this BA Agreement will override and control any conflicting provision of the Contract. All nonconflicting provisions of the Contract will remain in full force and effect.
- H. Independent Relationship.** None of the provisions of this BA Agreement are intended to create, nor will they be deemed to create any relationship between the parties other than that of independent parties contracting with each other as independent parties solely for the purposes of effecting the provisions of this BA Agreement and the Contract.
- I. Rights of Third Parties.** This BA Agreement is between Contractor and the Plan and the Plan Sponsor and shall not be construed, interpreted, or deemed to confer any rights whatsoever to any third party or parties.
- J. Notices.** All notices and notifications under this BA Agreement shall be sent in writing by traceable carrier to the listed persons on behalf of Contractor, the Plan and Plan Sponsor at the addresses indicated on the signature page hereof, or such other address as a party may indicate by at least ten (10) days' prior written notice to the other parties. Notices will be effective upon receipt.
- K. Expenses.** Unless otherwise stated in this BA Agreement or the Contract, each party shall bear its own costs and expenses related to compliance with the above provisions. Any additional expenses incurred by Contractor in connection with services to be provided pursuant to this BA Agreement shall be included in the Contract.
- L. Documentation.** All documentation that is required by this BA Agreement or by the HIPAA Rules must be retained by Contractor for six (6) years from the date of creation or when it was last in effect, whichever is longer.

AGREED By and between the undersigned Parties this ____ day of _____ 20__.

For State of Delaware:

For Contractor:

By: _____
 Faith L. Rentz
 Director, Statewide Benefits

By: _____
 Printed Name: _____
 Title: _____

Address for Notices:

Address for Notices:

Statewide Benefits Office, DHR
 Attention: Ms. Faith L. Rentz, Director
 Enterprise Business Park
 97 Commerce Way, Suite 201
 Dover, DE 19904