

STATE OF DELAWARE



**DELAWARE HEALTH  
AND SOCIAL SERVICES**

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DIVISION OF MANAGEMENT SERVICES  
1901 N. DuPont Highway  
New Castle, DE 19720

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**REQUEST FOR PROPOSAL NO. HSS-11-014**

**FOR**

**HEALTH CARE REFORM AND HEALTH BENEFIT EXCHANGE PLANNING  
CONSULTANT SERVICES**

**FOR**

**DELAWARE HEALTH AND SOCIAL SERVICES  
DIVISION OF MEDICAID & MEDICAL ASSISTANCE  
HERMAN M. HOLLOWAY SR. CAMPUS  
1901 N. DUPONT HIGHWAY  
NEW CASTLE, DE. 19720**

Deposit	Waived
Performance Bond	Waived

**Date Due: December 17, 2010 11:00 AM EDT**

Written questions will be accepted, in lieu of the pre-bid meeting, in accordance with the instructions presented in **Section 3.5** of this document.

All RFP's can be obtained online at <http://bids.delaware.gov>

Sealed proposals for HEALTH CARE REFORM AND HEALTH BENEFIT EXCHANGE PLANNING CONSULTANT SERVICES will be received by the Delaware Health and Social Services, Herman M. Holloway Sr. Campus, Procurement Branch, Main Administration Building, Sullivan Street, Second Floor, Room #257, 1901 North DuPont Highway, New Castle, Delaware 19720, until **11:00 AM local time December 17, 2010** at which time the proposals will be opened and read.

**NOTIFICATION TO BIDDERS**

Bidder shall list all contracts awarded to it or its predecessor firm(s) by the State of Delaware; during the last three years, by State Department, Division, Contact Person (with address/phone number), period of performance and amount. The Evaluation/Selection Review Committee will consider these as additional references

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and may contact each of these sources. Information regarding bidder performance gathered from these sources may be included in the Committee's deliberations and factored in the final scoring of the bid. Failure to list any contract as required by this paragraph may be grounds for immediate rejection of the bid.

**NOTE TO VENDORS:** Your proposal must include the forms in **Attachment B of this RFP and signed**, where appropriate and all information on the forms complete.

**IMPORTANT: ALL PROPOSALS MUST HAVE OUR RFP NUMBER (HSS-11-014) ON THE OUTSIDE ENVELOPE. IF THIS NUMBER IS OMITTED YOUR PROPOSAL WILL IMMEDIATELY BE REJECTED.**

There will be a ninety (90) day period during which the agency may extend the contract period for renewal if needed.

REQUEST FOR PROPOSAL # HSS-11-014

If a bidder wishes to request a debriefing, they must submit a formal letter to the Procurement Administrator, Delaware Health and Social Services, 1901 North DuPont Highway, Herman M. Holloway Sr., Health and Social Services Campus, Sullivan Street, Main Administration Building, Second Floor, New Castle, Delaware 19720, within ten (10) days after receipt of "Notice of Award". The letter must specify reasons for request.

FOR FURTHER BIDDING INFORMATION PLEASE CONTACT:

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DELAWARE HEALTH AND SOCIAL SERVICES  
PROCUREMENT BRANCH  
MAIN ADMIN BLD, SULLIVAN STREET  
2<sup>ND</sup> FLOOR –ROOM #257  
1901 NORTH DUPONT HIGHWAY  
HERMAN M. HOLLOWAY SR. HEALTH AND  
SOCIAL SERVICES CAMPUS  
NEW CASTLE, DELAWARE 19720  
PHONE: (302) 255-9290

### **IMPORTANT: DELIVERY INSTRUCTIONS**

IT IS THE RESPONSIBILITY OF THE BIDDER TO ENSURE THAT THE PROPOSAL HAS BEEN RECEIVED BY THE DEPARTMENT OF HEALTH AND SOCIAL SERVICES BY THE DEADLINE.

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# 1 Project Overview

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## 1.1 BACKGROUND INFORMATION

The Patient Protection and Affordable Care Act of 2010 offers many challenges and opportunities to expand health care coverage and enhance the delivery of health care services in Delaware. One aspect of health care reform, Health Benefit Exchanges, in particular, will provide the foundation for organizing the market and supporting purchasing of coverage for low and moderate income individuals. Thoughtful planning and informed decision-making are crucial to successful implementation of a Health Benefit Exchange. Delaware is positioned to move forward since the Governor has established a State Health Care Reform Steering Committee under the direction of the Secretary of the Department of Health and Social Services. This group includes representation from the Department of Insurance, the Delaware Health Care Commission, the Office of Management and Budget, the Department of Technology and Information, and other stakeholders who will be involved in the planning and implementation of health care reform. The group will analyze the effects of and plan for the implementation of the federal Health Care Reform (HCR) legislation.

The major goal of the first year of the project to implement health care reform is to conduct a planning process involving key stakeholders that will enable the State of Delaware to make an informed decision concerning the implementation of a Health Benefit Exchange. Project participants will identify the advantages and disadvantages of implementing a State-run Exchange, a regional Exchange, or an exchange administered by the federal government. Recommendations by the Steering Committee will be submitted to the Delaware Health Care Commission, which will make decisions and forward a final report detailing its recommendations to the Governor. The Steering Committee intends to solicit the widest-possible involvement from public and private stakeholders through the development of targeted working groups as appropriate.

The State is seeking a firm to assist in overall project management and to provide specialized expertise in the planning, design, development and implementation of a Health Benefit Exchange. In addition, the Consultant may be asked to assist the State with tasks associated with other provisions within the Health Care Reform legislation. The State would prefer to contract with a single firm that will have in-house expertise and/or will subcontract for the full complement of expertise needed for this engagement. In general, the successful contractor will provide the following kinds of services:

- The consultant will assist the State to analyze the effects of and plan for the implementation of the Health Benefit Exchange (HBE).
- The Consultant will serve the role of comprehensive program manager, and provide the state with a “one-stop shop” to access firms and individuals with the necessary technical skills (e.g., project management, policy development, financial modeling, actuarial assistance, health care industry and insurance expertise, data processing/information technology expertise, knowledge of public health insurance programs) and other relevant subject matter expertise on an as-needed basis.

- The Consultant must be able to conduct on-going research and analysis to keep current of local, regional and national changes, additional regulations, legislative and regulatory requirements, industry issues, grant opportunities, planning and implementation projects, etc. as related to the Health Benefit Exchange.

## 1.2 BACKGROUND RESEARCH

Understanding the demographics of the Delaware population and the various factors associated with health care coverage in Delaware is fundamental to informed decision-making with respect to planning for the development of a Health Benefit Exchange.

The Delaware Department of Insurance (DOI) is the regulatory body in the State of Delaware with authority for oversight of the insurance industry and licensure of insurance companies. There are currently 129 health insurance companies domiciled in Delaware. Of these, thirty eight (38) write life and health insurance coverage and eight (8) are HMO and Health Service Corporations. Ten (10) companies actively market to small employers, with four (4) companies maintaining a predominant role. Five (5) companies actively market to individuals in the state. Legislation enacted in 2009 extended the authority of DOI to review and approve health insurance rates. This legislation grants authority to the Insurance Commissioner to ensure that rate filings are fair and not excessive.

The Delaware Health Care Commission (DHCC) was created by the Delaware General Assembly to develop a pathway to basic, affordable health care for all Delawareans. For two decades the Commission has conducted research and pilot projects to address access, quality, and cost concerns. In collaboration with the University of Delaware Center for Applied Demography and Survey Research, the DHCC publishes annual updated estimates of the uninsured in Delaware using Current Population Survey (CPS) and Behavioral Risk Factor Surveillance System (BRFSS) data. The most recent annual report, *Delawareans Without Health Insurance 2008*, reported that 11.2% of Delawareans lacked health insurance in 2008. This measure compares favorably to national and regional rates. However, the fact remains that over 100,000 individuals in the state are estimated to be without health care coverage. Further, while approximately 11.2% of the population is uninsured at any one point, the proportion that is uninsured at some point during the year is projected to be 18.6%. Data from the Survey of Income and Program Participation (SIPP) suggests a median period of six months without coverage.

This last measure, along with estimates that less than one-half of Medicaid enrollees reported Medicaid as their only source of coverage for the year, points to the dynamic nature of the availability of health coverage. This is especially true of low and moderate income individuals, prospective Exchange consumers, whose access to coverage may be impacted by frequent changes in life circumstances.

In terms of the Medicaid provisions of health care reform, Delaware is an “expansion” state. The Delaware Medicaid program implemented a demonstration waiver in 1996 utilizing savings from the introduction of managed care to expand coverage to all adults with incomes below 100% of the federal poverty level. This currently allows Delaware Medicaid to cover approximately 27,000 adults who would otherwise have no health insurance coverage. Over 180,000 Delaware citizens (including the expansion

population) currently receive coverage under the Medicaid program each month with an additional 6,000 children receiving coverage under the Children's Health Insurance Program (CHIP).

Building on this background information, one focus of the HBE planning project will be vetting the specific needs of Delaware's uninsured population and the intricacies of the Delaware insurance market against the successes and challenges of other health care markets. Existing data on Delaware Medicaid and CHIP utilization will be examined along with projected impacts of program expansions to assess inter-relationships between government administered programs and private options offered through the Exchange. The outcome of these research efforts will foster an understanding of the market for individuals, small group and public options as it exists today and develop a model of what may be expected in 2014.

## **2 Scope of Work**

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As noted in the previous section, the purpose of this RFP is to procure HEALTH CARE REFORM AND HEALTH BENEFIT EXCHANGE PLANNING CONSULTANT SERVICES during the period from February 1, 2011 through September 30, 2011 with the possibility of extending the contract for additional periods through December 31, 2014 based on the needs of the state to implement Health Care Reform. This scope of work focuses primarily on the initial planning phase of the project.

### **2.1 Planning Activities**

The activities that will be accomplished during this project are described below and will support policy decisions related to development and implementation of a Health Benefit Exchange. As the overall planning process evolves, the State may negotiate with the successful vendor for additional tasks as necessary.

#### **2.1.1 General Project Activities:**

- Manage the overall project
- Conduct planning
- Conduct research and analysis
- Provide expertise in planning, design development and implementation of Health Benefit Exchange
- Provide actuarial assistance when necessary
- Provide health care industry and health insurance expertise
- Provide data processing information technology expertise
- Provide expertise in public health care programs including Medicaid, Medicare, CHIP, etc.
- Produce a project workplan, and timetable/schedule and identify deliverables
- Track deadlines, target dates, project progress, project issues
- Produce deliverables; review deliverables, modify and finalize



deliverables.

- Produce reports
- Organize, attend and facilitate meetings; conduct public meetings
- Attend conferences
- Listen to/participate in phone conferences
- Prepare agendas, meeting minutes, presentation documents
- Make presentations
- Establish work groups; lead workgroups
- Involve key stakeholders through targeted workgroups, public meetings

### **2.1.2 Stakeholder Involvement**

Decisions related to implementation of the Health Benefit Exchange will impact virtually every constituency in the state. Consequently, planning activities need to be open, inclusive, and participatory. Stakeholder involvement must be representative of the insurance industry, government, business community, medical professionals, advocacy groups, and the general population.

As noted in the introduction, Delaware has already established a Steering Committee comprised of public sector representatives. Many of these agencies already enjoy strong working relationships with partners in the private, non-profit, professional, and advocacy communities. The following is not an exhaustive list of stakeholder groups, but examples include:

- Representatives from the Delaware General Assembly
- Insurance industry representatives
- Medical Society of Delaware
- Federally Qualified Health Centers
- Small Business Council
- Delaware Healthcare Facilities Association
- Delaware Healthcare Association
- Institutions of Higher Education
- Chambers of Commerce
- United Way
- Governor's Advisory Councils
- Covering Kids and Families
- Representatives of the general public

Stakeholder groups will be invited to participate in work groups developed as part of the planning process. In addition, public or town-hall meetings will be scheduled to facilitate participation of the general public. Delaware's small size makes it feasible to hold public meetings at locations throughout the state, thereby increasing the opportunities for public participation. The State anticipates that the number of public meetings will be between 5 and 10 during the planning phase of the project.

### **2.1.3 Program Integration**

The HBE planning project will assess program integration requirements related to health benefit exchanges. Program integration is a critical component to realizing

the vision of easily accessible, seamless, and uninterrupted health coverage for all citizens via the HBE. This may require restructuring existing programs such as Medicaid and CHIP, developing new coverage options, and building new linkages between these programs and existing private coverage. New partnerships will need to be established with agencies such as the Department of Finance to plan for new components that would be offered via the HBE, including subsidies and premium tax credits.

Consideration will need to be given to commonly defining eligibility criteria, uniform data sources, technology compatibility, and other issues which will be necessary to reduce the confusion and fragmentation which now create barriers to access.

#### **2.1.4 Resources and Capabilities**

The Health Benefit Exchange planning efforts will identify the resources necessary to support a Health Benefits Exchange. Specifically, this will include infrastructure and technology needs, staffing, resources required to maintain and enforce the governance structure, proper oversight of business operations and effective community outreach and education. An assessment of current resources will also be completed as part of the project.

Analysis will include identification of new resource needs, areas where existing resources may be redirected toward new activities, and information technology resources necessary to achieve system integration goals. Contractor/consultant resources will be used to leverage expertise and complement state resources.

#### **2.1.5 Governance**

Governance issues vary depending on the approach the state ultimately selects to offer a Health Benefits Exchange in Delaware. These issues range from relatively straightforward questions such as the organizational location of the Exchange, if it is State-run, to more complex issues of accountability and coordination necessary for the implementation of independently-administered or regional Exchanges.

The initial HBE planning efforts will focus on identifying and articulating the governance requirements associated with each approach. This will include a review of health benefit exchanges that have been implemented in other states. Additional analysis will include an assessment of the Delaware environment (political, regulatory, etc.) that may influence the decision-making process. Finally, the state will reach out to neighboring states to determine whether there is interest in pursuing a regional Exchange.

#### **2.1.6 Finance**

Key decisions will focus the financial sustainability of the Exchange. This may include options such as user fees or taxes imposed on Qualified Health Plans operating in the Exchange. The planning activities in this project will identify potential revenue streams, evaluate operating models, and assess what financial models are appropriate for Delaware. Ideally, several viable models will be developed reflecting various levels of participation in the Exchange by both purchasers and payers. These can then be assessed with regard to feasibility of implementation and financial solvency.

### **2.1.7 Technical Infrastructure**

Technical infrastructure will be an important focus of the Delaware planning effort. Technology, in general, and health information technology in particular, is evolving at an ever increasing pace and on many different fronts. Coordination of activities to realize the potential of health information exchange development, Medicaid Management Information System and Eligibility Determination redesign activities, and web-based solutions will be critical to the success of goals to promote access to meaningful, reliable information and streamlined enrollment processes.

Initial planning activities will include a review of existing systems in the state and promising solutions from other states such as Massachusetts and others to integrate Medicaid, private insurance and Exchange activities and promote interoperability. The project will assess middleware that can link different health and human service systems and foster connections among insurance companies and intermediaries such as aggregators. This effort will build on the Medicaid Information Technology Architecture (MITA) self-assessment the state is currently undertaking, the development of web-based consumer information resources in the Department of Insurance, and federal resources such as the [www.healthcare.gov](http://www.healthcare.gov) web portal and federal efforts to identify common protocols for sharing eligibility and enrollment data among parties involved in an exchange.

### **2.1.8 Business Operations**

Initially, operational issues will be addressed at the higher level necessary to make the key recommendations and decisions of how to proceed with implementation of an Exchange. Emphasis will be placed on defining viable Exchange options and the basic framework required for effective management of an Exchange.

Subsequent activities in the process will align with the recommended option for implementation. Building on analysis and recommendations from each of the planning content areas, concepts will be further defined into operational requirements for effective management of the Exchange. The result will provide the foundation for the draft implementation plan for the Exchange.

### **2.1.9 Legislative, Regulatory And Policy Actions**

The Health Benefit Exchange will represent a new “entity” for the State of Delaware. As such, there may be a variety of legislative and regulatory requirements for its establishment and definition of authorities, responsibilities, and accountability.

Initial planning will entail a review of existing statutes and regulations that may impact, either positively or negatively, Exchange implementation. The Steering Committee will make recommendations regarding the need for enabling legislation versus areas where regulatory action will be sufficient to address policy needs.

Initial focus will be placed on development of a legislative agenda that will establish both the necessary authority and required flexibility to proceed with whatever implementation option is ultimately chosen. Subsequent activities will

be directed toward the development of a regulatory agenda to support implementation of the Exchange model resulting from this planning project.

The State of Delaware is cognizant of both the opportunities and challenges that lie ahead. Health Benefit Exchanges offer the promise of affordable, accessible coverage to individuals who currently lack insurance, are at-risk of losing insurance, or are underinsured. Successful implementation, however, requires collaboration among a variety of stakeholders to address complex regulatory, financial, technological, and governance issues in an expedited fashion. DMMA, as the designated lead agency, extends the commitment of the Delaware Health Care Reform Steering Committee and all its partner agencies to fully engage in a planning process that will produce meaningful deliverables to support informed decision-making and position the state to successfully offer the most appropriate Exchange option to the citizens of Delaware.

## **2.2 Other Project Activities Related to Planning and Implementation of Health Benefit Exchange and Health Care Reform May Include:**

- Identify federal grant opportunities and other funding opportunities related to HBE and health care reform.
- Prepare Medicaid waivers if necessary
- RFP's – if needed for vendors to support or resource the Health Benefit Exchange project or other Health Care Reform activities, including implementation, the State may require the selected vendor to develop RFPs, and assist the state to develop responses to questions from potential bidders.
- Federal Approval Documents – the selected vendor may be required to develop documents required for federal approvals such as waivers, Advanced Planning Documents and state plans at the request of the State.
- Grant Applications – the selected vendor may be required to develop and/or assist the State to develop grant applications for federal funds or foundation funds at the request of the State.

## **2.3 Deliverables - Types of Deliverables That Will or May Be Produced During This Project**

### **2.3.1 Mandatory Deliverables Are:**

1. Project Workplan for planning activities related to the Health Benefit Exchange to include tasks, timelines, deliverables dates, etc. The timeline should assume a start date of February 1, 2011 and must end on or before September 30, 2011.
2. Project Management – the selected vendor will be responsible for tracking progress, status of task completion, issues and issue resolution. The selected vendor must establish and maintain a shared site that can be used by state/project staff as designated by DHSS to view this information.
3. Quarterly progress reports must be submitted to the State to

address project status, implementation activities initiated, accomplishments, barriers, lessons learned, etc. as required to meet state and federal objectives/requirements in a format approved by the State.

4. Meeting Materials, Agendas, Meeting Notes, Presentation Materials and Summary of Issues, Risks and Resolutions – The vendor will be responsible for developing documents to be presented and discussed at meetings and meeting agendas. The vendor must submit these documents in a timeframe and content format and media approved by the state. After meetings, vendor will be responsible for drafting/circulating meeting notes/minutes from all meetings, and identifying and describing issues that impact to the project, action items with assignments to responsible staff, and/or next steps. The vendor must submit notes in a timeframe and content format approved by the State to the State Project Director.

5. Establish and maintain current information clearinghouse about Health Benefit Exchange rules, regulations, laws, local, regional, national activities, related info provided by NAIC, NGA, DHHS, CMS, APHSA, NAMD other states relative to Health Benefit Exchange and health care reform.

6. Legislative Agenda and/or Regulatory Agenda

7. An evaluation plan to include a detailed description of data collection activities and analyses from which the state will base its design for covering the uninsured.

8. Produce A Delaware Health Benefit Exchange (HBE) Report

The successful bidder will produce a report for the Governor and other political leaders that will address the following issues relative to the establishment of a health benefit exchange:

a. Define in general what an exchange is, how it operates, who operates it, how financial transactions work, how the public participates, how businesses participate, how insurance companies participate, how insurance products are listed or removed, how public programs participate, how people access the exchange and select a plan and enroll/disenroll, how eligibility is determined, how tax subsidies and premiums are handled/tracked, how administrative costs of operating the exchange are handled, where it is located, how is it governed, define the basic framework necessary to manage an exchange; define authorities, responsibilities and accountability for a Health Benefit Exchange.

b. The Report Will Provide Background Data and Research Information

- Assess, update and expand on existing information.
- Develop new relevant information.

c. The Report Will Describe the Planning Process Including Stakeholder Involvement

- Describe the planning process and activities that were accomplished

during this planning project.

- Identify participants involved in the planning process.

d. The Report Will Address Insurance Issues:

- Assess and document specific needs of Delaware uninsured pop.
- Analyze Delaware insurance market against other markets
- Examine existing Medicaid and CHIP utilization data
- Project impact of program expansions
- Assess interrelationships between government programs and private insurance options.
- Foster an understanding of the insurance market for individuals, small group and public options as it is now and is projected to be in 2014.
- Assess the likely interest/participation of private insurers in a Delaware Health Benefit Exchange.
- Quantify the potential market to be served by the HBE

e. The Report Will Address Eligibility & Enrollment Issues:

- Medicaid Gap Analysis – identify the gap between the current Medicaid & CHIP eligibility process and the requirements under Health Care Reform with regard to the HBE
- Determine who/how eligibility will be determined for coverage and subsidies in the HBE
- Identify options for handling eligibility for HBE insurance coverage
- Identify agent/broker management options
- Assess options for enrollment broker function
- Identify operational and administrative functions needed to operate an HBE
- Assess options for customer service function
- Explain how these issues are being addressed in other states.

f. The Report Will Address Statutory & Regulatory Issues Related to HBE:

- Assess the Delaware environment for HBE (political, regulatory)
- Review existing statutes that may impact the HBE implementation
- Recommend new legislation or regulations that may be needed.
- Develop a legislative agenda; develop a regulatory agenda.
- Develop policies.

g. The Report Will Address Governance Issues

- Assess alternative approaches.
- Address issues of location, accountability and coordination organizational structure.

h. The Report Will Address Options & Feasibility Issues:

- Analyze the potential effects of a HBE
- Assess feasibility of establishing a HBE as state run, regional or federally operated; identify the advantages and disadvantages of each option
- Assess the capability of public/private entities to managed administer the HBE

- Determine what options are viable for Delaware
  - i. The Report Will Address Fiscal & Budget Issues:
    - Model fiscal/budget/cost impacts of different options
    - Assess the needs of state agencies for staffing, contracted staff, development of new systems, etc.
    - Identify mechanisms for premium collection, billing and reconciliation
    - Determine the need for user fees or taxes to support the HBE
    - Assess different financial models and determine the financial model most appropriate for Delaware
  - j. The Report Will Address Technology Issues:
    - Assess current resources and identify resources necessary to support HBE (staffing, technology, consultants)
    - Identify and analyze the requirements for electronic interfaces with health insurance carriers, public insurance programs and others
    - Identify options for a web portal
    - Identify existing systems to facilitate Medicaid/Exchange interoperability
    - Identify promising technology solutions from other states.
    - Describe systems changes that may be needed in state government and/or the private sector.
  - k. The Report Will Make Recommendations and Identify Key Next Steps:

The report will include recommendations for a Health Benefit Exchange option for Delaware implementation for the Governor and other political leaders. The report will also include an Executive Summary.

i. The Report Will Include Implementation Plans:

Produce a draft implementation plan for the recommended Health Benefit Exchange option to address goals, objectives, responsible parties, all functional areas within State government identified as impacted by HBE. The plans will include:

- Provisions for redefinition of existing programs
- Needs assessment/resource requirements for State agencies to plan and implement a HBE such as staffing, funding, information technology needs.
- HBE Implementation steps, including timelines and key milestones
- Summarize Financial Analysis/Budget/Cost impact on a state fiscal year basis and possibly on a federal fiscal year or calendar year basis.
- An organizational chart that includes key personnel who will be involved in HBE activities.

**2.3.2 Other Possible Deliverables Depending On The Progress and Requirements of the Project:**

**Research Documents** – Selected vendor will conduct research on HBE-related topics as identified by the State and document results in a format approved by the State.

**Briefing Documents** – The vendor will prepare presentation materials and briefing documents for State management and other stakeholders as requested by the State.

**Reports** – various reports as necessary.

## 2.4 CONSULTING STAFF REQUIREMENTS

The Consultant will be responsible for providing the following staffing at a level sufficient to accomplish all project tasks:

- Consultant 1 - Project Management/Administrator - Consulting Lead
- Consultant 2 - Technology Work Group - Consulting Lead
- Consultant 3 - Governance and Policy Work Group – Consulting Lead
- Consultant 4 - Operations Work Group - Consulting Lead
- Other Consultant Support / Content Experts as needed such as:
  - Actuarial expertise
  - Research expertise
  - Systems Analysis expertise
  - Technical Writing expertise
  - Risk Management expertise
  - Health Insurance expertise
  - Medicaid/Medicare expertise
  -

# 3 General Instructions for Submission of Proposal

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Delaware Health and Social Services (DHSS) is requesting proposals for HEALTH CARE REFORM AND HEALTH BENEFIT EXCHANGE PLANNING CONSULTANT SERVICES.

## 3.1 Contracting Officer

The contracting officer is Bruce Krug, Procurement Administrator, Delaware Department of Health and Social Services, Division of Management Services.

## 3.2 Proposal Submission Requirements

Your proposal shall consist of the following:

- Your proposal must be submitted on Two (2) complete sets of CDs (Labeled as “**Original**”) and six (6) complete sets of CDs (Labeled as “**Copy**”).



- The following item, if required in response to this RFP, are to be submitted on one (1) additional set of up to three (3) CDs (Labeled as “**Corporate Confidential Information**”). These items include:
  1. Financial information relating to the company or organization (not the RFP pricing/cost or budget information)

All CD files shall be **in both PDF and Microsoft Word formats and compatible with Word 2003**. Additional file formats (i.e. .xls, .mpp) may be required as requested. Include a directory document in MS Word format that includes a listing of all files on the CD. This “CD Directory.doc” file shall contain each file name, a short description and the name of the software format used to create the document.

**It is the responsibility of the bidder to ensure all submitted CDs are machine readable, virus free and are otherwise error-free. CDs (or their component files) not in this condition may be cause for the vendor to be disqualified from bidding.**

**Bidders are not required to make hard copies with the exception that one (1) each of the Transmittal Letter, Bidders Signature Form, Statement of Compliance Form, Certification Sheet, and Office of Minority and Women Business Enterprise Self-Certification shall be provided in hardcopy with original signature.**

**Responses must be received by the Department on**

**December 17, 2010 11:00 AM EDT**

Any proposal received after this time and date will be automatically rejected and returned unopened to the bidder.

**Important Delivery Instructions**

Delivery of the proposal is the sole responsibility of the bidder. In order to make sure that your bid is received by the Division of Management Services on the date and time specified in this RFP, bidders are encouraged to use one of the following recommended delivery methods: hand delivery, Federal Express or United Parcel Service.

**Late proposals will not be accepted.**

Proposals should be sent to:

Mr. Bruce Krug, Procurement Administrator  
Delaware Department of Health & Social Services  
Division of Management Services  
Procurement Office  
Herman M. Holloway Campus  
Administration Building, 2nd Floor, Room 257  
1901 N. DuPont Highway  
New Castle, Delaware 19720

Any amendments to the proposal as originally submitted which are not required by the Department, must comply with the requirements of this section, and must be received on or before the due date previously specified.

### **3.3 Issuing Officer**

This Request for Proposal (RFP) is issued by the State of Delaware, Delaware Department of Health and Social Services. The issuing officer for the Division of Medicaid and Medical Assistance is the sole point of contact from the date of release of this RFP, until selection of the successful bidder. All questions and requests for clarification shall be submitted in writing to:

Steve Groff, Issuing Officer  
DHSS / Division of Medicaid and Medical Assistance  
1901 N. DuPont Highway, Lewis Building  
New Castle, Delaware 19720  
[stephen.groff@state.de.us](mailto:stephen.groff@state.de.us)

### **3.4 Restrictions on Communications with State Staff**

From the issue date of this RFP until a contractor is selected and the selection is announced, bidders are NOT allowed to contact any Division of Medicaid and Medical Assistance staff, except those specified in this RFP, regarding the procurement. Contact between contractors and the issuing officer (**Section 3.3**) is restricted to emailed questions concerning this proposal. Questions must be submitted by email and will be addressed in writing.

Questions are due by **November 19, 2010**. The complete list of questions and their answers will be released via email to the vendors that submitted any questions. The complete list of questions and their answers will also be posted on the internet at <http://bids.delaware.gov>

After November 19, bidder communication is limited to the DHSS Procurement Administrator, Bruce Krug. The central phone number for Procurement is (302) 255-9290.

### **3.5 Bidder Questions**

All questions must be submitted in electronic form (email) and shall reference the pertinent RFP section(s) and page number(s) if applicable. Written responses will be binding and included in the RFP, as an addendum, and in the contract. Bidders may not contact State staff with questions. Only those questions received by the above Issuing Officer (**Section 3.3**) by the Submission of Questions deadline, as presented below in the Procurement Schedule (**Section 3.6**), will be considered. DHSS will not respond to questions received after the deadline. A final list of written questions and responses will be posted as an RFP addendum on the Internet at <http://bids.delaware.gov>

### **3.6 Procurement Schedule**

The following timetable is anticipated for key activities within the procurement process:

Activity	Schedule
Advertise RFP	<b>November 5, 2010</b>
Submission of Questions	<b>November 5, 2010 – November 19, 2010</b>
Pre-Bid Meeting	<b>None</b>
Response to Questions	<b>November 30, 2010 04:30 PM EDT</b>
Bid Opening – Applications Due	<b>December 17, 2010 11:00 AM EDT</b>
Evaluation & Selection Process	<b>December 17, 2010 – January 7, 2011 (tentative)</b>
Notification of Award	<b>January 10, 2011 (tentative)</b>

### 3.7 Delaware Business License Application

All for-profit agencies are required to have a current Delaware business license or obtain a license if awarded the contract. To obtain a license to perform work in the State of Delaware, call (302) 577-8778 and request an application. A business license can also be obtained online at: <https://onestop.delaware.gov>.

If currently licensed, include a copy of your current business license with your proposal. Non-profit agencies must include a copy of Form 501-C (**see section 5.4 of this RFP**)

### 3.8 Cost of Proposal

Costs for developing and submitting the proposals are the sole responsibility of the bidders. The Department will provide no reimbursement for such costs.

### 3.9 Withdrawal of Proposals

Once submitted, a proposal shall remain a valid proposal for at least 150 days after the proposal date. A submitted proposal may be withdrawn by submitting a written request for its withdrawal to the Department, signed by the bidder, within 72 hours after the proposal due date that is indicated in the Procurement Schedule (**Section 3.6**) of this RFP.

### 3.10 Disposition of Proposals

All proposals become the property of the State of Delaware and will be a matter of record subject to the provisions of Delaware statutes. The State of Delaware shall have the right to use all ideas, or adaptations of those ideas, contained in any proposal received in response to this RFP which results in a contract.

### 3.11 Debriefing

If a bidder wishes to request a debriefing, a formal request letter **must** be submitted to:

Bruce Krug, Procurement Administrator  
Herman M. Holloway Campus

Delaware Health and Social Services  
Main Building – 2<sup>nd</sup> Floor  
1901 N. DuPont Highway  
New Castle, De. 19720

This letter of request **must** be received within 10 days of receipt of “Notice of Award”. The letter must specify reasons for the request. A debriefing is not an appeal process.

## **4 Terms and Conditions**

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### **4.1 Reserved Rights**

Notwithstanding anything to the contrary, the Department reserves the right to:

- Select proposals other than that with the lowest cost;
- Reject any and all proposals received in response to this RFP;
- Waive or negotiate any information, irregularities or inconsistencies in proposals received;
- Negotiate as to any aspect of the proposal with any bidder and negotiate with more than one bidder at the same time; and,
- Terminate negotiations and select the next responsive bidder, prepare and release a new RFP or take other action as deemed appropriate, if negotiations fail to result in an agreement.

### **4.2 Notice of Contract Award**

Written notice of contract award will be sent to all bidders.

### **4.3 Impartial Process**

The procurement process will provide for the submission, evaluation, and selection of the winning proposal in accordance with applicable State and Federal laws and regulations. The procurement process shall be impartial and honest. All known bidders shall be accorded equal treatment prior to the submission date specified in the RFP with respect to any opportunity for written clarification.

### **4.4 Contract Composition**

The terms and conditions contained in this section constitute the basis for any contract resulting from this RFP. The State will be solely responsible for rendering all decisions on matters involving interpretation of terms and conditions. All contracts shall be in conformity with, and shall be governed by, the applicable laws of the federal government and the State of Delaware.

### **4.5 Length of Contract**

The contract will begin on February 1, 2011 after signing of the contract and issuance of the purchase order by the Department of Finance, and the initial period shall end on September 30, 2011. In addition, at the option of the State, there may be one or more renewal periods not to exceed December 31, 2014.

#### **4.6 Funding Source**

This project is funded by a grant received by the Division from the Federal Department of Health and Human Services.

#### **4.7 Option to Renew or Extend**

The option to renew or extend the contract for any portion of time after September 30, 2010 up through December 31, 2014 will include review of the following:

1. Current performance
2. Need of service to the State
3. Funding availability to contract for services
4. Approval by the State of definition of scope of work and cost requirements of the vendor for additional work related to implementation of the Health Benefit Exchange and/or other aspects of Health Care Reform.

#### **4.8 Confidentiality**

The contractor shall safeguard any client information obtained during the course of the project, and will not use this information for purposes other than required by the contract and in accordance with HIPAA (Health Insurance Portability and Accountability Act).

#### **4.9 Monitoring**

The contractor will be monitored on a regular basis by the Division of Medicaid and Medical Assistance. This monitoring will be based upon the contract, laws, rules, regulations, and the standards for the program. The contractor must also comply with the appropriate policies of the Department and the Division. **Failure of the contractor to resolve problems(s) identified in the monitoring may be cause for termination of the contract.**

#### **4.10 Forms**

The forms in this RFP may not be altered and computerized forms generated by applicants must replicate the forms provided in this RFP. Significant differences may result in rejection of the entire application. As noted elsewhere in this RFP, the Cost forms should be created by the Bidder in Excel.

More specific instructions accompany the section containing the forms. These instructions should be followed explicitly. Failure to do so will cause delay and/or possible rejection of your entire application.

#### **4.11 Availability of Funds**

Any contract awarded will be subject to the eventual and continued availability of funds.

#### **4.12 Insurance Documentation**

For the selected vendor, a copy of a current Insurance Certificate, which meets the Standard Department Contract, Administrative Requirements, Item # 6 (**Section 7 of this RFP**), must be provided. The copy must include agency name, date of coverage, and coverage limits. It must also list the Division of Medicaid and Medical Assistance as the Certificate Holder.

#### **4.13 Method of Payment**

The State anticipates that the successful vendor will provide monthly invoices listing the specific consultants who worked on the project during the month, their hourly contracted rate and the number of hours worked by each consultant during the month. The State will impose a 20% withholding from the total amount of the approved monthly consultant costs.

The monthly invoice will also list approved project travel costs incurred during the month and any approved miscellaneous costs incurred during the month.

The total amount of the 20% withholding will be paid to the vendor after the final report (Delaware Health Benefit Exchange (HBE) Report) is presented to the State and approved by the State.

The contractor or vendor must accept full payment by procurement (credit) card and/or conventional check and/or other electronic means at the State's option, without imposing any additional fees, costs or conditions.

#### **4.14 Submission of W 9 Form**

The selected vendor will submit the required Form W-9 electronically directly to the Delaware Division of Accounting for approval. The vendors will submit their Form W-9 by accessing this website, <http://accounting.delaware.gov/>.

The vendor will complete the secure form, read the affirmation, and submit the form by clicking the "Submit" button. Delaware Division of Accounting staff will review the submitted form for accuracy, completeness, and standardization. Once all the requirements are met, the form will be uploaded to the vendor file and approved. The vendor is then able to be paid for services provided.

All vendor requests, additions and changes, will come directly from the vendor.

**This applies only to the successful bidder and should be done when successful contract negotiations are completed. It is not a requirement of submission of the bidder's proposal.**

#### **4.15 Code of Conduct**

No Division employee or agent of the Division shall solicit or accept gratuities, favors or anything of monetary value from a service provider, contractor, or potential contractor.

#### **4.16 Cost of Proposal Preparation**

All costs of proposal preparation will be borne by the bidder.

#### **4.17 Proposal and Final Contract**

The bidder's proposal will be incorporated into the final contract and will become binding upon the successful bidder. If bidders are unwilling to comply with any RFP requirements, terms and conditions, objections must be clearly stated in the proposal and will be subject to negotiation at the discretion of the Department.

#### **4.18 Amendments to Proposals**

Amendments to proposals will not be accepted after the submission deadline. DHSS reserves the right to request clarification and/or further technical information from any contractor submitting a proposal at any time.

#### **4.19 Standard for Subcontractors**

The contractor is fully responsible for all work performed under the contract, and must get prior written approval for all subcontract(s) for carrying out certain functions under the contract. Copies of subcontracts must be sent to the Division. No subcontract, with respect to performance under the contract, shall in any way relieve the contractor of any responsibility for performance of its duties.

#### **4.20 Notification to Bidders - Investigation of Contractor's Qualifications**

The State of Delaware may make such investigation as it deems necessary to determine ability of potential contractors to furnish required services, and contractors shall furnish the State with data requested for this purpose. The State reserves the right to reject any offer if evidence submitted or investigation of such contractor fails to satisfy the State that the contractor is properly qualified to deliver services.

Bidder shall list all contracts awarded to it or its predecessor firm(s) by the State of Delaware during the last three years, by State Department, Division, Contact Person (with address/phone number), period of performance and amount. The Evaluation/Selection Review Committee will consider these as additional references and may contact these sources. Information regarding bidder performance gathered from these sources may be included in the Committee's deliberations and may be factored into the final scoring of the bid. Failure to list any contract as required by this paragraph may be grounds for immediate rejection of the bid.

#### **4.21 Project Cost**

The Department reserves the right to award this project to a bidder other than the one with the lowest cost or to decide not to fund this project at all. Cost will be balanced against the score received by each bidder in the rating process. The State of Delaware reserves the right to reject, as technically unqualified, proposals that are unrealistically low if, in judgment of the Evaluation Committee, a lack of sufficient budgeted resources would jeopardize the successful completion of the project.

#### **4.22 General Reporting Requirements**

Projects funded by the Division may be required to submit Program and Financial Reports.

#### **4.23 Right to a Debriefing**

To request a debriefing on a bidder selection, the bidder must submit a letter requesting a debriefing to the Procurement Administrator, DHSS, within ten days of the announced selection. In the letter, the bidder must specifically state the reason(s) for the debriefing. Debriefing requests must be based on pertinent issues relating to the selection process. Debriefing requests based on specifications in the RFP will not be accepted. All debriefing requests will be evaluated in accordance with these conditions. Debriefing requests that meet these conditions will be reviewed and respectively answered by the Procurement Administrator and/or Debriefing Committee.

#### **4.24 Delaware Contract Language**

The Standard Department Contract (**Section 7 of this RFP**) contains a copy of the standard Departmental contract, which will be used for the agreement between the State and the winning bidder. By submitting a proposal to this RFP, the bidder agrees to be bound by the terms and conditions in that contract document.

#### **4.25 Proposal Becomes State Property**

All proposals become the property of the State of Delaware and will not be returned to contractors.

#### **4.26 Public Record**

The Department will not divulge specific content of proposals to the extent that the contractor identifies contents as privileged or confidential. Any information not so designated will be considered public information.

## **5 Proposal Format & Bidders Instructions**

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### **General Instructions**

**All submitted proposals must follow the format presented in this section. Proposals must also be complete and accurate. Failure to follow this instruction may result in automatic rejection and return of your proposal without consideration for the project.**

Each application **must** include all the items identified in the Proposal Response Table of Contents (**Attachment B of this RFP**).

### **5.1 Section 1 : Required Forms and Transmittal Letter**

The following Items 5.1.1 through 5.1.7 list the forms that must be completed (and, if applicable, signed by an individual authorized to legally bind the bidder) and must be included in your proposal. Item 5.1.8, a Transmittal Letter, as described below, must also be submitted.

#### **5.1.1 Proposal Response Table of Contents**

Each application **must** contain all items listed in the **Proposal Response Table of Contents**. This form is included in **Attachment B of this RFP**.

#### **5.1.2 Bidder's Signature Form**

This form is included in **Attachment B of this RFP** and shall contain:

- Name of Bidding Agency
- Signature of Authorized contracting staff member
- Printed / typed name of authorized contracting staff member
- Mailing address of bidding agency



- Name, Telephone, and Fax number(s) of agency contact person for the proposal
- Bidding agency's Federal Employer Identification Number
- The final statement on the form must include company/Agency Name.

### **5.1.3 Office of Minority and Women Business Enterprise Self-Certification Tracking Form**

This form is included in **Attachment B** and is self-explanatory. The second page of the form contains definitions. It must be completed and signed by an individual authorized to legally bind the bidder.

### **5.1.4 Compliance Form**

This form is included in **Attachment B** and must be completed and signed by an individual authorized to legally bind the bidder.

### **5.1.5 Certification Sheet**

This form is included in **Attachment B** and must be completed and signed by an individual authorized to legally bind the bidder.

### **5.1.6 Notification to Bidders**

Bidders shall list all contracts awarded to it and its predecessor firm(s) by the State of Delaware during the last three years, by State Department, Division, Contact Person (with address/phone number), period of performance and amount. Failure to list any contract as required by this paragraph may be grounds for immediate rejection of the bid. The Notification to Bidders form is included in **Attachment B of this RFP**.

### **5.1.7 Mandatory Submission Requirements Checklist**

This is the mandatory submission requirements checklist. Agreement to or acknowledgement of a requirement is shown by a Y (Yes) or N (No) next to the requirement and a signature at the bottom of the checklist. **Failure to adequately meet any one (1) mandatory requirement may cause the entire proposal to be deemed non-responsive and be rejected from further consideration.** However, the State reserves the right to waive minor irregularities and minor instances of non-compliance. This form is included in **Attachment B**.

### **5.1.8 Transmittal Letter**

The Transmittal Letter shall be in the form of a standard business letter on official business letterhead and shall be marked "**Section 1: Transmittal Letter**". An individual authorized to legally bind the bidder shall sign it. It shall include at a minimum:

- A statement indicating that the bidder is a corporation or other legal entity and satisfies all licensing requirements of the State or Federal law.
- A statement that no attempt has been made or will be made by the bidder to induce any other person or firm to submit a proposal.
- A statement that proposed services satisfy the requirements established in the RFP.

- A statement of affirmative action that the bidder does not discriminate in its employment practice with regard to race, color, religion, age (except as provided by law), sex, marital status, political affiliation, national origin, or handicap.
- A statement that the bidder will comply with all terms and conditions as indicated in the General Instructions for Submission of Proposals (**Section 3**), Terms and Conditions (**Section 4**), and in the Standard Department Contract (**Section 7**), included as part of this RFP, except as to modifications mutually agreed upon by the contractor and Department.
- A statement that the bidder has the capability to provide the services requested through this RFP.
- A statement that the bidder will comply with the requirements of The Americans with Disabilities Act of 1990 (ADA) and the terms and conditions of the DHSS Standard Contract Boilerplate including the Divisional Requirements.

## **5.2 Section 2 - Technical Proposal**

### **5.2.1 Corporate Qualifications and Experience**

This section shall contain all pertinent information relating to the primary bidder's corporate organization, personnel, and experience, including but not limited to references, together with contact name and telephone number that will serve to substantiate the bidder's corporate qualifications, and capabilities to perform the services required by the RFP. Describe the organization's expertise in areas of the proposed project, and experience in operating any similar projects. A summary of similar current and completed projects should be included. The following detail must be provided:

1. The bidder must indicate name, address and telephone number of the legal entity with whom the contract is to be written.
2. The bidder must indicate the location of the bidder's office that will be responsible for managing this contract. The telephone number and name of contact individual must be included.
3. The bidder must indicate the legal status of the company (for example, corporation, sole proprietorship, partnership).
4. The bidder should describe past and current projects that are very similar in size, purpose and scope to that required by this RFP that the bidder's company has been involved in. Also describe any experience with State of Delaware government agencies/programs.
5. Previous/current projects cited should demonstrate how the company's involvement on the projects relates to the company's ability to contribute to the successful completion of the scope of work specified in this RFP.

Similar information should also be provided for any subcontracted companies.

### **5.2.2 Staff Qualifications and Experience.**

1. The bidder must provide a project organizational chart, with names, showing the individuals (including subcontractor's personnel) to be assigned to the project. The chart should include the labor category and title of each individual assigned and provide a summary of each individual's employer, function and role on the project.
2. The bidder must provide an organizational chart showing the primary bidder's organizational structure. This chart will show the relationship of the individuals assigned to this project to the bidder's overall organizational structure.
3. The Bidder must include a summary table showing all staff who will be assigned to the project, the person's role in the project and the number of hours the person will be assigned to the project for the initial phase of February 1, 2011 through September 30, 2011. This table should look like or be similar to Cost Proposal Form #1 except should not include any cost information such as hourly billing rates.
4. The bidder must designate a Project Manager and provide the name, title, address and telephone number of the Project Manager as well as a detailed resume that includes references.
5. A detailed resume must be submitted for each individual assigned to the project as identified on the project organizational chart and the comprehensive list of personnel assigned as required above. Resumes should be constructed to emphasize relevant qualifications and experience of the individuals assigned in successfully completing projects of a similar size and scope to those required by this RFP. Resumes should also include the following data:
  - a. Name
  - b. Skill Category(ies) for this project
  - c. Education, for each school list the school name and mailing address, dates attended, major(s), degree(s) conferred and date(s)
  - d. Employment History

Do not include personal identifiers such as social security numbers, personal phone numbers, and personal addresses. Place the complete resumes for all project staff in Proposal Appendix A.

6. Dates and descriptions of previous projects should be given and should demonstrate how the individual's role and work on current and/or completed projects relates to the individual's ability to contribute to the successful completion of the scope of work specified in this RFP.
7. Emphasis should be placed on projects that are very similar in size and scope to that required by the RFP. Also describe any experience with State of Delaware government agencies/programs.

### **5.2.3 Additional Qualifications and Experience**

DHSS expects that a responsive bidder will address the need for corporate and individual qualifications such as those described below:

1. The vendor's proposal should identify one staff person(s) who will be assigned to this project who is a Fellow of the Society of Actuaries or possess certification by or is a Member of the American Academy of Actuaries and the Actuarial Standards Board. Vendors should include a copy of the certifications of these standards for each key staff person who meets these qualifications.
2. The vendor/company should have the automated systems capacity and staff knowledge, skills and ability to analytically process large data sets (for example from DHSS, from its Medicaid and CHIP program eligibility systems, from the DHSS Medicaid fiscal agent) on a timely basis, so as to allow all tasks that require these types of data to be completed on schedule. The vendor should indicate if it has adequate ability to process and analyze large data sets.
3. The vendor should have staff assigned to this project with experience in assisting public and private entities in the design, development, financial management, oversight and management of health insurance programs.
4. The vendor should have staff assigned to this project with prior experience with health insurance.
5. The vendor's proposal must also indicate whether the bidder has had a contract terminated for default within the last five years. Termination for default is defined as notice to stop performance delivered to the bidder due to bidder's nonperformance or poor performance and the issue of performance was either:
  - a. Not litigated due to inaction on the part of the bidder or
  - b. Litigated and determined that the bidder was in default.
  - c. If the bidder has had a contract terminated for default in this period, then the bidder must submit full details including the other party's name, address and telephone number.

#### **5.2.4 Bidder References**

The bidder must submit with the bid package the name and address of three (3) professional references who have experience with the Bidder's company. The format of each reference shall be:

- a. Customer Name
- b. Business address of customer
- c. Telephone number of customer contact
- d. Description of work performed by the bidder (including period of performance)
- e. Indicate which staff being proposed for the Delaware project worked on a project for the reference company

These should be agencies/organizations for whom the bidder carried out a similar project. If no similar project has been conducted, other projects requiring comparable skills may be cited.

Note – as stated elsewhere in this RFP, the bidder will also provide a list all contracts awarded to it or its predecessor firm(s) by the State of Delaware during the last three years, by State Department, Division, Contact Person (with address/phone number) period of performance and amount. Such contracts will also be considered references.

#### **5.2.5 State Staffing Requirements**

There will be one full time State manager assigned to this project along with one full time administrative support person. The State will be able to make copies of documents prepared by the contractor as necessary for meetings. The bidder must detail if other State staff will be needed as resources to the project and provide detail as to the expected responsibilities of other required State staff.

#### **5.2.6 Proposed Methodology and Draft Work Plan**

1. The Bidder should propose a draft project workplan for the HBE planning phase which is February 1, 2011 through September 30, 2011.
2. The bidder will describe the general approach to managing the delivery of the required services. This section of the vendor proposal will also include the bidder's plans to manage, control and supervise the delivery of the required services in order to insure satisfactory contract performance. The description will also include the bidder's approach to liaison with the State's designated Project Manager, including communications, project coordination, status meetings and reports.
3. Project management techniques, controls, and tools the Project Manager will use in the execution of the requirements of this RFP should be described. The bidder should address each of the following items:
  - a. Describe your approach to Project Management - Methods/Techniques (CPM, PERT, etc.) and tools to be utilized.

- b. Describe the Planning Methodology to be utilized.
  - c. Describe your Change Control/Problem Reporting Methodology/Techniques.
4. The bidder's response must describe the project management and control concepts used to ensure successful and timely completion of the requirements of this RFP. The bidder must identify how critical problems will be resolved. Assumptions upon which the plan is based and any constraints that may affect its successful execution must be identified.
  5. The contents of the bidder's response to this section of the RFP should be designed to convince the State that the bidder's detailed plans and approach proposed to complete the required Scope of Work are realistic, attainable and appropriate and that the proposed plans will lead to successful provision of the required services.
  6. Proposal Timetable. A comprehensive project schedule appropriate to the complexity of the project must be submitted with the bidder's proposal. This schedule must set forth in detail the bidder's plans and approach for completing all tasks required by the scope of work. A summary work schedule and Gantt chart at the task level must be included. A critical path for the completion of the project must be indicated and task numbers as detailed in this RFP must be included.
  7. The bidder should feel free to propose additional deliverables if the bidder feels that it would be in the best interests of the State or would ensure the successful completion of the project.
  8. This section of the bidder's proposal may address problems that the bidder anticipates will arise during the course of the contract period. For each problem identified, the bidder should propose a solution.

### **5.3 Section 3 - Cost Proposal**

The estimated budget for the Health Benefit Exchange planning project (i.e., assume from February 1, 2011 through September 30, 2011) is approximately \$725,000. Should additional funding become available, the budget for additional activities will be negotiated based on a scope of services document that will be mutually developed by the State and the vendor during the HBE planning phase of the project.

The Bidder's financial requirements during the HBE planning phase between February 1, 2011 and September 30, 2011 must be specified on the cost forms provided in this RFP. The total cost for consultants cannot exceed \$725,000.

**NOTE: A copy of the completed Cost Proposal must be included in a separate file named "Cost Proposal". The Cost Proposal must be submitted in EXCEL format.**

## 5.4 Proposal Appendices

**Proposal Appendix A:** Provide Resumes for all staff who will be assigned to this project. This should include any staff members identified by name and title on the Cost Proposal Form #1 provided in your completed Cost Proposal (**RFP Attachment A**).

**Proposal Appendix B: Delaware Business License or Form 501-C**

If currently licensed, provide a copy of your Delaware Business license or, if applicable, a copy of form 501-C. If not currently licensed and not 501-C, provide a statement of intent to obtain a Delaware business license if awarded the contract.

**CONFIDENTIAL APPENDICES (To be included on separate CDs labeled "Corporate Confidential Information")**

**Proposal Appendix C Financial Capability:** Evidence of financial capacity and capability to fulfill the RFP requirements is an important consideration for the award of a contract regardless of any other considerations. Bidders must include in their proposal such financial documentation as they believe sufficient to establish their financial capability.

The bidder should submit the following financial reports for the primary bidder for the most recent fiscal years:

- a. For a publicly held corporation, a copy of the audited financial reports and financial statements with the name, address and telephone number of a responsible person in the company's principal financial banking organization and/or its auditor(s).
- b. For a privately held corporation, proprietorship, or partnership, either a financial report that has been audited by an independent Certified Public Accountant or financial information similar to that included in an annual report, to include at a minimum: an income statement, a statement of cash flow, a balance sheet, and the name, address and telephone number of a contact in the company's principal financial or banking organization and its auditor(s).

## 6 Proposal Evaluation/Contractor Selection

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Delaware Department of Health and Social Services (DHSS) will conduct a comprehensive and impartial evaluation of all proposals received in response to this RFP that comply with the due dates specified in the Procurement Schedule (**Section 3.6**) of this RFP. Selection of the successful bidder will be based on the proposal that is determined to be in the best interest of the Department, taking into consideration criteria set forth in this RFP. The Department reserves the right to reject any or all proposals

received, or cancel this RFP, regardless of evaluation, if it is determined to be in the best interest of the Department.

### **6.1 Technical Review**

A Technical Review Committee will evaluate each technical proposal that has met the mandatory requirements. Committees may consist of staff from the Division, the Department as well as other areas of state government and/or members of the community. An oral presentation by the bidder may be requested.

#### **a. In General, the evaluation shall consider:**

1. The proposal's adherence to the required format, completeness of response and demonstration of understanding of the RFP requirements.
2. The bidder's past performance in similar projects. References will be checked and detailed discussions may be held with each suitable reference. Information regarding bidder performance gathered from contracts with other state agencies will be included in the Committee's deliberations and factored in the final scoring of the bid.
3. An assessment of the bidder's overall proposed staff, organizational structure, operations, and qualifications of personnel regarding the bidder's ability to successfully meet the RFP requirements.
4. The financial capacity and capability of the bidder, as judged by the State, to fulfill the RFP requirements.
5. The bidder's general approach, proposed workplan and methodology and detailed plans for project management in meeting the RFP requirements.
6. The overall capability of the bidder, all factors considered, as judged by the State, to successfully meet all of the RFP requirements.
7. The bidder's provisions for providing all required documentation and deliverables stipulated in the RFP.
8. The bidders understanding of the State's needs that generated the RFP, of the State's objectives in asking for the services, and of the nature of the scope of the work involved.

#### **b. Oral Presentations:**

1. Bidders who submit a response to this RFP may be required to give an oral presentation of their proposal to the State. The purpose of such a presentation is to provide an opportunity for the bidder to clarify or elaborate on the proposal. Original submissions cannot be supplemented, changed or corrected in any way. No comments regarding other bidders or proposals are permitted and bidders may not attend presentations by their competitors.



2. Bidders must clearly understand that it is the State's sole option to determine which bidders, if any, will be invited to make oral presentations. Bidders shall not construe the list of firms invited, if any, to imply acceptance or rejection of any bid(s).

**c. Investigation of Bidder's Qualifications (Financial Capability):**

The proposal review will consider evidence of financial capacity and capability to fulfill the RFP requirements.

**6.2 Cost Review**

A Cost Review Committee will evaluate each cost proposal that has met the mandatory requirements. The Department reserves the right to award this contract to a bidder other than the one with the lowest cost. While an integral part of the bid process, the cost proposal will also be scored and will be balanced against the score received by each bidder in the technical rating process described above.

The bidder must complete Cost Proposal Forms #1 and #2. The cost information provided must be all inclusive, incorporating all direct and indirect costs including, but not limited to: fee or profit, sub contractor costs, clerical support, safety equipment, materials, supplies, managerial support, and all documents, forms and reproductions thereof.

The bidder shall report the hourly rate for each consultant who will work on the project and the number of hours proposed for each person on the Project Cost Proposal Form #1 as well as all other information requested on that form.

Estimated travel costs will be recorded separately on Cost Proposal Form #2. These costs will also be evaluated and factor into the scoring.

**6.3 Ranking of Proposal**

The evaluation committee will recommend proposal(s) with the highest total points from this section. The final decision to contract will be made by the Secretary of the Department of Health and Social Services. The following represents the basis used for determining total points:

Methodology/Workplan/Technical approach of contractor to Scope of Work	20%
Corporate Experience/expertise of primary contractor And sub contractor companies	20%
Experience/expertise of the proposed consultants	45%
Cost Proposal.....	15%

**6.4 Proposal Evaluation - Mandatory Requirements:**

The Proposal will be evaluated to determine if it meets the Mandatory Submission Requirements described in the Mandatory Submission Requirements Checklist found in **Attachment B. Failure to adequately meet any one (1) mandatory requirement may**

**cause the entire proposal to be deemed non-responsive and be rejected from further consideration.** However, the State reserves the right to waive minor irregularities and minor instances of non-compliance. Proposals meeting the mandatory submission requirements will be given to the State Evaluation Team. Mandatory submission requirements are as follows:

1. The bid is submitted no later than the closing date and time.
2. Two (2) CDs (Labeled as **“Original”**), six (6) CDs (Labeled as **“Copy”**), one (1) set of up to three additional CDs (Labeled **“Corporate Confidential Information”**).
3. Transmittal letter signed by an officer of the organization, or authorized designee
4. Acceptance of General Instructions and Terms and Conditions of the RFP and Standard Department Contract by inclusion in the proposal, or a clear statement of any specific exceptions noted
5. Primary Bidder Financial Information (included on the CDs labeled as **“Corporate Confidential Information”**).
6. Copy of current business license or Form 501-C (only if currently licensed)
7. Completed Cost Proposal (**Attachment A of this RFP**) included with the proposal in a **separate file in Excel format named “Cost Proposal”**.
8. Completed Required Forms (**Attachment B of this RFP**).

It should be noted that failure to submit the information required in the RFP may result in a determination that the bidder’s proposal is non-responsive to the RFP requirements.

## **7 Standard Department Contract**

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### **DHSS Standard Contract Boilerplate**

#### **CONTRACT**

##### A) Introduction

1. This contract is entered into between the Delaware Department of Health and Social Services (the Department), Division of \_\_\_\_\_ (Division) and \_\_\_\_\_ (the Contractor).
2. The Contract shall commence on \_\_\_\_\_ and terminate on \_\_\_\_\_ unless specifically extended by an amendment, signed by all parties to the Contract. Time is of the essence. (Effective contract start date is subject to the provisions of Paragraph C 1 of this Agreement.)

B) Administrative Requirements

1. Contractor recognizes that it 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 Contractor'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 Contractor in their negligent performance under this Contract.
  
2. The Contractor shall maintain such insurance as 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 Contractor is an independent contractor and is not an employee of the State.
  
3. During the term of this Contract, the Contractor shall, at its own expense, carry insurance with minimum coverage limits as follows:
 

a)	Comprehensive General Liability	\$1,000,000
and		
b)	Medical/Professional Liability	\$1,000,000/ \$3,000,000
or	c) Misc. Errors and Omissions	\$1,000,000/\$3,000,000
or	d) Product Liability	\$1,000,000/\$3,000,000

All contractors must carry (a) and at least one of (b), (c), or (d), depending on the type of service or product being delivered.

If the contractual service requires the transportation of Departmental clients or staff, the contractor shall, in addition to the above coverage, secure at its own expense the following coverage:

- |    |  |                     |
|----|--|---------------------|
| e) | Automotive Liability (Bodily Injury)   | \$100,000/\$300,000 |
| f) | Automotive Property Damage (to others) | \$25,000            |

4. Notwithstanding the information contained above, the Contractor shall indemnify and hold harmless the State of Delaware, the Department and the Division from contingent liability to others for damages because of bodily injury, including death, that may result from the Contractor's negligent performance under this Contract, and any other liability for damages for which the Contractor is required to indemnify the State, the Department and the Division under any provision of this Contract.
  
5. The policies required under Paragraph B3 must be written to include Comprehensive General Liability coverage, including Bodily Injury and Property damage insurance to protect against claims arising from the performance of the Contractor and the

contractor's subcontractors under this Contract and Medical/Professional Liability coverage when applicable.

6. The Contractor shall provide a Certificate of Insurance as proof that the Contractor has the required insurance. The certificate shall identify the Department and the Division as the "Certificate Holder" and shall be valid for the contract's period of performance as detailed in Paragraph A 2.
7. The Contractor acknowledges and accepts full responsibility for securing and maintaining all licenses and permits, including the Delaware business license, as applicable and required by law, to engage in business and provide the goods and/or services to be acquired under the terms of this Contract. The Contractor acknowledges and is aware that Delaware law provides for significant penalties associated with the conduct of business without the appropriate license.
8. The Contractor agrees to comply with all State and Federal licensing standards and all other applicable standards as required to provide services under this Contract, to assure the quality of services provided under this Contract. The Contractor shall immediately notify the Department in writing of any change in the status of any accreditations, licenses or certifications in any jurisdiction in which they provide services or conduct business. If this change in status regards the fact that its accreditation, licensure, or certification is suspended, revoked, or otherwise impaired in any jurisdiction, the Contractor understands that such action may be grounds for termination of the Contract.

a) If a contractor is under the regulation of any Department entity and has been assessed Civil Money Penalties (CMPs), or a court has entered a civil judgment against a Contractor or vendor in a case in which DHSS or its agencies was a party, the Contractor or vendor is excluded from other DHSS contractual opportunities or is at risk of contract termination in whole, or in part, until penalties are paid in full or the entity is participating in a corrective action plan approved by the Department.

A corrective action plan must be submitted in writing and must respond to findings of non-compliance with Federal, State, and Department requirements. Corrective action plans must include timeframes for correcting deficiencies and must be approved, in writing, by the Department.

The Contractor will be afforded a thirty (30) day period to cure non-compliance with Section 8(a). If, in the sole judgment of the Department, the Contractor has not made satisfactory progress in curing the infraction(s) within the aforementioned thirty (30) days, then the Department may immediately terminate any and/or all active contracts.

9. Contractor agrees to comply with all the terms, requirements and provisions of the Civil Rights Act of 1964, the Rehabilitation Act of 1973 and any other federal, state, local or any other anti discriminatory act, law, statute, regulation or policy along with all amendments and revision of these laws, in the performance of this Contract and will not discriminate against any applicant or employee or service recipient because of race, creed, religion, age, sex, color, national or ethnic origin, disability or any other unlawful discriminatory basis or criteria.
10. The Contractor agrees to provide to the Divisional Contract Manager, on an annual basis, if requested, information regarding its client population served under this Contract by race, color, national origin or disability.
11. This Contract may be terminated in whole or part:
  - a) by the Department upon five (5) calendar days written notice for cause or documented unsatisfactory performance,
  - b) by the Department upon fifteen (15) calendar days written notice of the loss of funding or reduction of funding for the stated Contractor services as described in Appendix B,
  - c) by either party without cause upon thirty (30) calendar days written notice to the other Party, unless a longer period is specified in Appendix A.

In the event of termination, all finished or unfinished documents, data, studies, surveys, drawings, models, maps, photographs, and reports or other material prepared by Contractor under this contract shall, at the option of the Department, become the property of the Department.

In the event of termination, the Contractor, upon receiving the termination notice, shall immediately cease work and refrain from purchasing contract related items unless otherwise instructed by the Department.

The Contractor shall be entitled to receive reasonable compensation as determined by the Department in its sole discretion for any satisfactory work completed on such documents and other materials that are usable to the Department. Whether such work is satisfactory and usable is determined by the Department in its sole discretion.

Should the Contractor cease conducting business, become insolvent, make a general assignment for the benefit of creditors, suffer or permit the appointment of a receiver for its business or assets, or shall avail itself of, or become subject to any proceeding under the Federal Bankruptcy Act or any other statute of any state relating to insolvency or protection of the rights of creditors, then at the option of the Department, this Contract shall terminate and be of no further force and effect. Contractor shall notify the Department immediately of such events.

12. Any notice required or permitted under this Contract shall be effective upon receipt and may be hand delivered with receipt requested or by registered or certified mail with return receipt requested to the addresses listed below. Either Party may change its address for notices and official formal correspondence upon five (5) days written notice to the other.

To the Division at:

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To the Contractor at:

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13. In the event of amendments to current Federal or State laws which nullify any term(s) or provision(s) of this Contract, the remainder of the Contract will remain unaffected.
14. This Contract shall not be altered, changed, modified or amended except by written consent of all Parties to the Contract.
15. The Contractor shall not enter into any subcontract for any portion of the services covered by this Contract without obtaining prior written approval of the Department. Any such subcontract shall be subject to all the conditions and provisions of this Contract. The approval requirements of this paragraph do not extend to the purchase of articles, supplies, equipment, rentals, leases and other day-to-day operational expenses in support of staff or facilities providing the services covered by this Contract.
16. This entire Contract between the Contractor and the Department is composed of these several pages and the attached:

Appendix A - Divisional Requirements

Appendix B - Services Description

Appendix C - Contract Budget

Appendix .....

17. This Contract shall be interpreted and any disputes resolved according to the Laws of the State of Delaware. Except as may be otherwise provided in this contract, all claims, counterclaims, disputes and other matters in question between the Department and Contractor arising out of or relating to this Contract or the breach thereof will be decided by arbitration if the parties hereto mutually agree, or in a court of competent jurisdiction within the State of Delaware.
18. In the event Contractor is successful in an action under the antitrust laws of the United States and/or the State of Delaware against a vendor, supplier, subcontractor, or other party who provides particular goods or services to the Contractor that impact the budget for this Contract, Contractor agrees to reimburse the State of Delaware, Department of Health and Social Services for the pro-rata portion of the damages awarded that are attributable to the goods or services used by the Contractor to fulfill the requirements of this Contract. In the event Contractor refuses or neglects after reasonable written notice by the Department to bring such antitrust action, Contractor shall be deemed to have assigned such action to the Department.
19. Contractor covenants that it presently has no interest and shall not acquire any interests, direct or indirect, that would conflict in any manner or degree with the performance of this Contract. Contractor further covenants that in the performance of this contract, it shall not employ any person having such interest.
20. Contractor covenants that it has not employed or retained any company or person who is working primarily for the Contractor, to solicit or secure this agreement, by improperly influencing the Department or any of its employees in any professional procurement process; and, the Contractor has not paid or agreed to pay any person, company, corporation, individual or firm, other than a bona fide employee working primarily for the Contractor, any fee, commission, percentage, gift or any other consideration contingent upon or resulting from the award or making of this agreement. For the violation of this provision, the Department shall have the right to terminate the agreement without liability and, at its discretion, to deduct from the contract price, or otherwise recover, the full amount of such fee, commission, percentage, gift or consideration.
21. The Department shall have the unrestricted authority to publish, disclose, distribute and otherwise use, in whole or in part, any reports, data, or other materials prepared under this Contract. Contractor shall have no right to copyright any material produced in whole or in part under this Contract. Upon the request of the Department, the Contractor shall execute additional documents as are required to assure the transfer of such copyrights to the Department.

If the use of any services or deliverables is prohibited by court action based on a U.S. patent or copyright infringement claim, Contractor shall, at its own expense, buy for the Department the right to continue using the services or deliverables or modify or replace the product with no material loss in use, at the option of the Department.

22. Contractor agrees that no information obtained pursuant to this Contract may be released in any form except in compliance with applicable laws and policies on the confidentiality of information and except as necessary for the proper discharge of the Contractor's obligations under this Contract.
23. Waiver of any default shall not be deemed to be a waiver of any subsequent default. Waiver or breach of any provision of this Contract shall not be deemed to be a waiver of any other or subsequent breach and shall not be construed to be a modification of the terms of the Contract unless stated to be such in writing, signed by authorized representatives of all parties and attached to the original Contract.
24. If the amount of this contract listed in Paragraph C2 is over \$25,000, the Contractor, by their signature in Section E, is representing that the Firm and/or its Principals, along with its subcontractors and assignees under this agreement, are not currently subject to either suspension or debarment from Procurement and Non-Procurement activities by the Federal Government.

#### C) Financial Requirements

1. The rights and obligations of each Party to this Contract are not effective and no Party is bound by the terms of this contract unless, and until, a validly executed Purchase Order is approved by the Secretary of Finance and received by Contractor, *if required by the State of Delaware Budget and Accounting Manual*, and all policies and procedures of the Department of Finance have been met. The obligations of the Department under this Contract are expressly limited to the amount of any approved Purchase Order. The State will not be liable for expenditures made or services delivered prior to Contractor's receipt of the Purchase Order.
2. Total payments under this Contract shall not exceed \$ \_\_\_\_\_ in accordance with the budget presented in Appendix C. Payment will be made upon receipt of an itemized invoice from the Contractor in accordance with the payment schedule, if any. The contractor or vendor must accept full payment by procurement (credit) card and or conventional check and/or other electronic means at the State's option, without imposing any additional fees, costs or conditions. Contractor is responsible for costs incurred in excess of the total cost of this Contract and the Department is not responsible for such costs.
3. The Contractor is solely responsible for the payment of all amounts due to all subcontractors and suppliers of goods, materials or services which may have been



acquired by or provided to the Contractor in the performance of this contract. The Department is not responsible for the payment of such subcontractors or suppliers.

4. The Contractor shall not assign the Contract or any portion thereof without prior written approval of the Department and subject to such conditions and revisions as the Department may deem necessary. No such approval by the Department of any assignment shall be deemed to provide for the incurrence of any obligations of the Department in addition to the total agreed upon price of the Contract.
5. Contractor shall maintain books, records, documents and other evidence directly pertinent to performance under this Contract in accordance with generally accepted accounting principles and practices. Contractor shall also maintain the financial information and data used by Contractor in the preparation of support of its bid or proposal. Contractor shall retain this information for a period of five (5) years from the date services were rendered by the Contractor. Records involving matters in litigation shall be retained for one (1) year following the termination of such litigation. The Department shall have access to such books, records, documents, and other evidence for the purpose of inspection, auditing, and copying during normal business hours of the Contractor after giving reasonable notice. Contractor will provide facilities for such access and inspection.
6. The Contractor agrees that any submission by or on behalf of the Contractor of any claim for payment by the Department shall constitute certification by the Contractor that the services or items for which payment is claimed were actually rendered by the Contractor or its agents, and that all information submitted in support of the claims is true, accurate, and complete.
7. The cost of any Contract audit disallowances resulting from the examination of the Contractor's financial records will be borne by the Contractor. Reimbursement to the Department for disallowances shall be drawn from the Contractor's own resources and not charged to Contract costs or cost pools indirectly charging Contract costs.
8. When the Department desires any addition or deletion to the deliverables or a change in the services to be provided under this Contract, it shall so notify the Contractor. The Department will develop a Contract Amendment authorizing said change. The Amendment shall state whether the change shall cause an alteration in the price or time required by the Contractor for any aspect of its performance under the Contract. Pricing of changes shall be consistent with those prices or costs established within this Contract. Such amendment shall not be effective until executed by all Parties pursuant to Paragraph B 14.

#### D) Miscellaneous Requirements

1. *If applicable*, the Contractor agrees to adhere to the requirements of DHSS Policy Memorandum # 46, (PM #46, effective 3/11/05), and divisional procedures

- regarding the reporting and investigation of suspected abuse, neglect, mistreatment, misappropriation of property and significant injury of residents/clients receiving services, including providing testimony at any administrative proceedings arising from such investigations. The policy and procedures are included as Appendix \_\_\_\_\_ to this Contract. It is understood that adherence to this policy includes the development of appropriate procedures to implement the policy and ensuring staff receive appropriate training on the policy requirements. The Contractor's procedures must include the position(s) responsible for the PM46 process in the provider agency. Documentation of staff training on PM46 must be maintained by the Contractor.
2. The Contractor, including its parent company and its subsidiaries, and any subcontractor, including its parent company and subsidiaries, agree to comply with the provisions of 29 Del. Code, Chapter 58: "Laws Regulating the Conduct of Officers and Employees of the State," and in particular with Section 5805 (d): "Post Employment Restrictions."
  3. *When required by Law*, Contractor shall conduct child abuse and adult abuse registry checks and obtain service letters in accordance with 19 Del. Code Section 708; and 11 Del. Code, Sections 8563 and 8564. Contractor shall not employ individuals with adverse registry findings in the performance of this contract.
  4. *If applicable*, the Contractor agrees to adhere to the requirements of DHSS Policy Memorandum # 40 (PM #40, effective 3/10/2008), and divisional procedures regarding conducting criminal background checks and handling adverse findings of the criminal background checks. This policy and procedure are included as Appendix \_\_\_\_\_ to this Contract. It is understood that adherence to this policy includes the development of appropriate procedures to implement the policy and ensuring staff receive appropriate training on the policy requirements. The Contractor's procedures must include the title of the position(s) responsible for the PM40 process in the contractor's agency.
  5. *If applicable*, the Contractor agrees to adhere to the requirements of DHSS Policy Memorandum # 36 (PM #36, effective 9/24/2008), and divisional procedures regarding minimal requirements of contractors who are engaging in a contractual agreement to develop community based residential arrangements for those individuals served by Divisions within DHSS. This policy and procedure are included as Appendix \_\_\_\_\_ to this Contract. It is understood that adherence to this policy includes individuals/entities that enter into a contractual arrangement (*contractors*) with the DHSS/Division to develop a community based residential home(s) and apartment(s). Contractors shall be responsible for their subcontractors' adherence with this policy and related protocol(s) established by the applicable Division.

6. All Department campuses are tobacco-free. Contractors, their employees and sub-contractors are prohibited from using any tobacco products while on Department property. This prohibition extends to personal vehicles parked in Department parking lots.

E) Authorized Signatures:

For the Contractor:

\_\_\_\_\_  
Name/Signature

\_\_\_\_\_  
Typed Name

\_\_\_\_\_  
Title

\_\_\_\_\_  
Date

For the Department:

\_\_\_\_\_  
Rita M. Landgraf  
Secretary

\_\_\_\_\_  
Date

For the Division:

\_\_\_\_\_  
Rosanne Mahaney, Director

\_\_\_\_\_  
Date

# **Appendix A Of The Standard Contract - Divisional Requirements**

## **Division of Medicaid and Medical Assistance**

### **DIVISIONAL REQUIREMENTS**

1. Funds received and expended under the contract must be recorded so as to permit the Division to audit and account for all contract expenditures in conformity with the terms, conditions, and provisions of this contract, and with all pertinent federal and state laws and regulations. The Division retains the right to approve this accounting system.
2. The Contractor shall recognize that no extra contractual services are approved unless specifically authorized in writing by the Division. Further, the Contractor shall recognize that any and all services performed outside the scope covered by this Contract and attached budgets will be deemed by the Division to be gratuitous and not subject to any financial reimbursement.
3. All products are expected to be free of misspellings and typos, as well as punctuation, grammatical and design errors. Acronyms should be avoided; when used, they should be spelled out on first reference with the acronym in parentheses after that reference. For example, 'Division of Social Services (DSS)' on first reference.
4. No part of any funds under this contract shall be used to pay the salary or expenses of any contractor or agent acting for the contractor, to engage in any activity (lobbying) designed to influence legislation or appropriations pending before the State Legislature and/or Congress.
5. The contractor agrees that, if defunding occurs, all equipment purchased with Division funds for \$1,000.00 or more and a useful life expectancy of one (1) year, will be returned to the Division within thirty (30) days.
6. Grantees or subgrantees receiving Federal funds must comply with all the requirements of the Federal Office of Management and Budget (OMB) Circular A-133, Audits of State, Local Governments, and Non-profit Organizations.

## Attachment A: Cost Proposal

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The cost forms are shown in this RFP are in PDF format, but should be completed by the bidder and submitted in Excel format.

### Cost Proposal Form #1 – Consultant Costs:

1. Each bidder must complete this form
2. The total costs shown on this form cannot exceed \$725,000
3. Be sure to enter the name of the bidder at the top of the form.
4. The hourly rates quoted should be fully loaded rates excluding any miscellaneous costs included in Cost Form #1 and excluding travel costs. Do not include any travel costs on Cost Form #1.
5. The Bidder must list the following individual consultants who will be assigned to the project along with their hourly rate and the number of hours the bidder expects each staff person to be assigned to the project between February 1, 2011 and September 30, 2011:
  - overall project manager/administrator
  - technical group leader
  - governance & policy group leader
  - operations group leader
  - other experts – list other individuals who can be assigned to the project and provide the kinds of expertise the state has identified in this RFP such as: health care insurance, Medicaid/Medicare, systems/technology, actuarial, health care financing, etc.)
  - other consultants or staff the bidder deems important or appropriate for the project.

Note: if the bidder believes that a single consultant can fill more than one role, make this clear by listing the person on two or more separate rows; one for each project role along with the number of hours the person will devote to each role. As mentioned above, the cost form should be completed in Excel format and the bidder may add as many rows as necessary in order to list all staff who will be assigned to the project.

### Cost Proposal Form #2 – Travel Costs:

The amount of travel associated with this project is currently unknown. In order to gauge the possible cost of consultant travel, and have a uniform standard of cost comparison among potential bidders, the State has included a template of assumed travel requirements. Each bidder must complete this form. The State will work with the successful vendor to address more detailed arrangements concerning travel requirements and associated cost during contract negotiations. Be sure to enter the name of the bidder at the top of this form.

<p align="center"><b>Cost Proposal Form #1 – Consultant Costs</b></p> <p align="center"><b>Delaware Health Care Reform – Health Benefit Exchange Planning Project</b></p>						
<b>Primary Bidder Name:</b>						
<p>Note: List the total number of hours that a person will be devoted to the project during the February 1, 2011 through September 30, 2011 Period. The hourly rate should include all costs except travel costs.</p>						
List Below Names of Consultants Employed By Primary Bidder	Name of Employer (if sub contractor or other than primary bidder)	Position Title	Brief Description of Person’s Areas of Expertise/Role In The Project	Total Project Hours (see note above)	Hourly Rate (see note above)	Total Cost (hours x hourly rate)
<b>Total Primary Bidder Staff Cost</b>						
List Below Names of Consultants Employed By Subcontractors						
<b>Total Subcontractor Staff Cost</b>						
Total Miscellaneous Costs (such as printing, copying, mailing, phone, etc.)						
<b>Total Costs (excluding travel). The Total Cost Cannot Exceed \$725,000</b>						

### Cost Proposal Form #2 Travel Costs

The actual amount of travel is unknown. The state anticipates that there will be extensive travel to Delaware to attend meetings. However, the State does not expect that every consultant will need to be physically present at every meeting. Some meetings can be attended via phone conference call. There will also be travel outside of Delaware to attend conferences and possible site visits to other states. But the non-Delaware locations are unknown. In order to compare travel costs among potential vendors, bidders must provide the information on Cost Proposal Form #2. If the bidders overall consulting team will be traveling from several diverse locations, the bidder should estimate some average cost reflective of the staff, their home locations, their time commitment and role in the project, etc. Travel costs are to include the cost of transportation, meals, lodging, etc. It is the intent of the state that the costs bid on this form for per consultant per day or per multiple days, will be used to reimburse travel expenses to Delaware during the project. The number of trips reimbursed will be actual trips taken. However, the State may consider negotiating alternative arrangements with the selected vendor.

<b>Cost Proposal Form #2 – Potential Travel Costs</b>			
<b>Delaware Health Care Reform – Health Benefit Exchange Planning Project</b>			
<b>Primary Bidder Name:</b>			
	Travel Cost (do not include any cost covered on cost proposal form #1)	Possible Number of Such Trips (do not change these numbers)	Potential Travel Cost (Cost x Num of Trips)
The travel cost for one project consultant to be in Delaware only one full day		5	
The travel cost for one project consultant to be in Delaware two full consecutive days		25	
The travel cost for one project consultant to be in Delaware three full day consecutive days		15	
The travel cost for one project consultant to be in Delaware four full consecutive days		5	
The travel cost for one project consultant to be in Delaware five full consecutive days		5	
<b>Total Potential Trips/Travel Costs</b>		<b>55</b>	

## **Attachment B: Forms To Be Completed**

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- **Proposal Response Table of Contents**
- **Bidder's Signature Form**
- **Office of Minority and Women Business Enterprise Self-Certification Tracking Form**
- **Compliance Form**
- **Certification Sheet**
- **Notification to Bidders**
- **Mandatory Submissions Requirements Checklist**



## Proposal Response Table of Contents

### PROPOSAL RESPONSE TABLE OF CONTENTS

#### BIDDER NAME \_\_\_\_\_

<b>Section 1: Required Forms &amp; Transmittal Letter</b>	<b>Required Formats</b>	<b>Included</b>
Proposal Response Table of Contents	PDF & WORD	
Bidder's Signature Form (Attachment B)	PDF & WORD	
Office of Minority and Women Business Enterprise Self-Certification Tracking Form (Attachment B)	PDF & WORD	
Compliance Form (Attachment B)	PDF & WORD	
Certification Sheet (Attachment B)	PDF & WORD	
Notification to Bidders (Attachment B)	PDF & WORD	
Mandatory Submission Requirements Checklist (Attachment B)	PDF & WORD	
Transmittal Letter (Section 5.1.8)	PDF & WORD	
<b>Section 2: Technical Proposal (Section 5.2)</b>		
Corporate Qualifications and Experience (Section 5.2.1)	PDF & WORD	
Staff Qualifications and Experience (Section 5.2.2)	PDF & WORD	
Additional Qualifications and Experience (Section 5.2.3)	PDF & WORD	
Bidder References (Section 5.2.4)	PDF & WORD	
State of Delaware Contracts (Section 5.2.5)	PDF & WORD	
State Staffing Resources (Section 5.2.6)	PDF & WORD	
Proposed Methodology and Workplan (Section 5.2.7)	PDF & WORD	
<b>Section 3: Cost Proposal (Section 5.3)</b>		
Cost Proposal Forms Submitted as Excel Documents (Section 5.3) (included as a separate file named "cost proposal")	PDF & EXCEL	
<b>Section 4: Appendices (Section 5.4)</b>		
Appendix A: Resumes	PDF & WORD	
Appendix B: Delaware Business License or 501 C Form	PDF or WORD	
<b>CONFIDENTIAL APPENDICES (included on the CDs Labeled "Corporate Confidential Information")</b>		
Appendix C: Financial Information	PDF & WORD	

**ALL ITEMS ABOVE MUST BE INCLUDED IN YOUR PROPOSAL.**

## Bidder's Signature Form

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### DELAWARE HEALTH AND SOCIAL SERVICES REQUEST FOR PROPOSAL

#### BIDDERS SIGNATURE FORM

NAME OF BIDDING AGENCY: \_\_\_\_\_

SIGNATURE OF AUTHORIZED PERSON: \_\_\_\_\_

TYPE IN NAME OF AUTHORIZED PERSON: \_\_\_\_\_

TITLE OF AUTHORIZED PERSON: \_\_\_\_\_

STREET NAME AND NUMBER: \_\_\_\_\_

CITY, STATE, & ZIP CODE: \_\_\_\_\_

CONTACT PERSON: \_\_\_\_\_

TELEPHONE NUMBER: \_\_\_\_\_

FAX NUMBER: \_\_\_\_\_

DATE: \_\_\_\_\_

BIDDER'S FEDERAL EMPLOYERS IDENTIFICATION NUMBER: \_\_\_\_\_

DELIVERY DAYS/COMPLETION TIME: \_\_\_\_\_

F.O.B.: \_\_\_\_\_

TERMS: \_\_\_\_\_

THE FOLLOWING MUST BE COMPLETED BY THE VENDOR:

**AS CONSIDERATION FOR THE AWARD AND EXECUTION BY THE DEPARTMENT OF HEALTH AND SOCIAL SERVICES OF THIS CONTRACT, THE (COMPANY NAME) \_\_\_\_\_**

HEREBY GRANTS, CONVEYS, SELLS, ASSIGNS, AND TRANSFERS TO THE STATE OF DELAWARE ALL OF ITS RIGHTS, TITLE AND INTEREST IN AND TO ALL KNOWN OR UNKNOWN CAUSES OF ACTION IT PRESENTLY HAS OR MAY NOW HEREAFTER ACQUIRE UNDER THE ANTITRUST LAWS OF THE UNITED STATES AND THE STATE OF DELAWARE, RELATING THE PARTICULAR GOODS OR SERVICES PURCHASED OR ACQUIRED BY THE DELAWARE HEALTH AND SOCIAL SERVICES DEPARTMENT, PURSUANT TO THIS CONTRACT.

# Office of Minority and Women Business Enterprise Self-Certification Tracking Form



## OFFICE OF MINORITY AND WOMEN BUSINESS ENTERPRISE SELF-CERTIFICATION TRACKING FORM

IF YOUR FIRM WISHES TO BE CONSIDERED FOR ONE OF THE CLASSIFICATIONS LISTED BELOW, THIS PAGE MUST BE SIGNED, NOTARIZED AND RETURNED WITH YOUR PROPOSAL.

COMPANY NAME \_\_\_\_\_

NAME OF AUTHORIZED REPRESENTATIVE (Please print) \_\_\_\_\_

SIGNATURE \_\_\_\_\_

COMPANY ADDRESS \_\_\_\_\_

TELEPHONE # \_\_\_\_\_

FAX # \_\_\_\_\_

EMAIL ADDRESS \_\_\_\_\_

FEDERAL EI # \_\_\_\_\_

STATE OF DE BUSINESS LICENSE # \_\_\_\_\_

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, Delaware Health and Social Services.

Organization Classifications (Please circle)

Women Business Enterprise (WBE) Yes/No

Minority Business Enterprise (MBE) Yes/No

Please check one---

Corporation \_\_\_\_\_ Partnership \_\_\_\_\_ Individual \_\_\_\_\_

For appropriate certification (WBE), (MBE), (DBE) please apply to Office of Minority and Women Business Enterprise Phone # (302) 739-4206 L. Jay Burks, Executive Director  
Fax# (302) 677-7086 Certification # \_\_\_\_\_ Certifying Agency \_\_\_\_\_

<http://www.omwbe.delaware.gov>

SWORN TO AND SUBSCRIBED BEFORE ME THIS \_\_\_\_\_ DAY OF \_\_\_\_\_ 20 \_\_\_\_\_

NOTARY PUBLIC \_\_\_\_\_ MY COMMISSION EXPIRES \_\_\_\_\_

CITY OF \_\_\_\_\_ COUNTY OF \_\_\_\_\_ STATE OF \_\_\_\_\_

## DEFINITIONS

The following definitions are from the State Office of Minority and Women Business Enterprise.

**Women Owned Business Enterprise (WBE):**

At least 51% is owned by women, or in the case of a publicly owned enterprise, a business enterprise in which at least 51% of the voting stock is owned by women; or any business enterprise that is approved or certified as such for purposes of participation in contracts subject to women-owned business enterprise requirements involving federal programs and federal funds.

**Minority Business Enterprise (MBE):**

At least 51% is owned by minority group members; or in the case of a publicly owned enterprise, a business enterprise in which at least 51% of the voting stock is owned by minority group members; or any business enterprise that is approved or certified as such for purposes of participation in contracts subjects to minority business enterprises requirements involving federal programs and federal funds.

**Corporation:**

An artificial legal entity treated as an individual, having rights and liabilities distinct from those of the persons of its members, and vested with the capacity to transact business, within the limits of the powers granted by law to the entity.

**Partnership:**

An agreement under which two or more persons agree to carry on a business, sharing in the profit or losses, but each liable for losses to the extent of his or her personal assets.

**Individual:**

Self-explanatory

For certification in one of above, the bidder must contract:

L. Jay Burks

Office of Minority and Women Business Enterprise

(302) 739-4206

Fax (302) 739-1965

## Compliance Form

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### DELAWARE HEALTH AND SOCIAL SERVICES REQUEST FOR PROPOSAL

#### STATEMENTS OF COMPLIANCE FORM

As the official representative for the contractor, I certify on behalf of the agency that

\_\_\_\_\_ (Company Name) will comply with all Federal and Delaware laws and regulations pertaining to equal employment opportunity and affirmative action. In addition, compliance will be assured in regard to Federal and Delaware laws and regulations relating to confidentiality and individual and family privacy in the collection and reporting of data.

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

Title: \_\_\_\_\_

Date: \_\_\_\_\_

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## Certification Sheet

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### DELAWARE HEALTH AND SOCIAL SERVICES REQUEST FOR PROPOSAL

#### CERTIFICATION SHEET

As the official representative for the proposer, I certify on behalf of the agency that:

- a. They are a regular dealer in the services being procured.
- b. They have the ability to fulfill all requirements specified for development within this RFP.
- c. They have independently determined their prices.
- d. They are accurately representing their type of business and affiliations.
- e. They will secure a Delaware Business License.
- f. They have acknowledged that no contingency fees have been paid to obtain award of this contract.
- g. The Prices in this offer have been arrived at independently, without consultation, communication, or agreement, for the purpose of restricting competition, as to any matter relating to such prices with any other contractor or with any competitor;
- h. Unless otherwise required by Law, the prices which have been quoted in this offer have not been knowingly disclosed by the contractor and prior to the award in the case of a negotiated procurement, directly or indirectly to any other contractor or to any competitor; and
- i. No attempt has been made or will be made by the contractor in part to other persons or firm to submit or not to submit an offer for the purpose of restricting competition.
- j. They have not employed or retained any company or person (other than a full-time bona fide employee working solely for the contractor) to solicit or secure this contract, and they have not paid or agreed to pay any company or person (other than a full-time bona fide employee working solely for the contractor) any fee, commission percentage or brokerage fee contingent upon or resulting from the award of this contract.
- k. They (check one) operate \_\_\_\_\_ an individual; \_\_\_\_\_ a Partnership \_\_\_\_\_ a non-profit (501 C-3) organization; \_\_\_\_\_ a not-for-profit organization; or \_\_\_\_\_ for profit corporation, incorporated under the laws of the State of \_\_\_\_\_.
- l. The referenced offerer has neither directly or indirectly entered into any agreement, participated in any collusion or otherwise taken any action in restraint of free competitive bidding in connection with this bid submitted this date to Delaware Health and Social Services.



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Type Name of Official Representative



**Notification to Bidders – Contracts With Delaware State Agencies**

<b>Vendor/Predecessor Firm Name</b>	<b>State Department and Division</b>	<b>Type of Contract Service Provided</b>	<b>Contact Name, Address and Phone Number</b>	<b>Period of Performance</b>	<b>Contract Number</b>	<b>Amount</b>
Sample Vendor Firm Name	DHSS \ DMS	Alzheimer's Adult Day Services	Contact Name 1901 N DuPont Highway New Castle, DE 19720 302.999.9999	01/01/2002 – 12/31/2002	PSC-999999	\$100,000

Bidder shall list all contracts awarded to it or its predecessor firm(s) by the State of Delaware during the last three (3) years, by State Department, Division, Contact Person (with address/phone number), period of performance, contract number and amount. The Evaluation/Selection Review Committee will consider these additional references and may contact each of these sources. Information regarding bidder performance gathered from these sources may be included in the Committee's deliberations and factored in the final scoring of the bid. Failure to list any contract as required by this paragraph may be grounds for immediate rejection of the bid.

List contracts in the format specified. Include those contracts whose period of performance has been within the past three (3) years in addition to those awarded within this timeframe. Contracts with amendments only have to be listed once. If a vendor has had no contracts within this timeframe, enter **"No contracts to specify"** under Vendor/Predecessor Firm Name in the first row of the table.

## Mandatory Submission Requirements Checklist

Mandatory Submission Requirement	RFP Section	Compliance Y or N
1. The bid is submitted no later than the closing date and time	3.2	
2. The correct number of CD copies of each proposal is submitted: <ul style="list-style-type: none"> <li>• Two (2) complete sets of CDs (Labeled as "Original") and six (6) complete sets of CDs (Labeled as "Copy") CD's must include technical proposal, budget and required attachments. Budget must be provided in a separate Excel file named "budget proposal."</li> <li>• One (1) additional complete set of up to three (3) CDs (Labeled as "<b>Corporate Confidential Information</b>").</li> </ul>	3.2	
3. Transmittal Letter signed by an authorized representative	5.1.8	
4. Acceptance of General Instructions and Terms and Conditions and Standard Department Contract as evidenced by inclusion in the proposal, or a clear statement of any specific exceptions noted	6.4 & Section 7	
5. Financial Information (included on the CDs labeled " <b>Corporate Confidential Information</b> ")	5.4	
6. Copy of current business license or Form 501-C or Statement of Intent	3.7 & 5.4	
7. Completed Cost Proposal	5.4 & Attachment A	
8. The required forms are submitted: <ul style="list-style-type: none"> <li>• Proposal Response Table of Contents</li> <li>• Bidder's Signature Form</li> <li>• Office of Minority and Women Business Enterprise Self-Certification Tracking Form</li> <li>• Compliance Form</li> <li>• Certification Sheet</li> <li>• Notification to Bidders</li> <li>• Mandatory Submission Requirements Checklist</li> </ul>	6.4 & Attachment B	

This is the mandatory submission requirements checklist. Agreement to or acknowledgement of a requirement is shown by a (Yes) or (No) next to the requirement and a signature at the bottom of the checklist. **Failure to adequately meet any one (1) mandatory requirement may cause the entire proposal to be deemed non-responsive and be rejected from further consideration.** However, the State reserves the right to waive minor irregularities and minor instances of non-compliance.

\_\_\_\_\_  
Signature of Authorized Representative

\_\_\_\_\_  
Title / Company

\_\_\_\_\_  
Date