



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 14-053**  
**FOR**  
**MEDICAID FRAUD CONTROL AND PROGRAM INTEGRITY**  
**FOR**

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

Deposit                                      Waived  
Performance Bond                        Waived

**Date Due: 12/24/2014**  
**11:00 A.M. LOCAL TIME**

REQUEST FOR PROPOSAL # **HSS-** 14-053

**Sealed Proposals** for Medicaid **Fraud Control and Program Integrity** for **Division of Medicaid and Medical Assistance** will be **received** by:

Delaware Health and Social Services  
Herman M. Holloway Sr. Campus  
Procurement Branch  
Main Administration Bldg., Sullivan Street  
Second Floor, Room #257  
1901 North DuPont Highway, New Castle, Delaware 19720

Proposals will be accepted until **11 AM 12/24/2014**. At which time the proposals will be opened and recorded.

This RFP is available in electronic form [only] through the State of Delaware Procurement Website at <http://bids.delaware.gov>.

## **Public Notice**

Public notice has been provided in accordance with 29 *Del. C.* § 6981

### 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 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."

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

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

**FOR FURTHER BIDDING INFORMATION PLEASE CONTACT:**

Kieran Mohammed  
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 PROCUREMENT UNIT OF THE

DEPARTMENT OF HEALTH AND SOCIAL SERVICES BY THE DEADLINE.

ATTENTION BIDDERS: Your proposal must include in hardcopy a cover letter and the forms in Appendices C, D, & E signed and with all information on the forms complete.

**The issuance of this Request for Proposals (RFP) neither commits the Delaware Department of Health and Social Services, Division of Medicaid and Medical Assistance, to award a contract, to pay any costs incurred in the preparation of a proposal or subsequent negotiations, nor to procure or contract for the proposed services. The Division reserves the right to reject or accept any or all proposals or portion thereof, to cancel in part or in its entirety this Request for Proposals, or to delay implementation of any contract which may result, as may be necessary to meet the Department's funding limitations and processing constraints. The Department and Division reserve the right to terminate any contractual agreement upon fifteen (15) days notice in the event that the State determines that State or Federal funds are no longer available to continue the contract.**

**Organizations Ineligible to Bid**

Any individual, business, organization, corporation, consortium, partnership, joint venture, or any other entity including subcontractors currently debarred or suspended is ineligible to bid. Any entity ineligible to conduct business in the State of Delaware for any reason is ineligible to respond to the RFP.

**REQUEST FOR PROPOSAL FOR  
MEDICAID FRAUD CONTROL AND PROGRAM INTEGRITY  
FOR THE  
DIVISION OF MEDICAID AND MEDICAL ASSISTANCE**

**Availability of Funds**

Funds are available for the selected vendor to provide services in the area of **MEDICAID FRAUD CONTROL AND PROGRAM INTEGRITY**. Contract renewal is possible for up to **5** years contingent on funding availability and task performance.

**Further Information**

Inquiries regarding this RFP should be addressed to:

Linda.[Murphy@state.de.us](mailto:Linda.Murphy@state.de.us)

**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](#) and/or [Division of Management Services](#) staff, except those specified in this RFP, regarding this procurement. Contact between contractors and Division of Medicaid and Medical Assistance is restricted to emailed or faxed questions concerning this proposal. Questions must be submitted in writing and will be addressed in writing.

Questions are due by the close of business on 11/21/2014 and will be addressed in writing. The complete list of questions and their answers will be released via e-mail or fax 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>

Following the questions deadline, bidder communication is limited to [Kieran Mohammed](#) ,[Procurement Administrator](#), Delaware Health and Social Services. The central phone number for the Procurement office is [\(302\) 255-9290](tel:302-255-9290).

**Contact with State Employees**

Direct contact with State of Delaware employees other than the State of Delaware Designated Contact(s) regarding this RFP is expressly prohibited without prior consent. Vendors directly contacting State of Delaware employees risk elimination of their proposal from further consideration. Exceptions exist only for organizations currently doing business in the State who require contact in the normal course of doing that business. In the case of such exception, communication may not include an active RFP.

**REQUEST FOR PROPOSAL FOR  
MEDICAID FRAUD CONTROL AND PROGRAM INTEGRITY  
FOR  
DIVISION OF MEDICAID AND MEDICAL ASSISTANCE**

**I. INTRODUCTION**

**A. Background**

The State has identified the need to find creative solutions to reduce fraud, waste and abuse in the Medicaid program. Areas of concern include, but are not limited to, appropriateness of recipient usage, verification of eligibility criteria, inefficient and overutilization of services and subsequent waste of program funds, and oversight of Managed Care Organizations (MCO's). Senate Bill 255, Section 146 authorizes the State to seek qualified vendors to identify innovative and effective approaches to combat Medicaid fraud, waste and abuse.

**B. Project Goals**

- The Division's Goal: The Division of Medicaid and Medical Assistance is seeking qualified applicants to design and implement a pilot program for the purposes of preventing, detecting and reducing fraud, waste and abuse in the State's Medicaid program.
- The Bidder's Goal: Successful bidder's primary goal is to implement an innovative solution to reduce fraud, waste or abuse, which includes reducing inefficient and overutilization of services. Solutions may include, but are not limited to: identifying improper requests for services or payments before delivery or payment, preventing improper payments to providers, vendors or MCO's and/or to recouping improper payments previously made in the Medicaid program. The bidder must also be able to demonstrate cost-effectiveness in the solution proposed, be able to monitor progress of the solution and be able to timely and accurately report results.

**II. SCOPE OF SERVICES**

**A. Bidder Capabilities**

- Collect and analyze available data from a wide range of sources, including but not limited to MCOs vital statistics, Department of Corrections, Department of Labor, IRS, and Public Assistance Reporting Information System, DMV or any other necessary public data source.

- The bidder shall provide a pre and post payment solution to identify and prevent fraud waste and abuse in the Medicaid Program.
- The bidder should identify patterns of billing practices and outliers across multiple agencies and lines of business which include, providers, clients health plans and usage to ensure that the programs are not incurring costs for inappropriate care and that the State is not paying for fraudulent services
- The bidder should provide a system that has an integrated link and pattern analysis that will alert staff to unusual activity that could result in fraud.
- The Bidder's analysis of data should include both fee for service and encounter data.
- The Bidder should have the capability to identify other insurance with respect to Third Party Liability to ensure that Medicaid is the payor of last resort.
- Employ staff with the expertise and resources to implement the project.
- As specified in the epilogue to Senate Bill 255, Section 146, design and deliver the innovative solution within the stated budget of \$500,000.
- Monitor and report on program progress.
- Work in conjunction with existing Program Integrity, Fraud Control and Audit / Recovery units to prevent overutilization of services to facilitate the recovery of funds.
- Establish a plan to access Medicaid MMIS directly or receive extracts from Medicaid MMIS data for auditing.
- Bidders are encouraged to propose innovative solutions to meet or exceed the requirements of this RFP.

#### **B. Deliverables**

- Demonstrate agreed upon results in reducing fraud, waste and abuse.
- Provide technical training to stakeholders affected by changes to the current system.



- Develop and deliver meaningful, intuitive and user-friendly reports that State staff can replicate following the end of the contract period.
- Recommend policy revisions and changes
- Provide a detailed report on the projected cost savings per beneficiary, per year including implementation costs based on the results of the pilot program to the Co-chairs of the Joint Finance Committee, Controller General and the Director of the Office of Management and Budget no later than April 30, 2015.
- Train State staff on how to implement and monitor the solution.

### **C. Outcomes**

- Implement successful sustainable innovative solutions to prevent, detect and reduce fraud, waste and/or abuse in the Medicaid program without jeopardizing recipient access or quality of care.
- Operate the solution for a minimum of three months during the pilot period.
- Provide an adequate return on investment to be awarded the full amount of \$500,000.

## **.SPECIAL TERMS AND CONDITIONS**

### **A. Length of Contract**

Contract term is 6 months, with the possibility of renewal for up to **(5)** additional years contingent on funding and satisfactory performance.

### **B. Subcontractors**

The use of subcontractors **will be** permitted for this project. If a subcontractor is going to be used, this needs to be specified in the proposal, with an identification of the proposed subcontractor, the service(s) to be provided, and its qualifications to provide such service(s). Subcontractors will be held to the same requirements as the primary contractor. The contract with the primary contractor will bind sub or co-contractors to the primary contractor by the terms, specifications, and

standards of the RFP. All such terms, specifications, and standards shall preserve and protect the rights of the agency under the RFP and any subsequent proposals and contracts with respect to the services performed by the sub or co-contractor, so that the sub or co-contractor will not prejudice such rights. Nothing in the RFP shall create any contractual relation between any sub or co-contractor and the agency.

The proposed subcontractors must be approved by the Division of Medicaid and Medical Assistance.

### **C. Funding Disclaimer Clause**

Delaware Health and Social Services reserves the right to reject or accept any bid or portion thereof, as may be necessary to meet the Department's funding limitations and processing constraints. The Department reserves the right to terminate any contractual agreement upon fifteen (15) calendar day's written notice in the event the state determines that state or federal funds are no longer available to continue said contractual agreement.

### **D. Reserved Rights**

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

- Reject any and all proposals received in response to this RFP;
- Select a proposal other than the one with the lowest cost;
- Waive or seek clarification on any information, irregularities, or inconsistencies in proposals received;
- Negotiate as to any aspect of the proposal with the bidder and negotiate with more than one bidder at a time;
- If negotiations fail to result in an agreement within two (2) weeks, the Department may terminate negotiations and select the next most responsive bidder, prepare and release a new RFP, or take such other action as the Department may deem appropriate.

### **E. Termination Conditions**

The Department may terminate the contract resulting from this RFP at any time that the vendor fails to carry out its provisions or to make substantial progress under the terms specified in this RFP and the resulting proposal.

Prior to taking the appropriate action as described in the contract, the Department will provide the vendor with thirty (30) days notice of conditions endangering performance. If after such notice the vendor fails to remedy the conditions contained in the notice, the Department shall issue the vendor an order to stop work immediately and deliver all work and work in progress to the State. The Department shall be obligated only for those services rendered and accepted prior to the date of notice of termination.

The 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,
- c) By either party without cause upon thirty (30) calendar days written notice to the other Party, unless a longer period is specified.

#### **F. Contractor Monitoring/Evaluation**

The contractor may be monitored/evaluated on-site on a regular basis. Failure of the contractor to cooperate with the monitoring/evaluation process or to resolve any problem(s) identified in the monitoring/evaluation may be cause for termination of the contract.

#### **G. Payment:**

The agencies involved will authorize and process for payment each invoice within thirty (30) days after the date of receipt. 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.

#### **H. W-9 Information Submission**

**Awarded** vendors will be required to 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.

For those vendors that do not have internet access, a printable version of the Delaware Substitute Form W-9 can be faxed or mailed to the vendor. Upon completion, the vendor will then fax or mail the form directly to the vendor staff at the Delaware Division of Accounting. All vendor requests, additions and changes, will come directly from the vendor. Questions for vendors who do not have internet access, contact vendor staff at (302) 734-6827.

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

## **I. REQUIRED REPORTING**

One of the primary goals in administering this contract is to keep accurate records regarding its actual value/usage. This information is essential in order to update the contents of the contract and to establish proper bonding levels if they are required. The integrity of future contracts revolves around our ability to convey accurate and realistic information to all interested parties.

A complete and accurate Usage Report (Attachment 7) shall be furnished in an **Excel format and submitted electronically**, no later than the 15<sup>th</sup> (or next business day after the 15<sup>th</sup> day) of each month, detailing the purchasing of all items on this contract. The reports shall be submitted and sent as an attachment to the Program Administrator. Submitted reports shall contain accurate descriptions of the products, goods or services procured, purchasing agency information, including the six-digit department and organization code, quantities procured and prices paid. Any exception to this mandatory requirement or failure to submit complete reports, or in the format required, may result corrective action, up to and including the possible cancellation of the award. Failure to provide the report with the minimum required information may also negate any contract extension clauses. Additionally, Vendors who are determined to be in default of this mandatory report requirement may have such conduct considered against them, in assessment of responsibility, in the evaluation of future proposals.

In accordance with Executive Order 44, the State of Delaware is committed to supporting its diverse business industry and population. The successful Vendor will be required to

accurately report on the participation by Diversity Suppliers which includes: minority (MBE), woman (WBE), veteran owned business (VOBE), or service disabled veteran owned business (SDVOBE) under this awarded contract. The reported data elements shall include but not be limited to; name of state contract/project, the name of the Diversity Supplier, Diversity Supplier contact information (phone, email), type of product or service provided by the Diversity Supplier and any minority, women, veteran, or service disabled veteran certifications for the subcontractor (State OSD certification, Minority Supplier Development Council, Women's Business Enterprise Council, VetBiz.gov). The format used for Subcontracting 2<sup>nd</sup> Tier report is shown as in Attachment 8.

Accurate 2nd tier reports shall be submitted to the contracting Agency's Office of Supplier Diversity at [vendorusage@state.de.us](mailto:vendorusage@state.de.us) on the 15<sup>th</sup> (or next business day) of the month following each quarterly period. For consistency quarters shall be considered to end the last day of March, June, September and December of each calendar year.  
Contract spend

#### **IV. FORMAT AND CONTENT OF RESPONSE**

Proposals shall contain the following information, adhering to the order as shown:

##### **A. Bidder's Signature Form**

This form, found in the Appendix C, must be completed and signed by the bidder's authorized representative.

##### **B. Title Page**

The Title page shall include: 1) the RFP subject; 2) the name of the applicant; 3) the applicant's full address; 4) the applicant's telephone number; 5) the name and title of the designated contact person; and 6) bid opening date of **12/24/2014 11:00 AM**.

##### **C. Table of Contents**

The Table of Contents shall include a clear and complete identification of information presented by section and page number.

##### **D. Confidential Information**

The following items, if required in response to this RFP, are to be included in a separate section of your proposal and marked as confidential. These items are: 1) any financial information relating to the company or organization (not the RFP pricing or budget 2) Organization Charts.

## **E. Qualifications and Experience**

This section shall contain sufficient information to demonstrate experience and staff expertise to carry out the project. A statement must be included that the vendor either has or certifies he/she will secure a Delaware Business License prior to initiation of the project. Attach articles of incorporation and IRS certification of tax exempt status if applicable.

The specific individuals who will work on this project must be identified, along with the nature and extent of their involvement. The qualifications of these individuals shall be presented (in resumes or other formats). If conducting this project will require hiring of one or more individuals who are not currently employed by the bidding organization, applications shall provide detailed job descriptions, including required qualifications and experience.

If subcontractors are to be used, the proposal shall also contain similar information regarding each subcontractor.

## **F. Bidder References**

The names and phone numbers of at least three (3) organizations/agencies for whom the vendor carried out a similar project must be included. If no similar project has been conducted, others requiring comparable skills can be used.

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 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.

## **G. Proposed Methodology and Work Plan**

This section shall describe in detail the approach that will be taken to carry out the activities described in the Scope of Services section of this RFP. Specific completion dates for the various tasks must be shown.

The workplan shall outline specific objectives, activities and strategies, and resources.

## **H. Certification and Statement of Compliance**

The bidder must include statements that the applicant agency complies with all Federal and Delaware laws and regulations pertaining to equal opportunity and affirmative action. In addition, compliance must be assured in regard to Federal and Delaware laws and regulations relating to confidentiality and individual and family privacy in health care delivery and in the collection and reporting of data. (See Appendices D & E)

## **I. Standard Contract**

Appendix G is a copy of the standard boilerplate contract for the State of Delaware, Delaware Health and Social Services, [Division of Medicaid and Medical Assistance](#). This boilerplate will be the one used for any contract resulting from this Request for Proposal. If a bidder has an objection to any contract provisions or the RFP and its procurement provisions, objections shall be stated in the Transmittal Letter of the bidder's proposal. Execution of the contract is NOT required with proposal submission. The contract is provided as a courtesy for review by an interested bidder's legal group.

## **V. BUDGET**

Vendor will submit a line item budget, **for each contract year**, using a format mirroring that in Appendices A & B. Modifications to the budget after the award must be approved by the [Division Name Here].

Applicants shall also describe any factors that may have an impact on the cost and should suggest a payment schedule contingent upon completion of the various tasks.

## **VI. GENERAL INSTRUCTIONS FOR SUBMISSION OF PROPOSALS**

### **A. Number of Copies Required**

Two (2) original **CDs** (Each Labeled as "Original") (6) **CD** copies (Each labeled as "Copy"). In addition, any required confidential financial or audit information relating to the company and not specifically to the proposal may be copied separately to one set of up to three (3) additional CDs (Each labeled "Corporate Confidential Information"). All CD files shall be in PDF and Microsoft Word formats. Additional file formats (i.e. .xls, .mpp) may be required as requested.

**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 will no longer be required to make hard copies of proposals **with the exception that** one copy of a Cover Letter along with one copy each of Appendices C, D, E, and F must be submitted in hardcopy with original signatures.

The cover letter should include: bidder recognition of all addenda posted on the RFP website (<http://bids.delaware.gov>.) relative to this RFP, a statement confirming the proposal remains effective through the date shown in **(D)** below, a statement the bidder has or agrees to obtain a Delaware business license if awarded a contract, a statement confirming pricing was arrived at without collusion.

The responses to this RFP shall be submitted to:

Kieran Mohammed  
Division of Management Services  
Delaware Health and Social Services  
Main Administration Building, Sullivan Street  
Second Floor, Room 257  
1901 North DuPont Highway  
New Castle, DE 19720

## **B. Closing Date**

All responses must be received no later than **12/24/2014 at 11:00 AM**. Later submission will be cause for disqualification.



### **C. Opening of Proposals**

The State of Delaware will receive proposals until the date and time shown in this RFP. Proposals will be opened only in the presence of the State of Delaware personnel. Any unopened proposals will be returned to Vendor.

There will be no public opening of proposals but a public log will be kept of the names of all vendor organizations that submitted proposals. The contents of any proposal shall not be disclosed to competing vendors prior to contract award.

### **D. Proposal Expiration Date**

Prices quoted in the proposal shall remain fixed and binding on the bidder at least through 6 months-June 11, 2015. The State of Delaware reserves the right to ask for an extension of time if needed.

### **E. Acknowledgement of Understanding of Terms**

By submitting a bid, each vendor shall be deemed to acknowledge that it has carefully read all sections of this RFP, including all forms, schedules and exhibits hereto, and has fully informed itself as to all existing conditions and limitations.

### **F. Realistic Proposals**

It is the expectation of the State of Delaware that vendors can fully satisfy the obligations of the proposal in the manner and timeframe defined within the proposal. Proposals must be realistic and must represent the best estimate of time, materials and other costs including the impact of inflation and any economic or other factors that are reasonably predictable.

The State of Delaware shall bear no responsibility or increase obligation for a vendor's failure to accurately estimate the costs or resources required to meet the obligations defined in the proposal.

### **G. Non-Conforming Proposals**

Non-conforming proposals will not be considered. Non-conforming proposals are defined as those that do not meet the requirements of this

RFP. The determination of whether an RFP requirement is substantive or a mere formality shall reside solely within the State of Delaware

#### **H. Notification of Acceptance**

Notification of the Department's intent to enter into contract negotiations will be made in writing to all bidders.

#### **I. Questions**

All questions concerning this Request for Proposal must reference the pertinent RFP section(s) and page number(s). Questions must be in writing and can be either faxed, or emailed to:

**Wendy M. Brown**  
**DMS Contract and Procurement Administrator**  
**Email: [wendy.m.brown@state.de.us](mailto:wendy.m.brown@state.de.us)**  
**Fax: (302) 255-4436**

Deadline for submission of all questions is **11/21/2014**. Written responses will be faxed or emailed to bidders no later than **12/11/2014**. Please include your fax number and/or your email address with your questions.

All questions and answers will be posted on <http://bids.delaware.gov>.

#### **J. Amendments to Proposals**

Amendments to proposals will not be accepted after the deadline for proposal submission has passed. The State reserves the right at any time to request clarification and/or further technical information from any or all applicants submitting proposals.

#### **K. Proposals Become State Property**

All proposals become the property of the State of Delaware and will not be returned to the bidders. The State will not divulge any information identified as confidential at the time of proposal submission provided the information resides solely on the CD (s) marked confidential.

#### **L. Non-Interference Clause**

The awarding of this contract and all aspects of the awarded bidders contractual obligations, projects, literature, books, manuals, and any other relevant materials and work will automatically become property of the State of Delaware. The awarded bidder will not in any manner interfere or retain any information in relationship to the contractual obligations of said contract, at the time of the award in the future tense.

#### **M. Investigation of Bidder's Qualifications**

Delaware Health and Social Services may make such investigation as it deems necessary to determine the ability of the bidder to furnish the required services, and the bidder shall furnish such data as the Department may request for this purpose.

#### **N. RFP and Final Contract**

The contents of the RFP will be incorporated into the final contract and will become binding upon the successful bidder. If the bidder is unwilling to comply with any of the requirements, terms, and conditions of the RFP, objections must be clearly stated in the proposal. Objections will be considered and may be subject to negotiation at the discretion of the state.

#### **O. Proposal and Final Contract**

The contents of each proposal will be considered binding on the bidder and subject to subsequent contract confirmation if selected. The contents of the successful proposal will be included by reference in the resulting contract.

All terms, and conditions contained in the proposal will remain fixed and valid for **6 months** after proposal due date.

#### **P. Cost of Proposal Preparation**

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

#### **Q. Proposed Timetable**

The Department's proposed schedule for reviewing proposals is outlined as follows:

<b><u>Activity</u></b>	<b><u>Date</u></b>
RFP Advertisement	11/07/2014
Questions Due	11/21/2014
Pre-bid Meeting	NA
Answers to Questions	12/11/2014
Bid Opening	12/24/2014
Selection Process Begins	12/29/2014
Vendor Selection (tentative)	12/30/2014
Project Begins	01/05/2015

## **R. Confidentiality and Debriefing**

The Procurement Administrator shall examine the proposal to determine the validity of any written requests for nondisclosure of trade secrets and other proprietary data identified in conjunction with the Attorney General's Office. After award of the contract, all responses, documents, and materials submitted by the offeror pertaining to this RFP will be considered public information and will be made available for inspection. All data, documentation, and innovations developed as a result of these contractual services shall become the property of the State of Delaware. Based upon the public nature of these Professional Services (RFP) Proposals a bidder must inform the state in writing, of the exact materials in the offer which CANNOT be made a part of the public record in accordance with Delaware's Freedom of Information Act, Title 29, Chapter 100 of the Delaware Code.

If a bidder wishes to request a debriefing, he must submit a formal letter to the Procurement Administrator, Herman M. Holloway Campus, Delaware Health and Social Services Main Building, 2nd Floor, Room 257, 1901 N. DuPont Highway, New Castle, Delaware 19720 within 10

days after receipt of Notice of Award. The letter must specify reasons for the request.

If a bidder wishes to access documents pertaining to this RFP under the Freedom of Information Act (FOIA) please contact [JAY.LYNCH@STATE.DE.US](mailto:JAY.LYNCH@STATE.DE.US) with the specific details of your request. This request can be made at any time but please note Debriefing and FOIA requests will be scheduled for response after the RFP process is completed in entirety.

## VII. SELECTION PROCESS

All proposals submitted in response to this RFP will be reviewed by an evaluation team composed of representatives of Division of Medicaid and Medical Assistance, Delaware Health and Social Services, and others as may be deemed appropriate by the Department. Each proposal will be independently reviewed and rated against review criteria. Selection will be based upon the recommendations of the review committee.

### A. Proposal Evaluation Criteria

The vendor will be selected through open competition and based on the review of proposals submitted in response to this request for proposals. A technical review panel will review all proposals utilizing the following criteria. A maximum of 100 points is possible.

<u>Category</u>	<u>Weight</u>
Meets mandatory RFP provisions CD's properly submitted Forms properly submitted	Pass/Fail
1. Qualifications of vendor	25
a) Administrative Oversight	
b) Past experience in successfully operating quality programs of a similar type and with a similar population	
c) Quality Assurance Program details	
d) Available resources	

2. Methodology Proposed	25
a) services proposed fit needs as expressed in RFP	
b) proposed activities follow a logical sequence	
c) adequacy of work plan & timeline schedules	
d) builds on existing work of the Division's planning efforts	
3. Responses to Scope of Services, Section II. A – I.	20
4. The degree to which the bidder demonstrates the potential ability to recruit, hire, schedule, and train qualified applicants.	15
5. Evaluation of the proposed costs as they relate to the proposed service delivery.	15
<hr/>	
<b>Total:</b>	<b>100</b>

Upon selection of a vendor, a [Division of Medicaid and Medical Assistance](#) representative will enter into negotiations with the bidder to establish a contract.

## **B. Consultants and Legal Counsel**

The State of Delaware may retain consultants or legal counsel to assist in the review and evaluation of this RFP and the vendors' responses. Bidders shall not contact consultant or legal counsel on any matter related to the RFP.

## **C. Exclusions**

The Proposal Evaluation Team reserves the right to refuse to consider any proposal from a vendor who:

Has been convicted for commission of a criminal offense as an incident to obtaining or attempting to obtain a public or private contract or subcontract, or in the performance of the contract or subcontract;

Has been convicted under State or Federal statutes of embezzlement, theft, forgery, bribery, falsification or destruction of records, receiving

stolen property, or other offense indicating a lack of business integrity or business honesty that currently and seriously affects responsibility as a State contractor;

Has been convicted or has had a civil judgment entered for a violation under State or Federal antitrust statutes;

Has violated contract provisions such as:

Knowing failure without good cause to perform in accordance with the specifications or within the time limit provided in the contract; or

Failure to perform or unsatisfactory performance in accordance with terms of one or more contracts;

Has violated ethical standards set out in law or regulation; and

Any other cause listed in regulations of the State of Delaware determined to be serious and compelling as to affect responsibility as a State contractor, including suspension or debarment by another governmental entity for a cause listed in the regulations.

## **B. Project Costs and Proposed Scope of Service**

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 the judgment of the evaluation team, a lack of sufficient budgeted resources would jeopardize project success.

**APPENDIX A:**  
***BUDGET SUMMARY SHEET***



# Budget Summary Sheet

Categories	Amounts
<b>Staff Salaries</b>	

<b>Fringe Benefits</b>	
------------------------	--

**Travel / Training**

Mileage (Rate\$0.00 X 0000 miles)	
Training	
Other (specify)	

**Contractual**

Rent	
Electricity	
Heat	
Communications	
Other Utilities	
Printing / Advertising	
Postage	
Insurance	
Repairs	
Other (specify)	

**Supplies**

Office	
Janitorial	
Medical	
Program	
Other (specify)	

**Equipment / Other Direct Costs**

Other (specify)	
-----------------	--

**Indirect Costs**

Other (specify)	
-----------------	--

**TOTAL BUDGET**

--

**APPENDIX B:**  
***BUDGET WORKSHEET***



## Budget Worksheet page 2

<b>Category / Description</b>	<b>Amount</b>
<u>Contractual</u>	
Include the portions of rent, utilities, telephone, internet, Insurance, maintenance, etc. that will be paid by the Agency	
<b>Total: Contractual</b>	

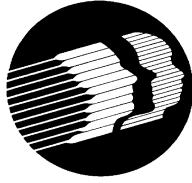
<u>Supplies</u>	
Include office supplies, supplies for routine building maintenance (janitorial), medical supplies, program supplies, and other related expenses	
<b>Total: Supplies</b>	

<u>Other Equipment</u>	
Specify Items or lots costing \$1000.00 or more and having a useful life of more than one year	
<b>Total: Other Equipment</b>	

## Budget Worksheet page 3

<u>Indirect Costs</u> Identify any line items contributing to total costs not delineated in the above sections	
Total: Indirect Costs	

**APPENDIX C:**  
***BIDDERS SIGNATURE FORM***



**DELAWARE HEALTH AND SOCIAL SERVICES  
REQUEST FOR PROPOSAL**

**BIDDERS SIGNATURE FORM**

NAME OF BIDDER: \_\_\_\_\_  
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: \_\_\_\_\_

**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.

**APPENDIX D:**  
***CERTIFICATION SHEET***





**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.
- m. The referenced bidder agrees that the signed delivery of this bid represents the bidder's acceptance of the terms and conditions of this invitation to bid including all Specifications and special provisions.
- n. They (check one): \_\_\_\_\_are; \_\_\_\_\_are not owned or controlled by a parent company. If owned or controlled by a parent company, enter name and address of parent company:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**Violations and Penalties:**

Each contract entered into by an agency for professional services shall contain a prohibition against contingency fees as follows:

- 1. The firm offering professional services swears that it has not employed or retained any company or person working primarily for the firm offering professional services, to solicit or secure this agreement by improperly influencing the agency or any of its employees in the professional service procurement process.
- 2. The firm offering the professional services has not paid or agreed to pay any person, company, corporation, individual or firm other than a bona fide employee working primarily for the firm offering professional services, any fee, commission, percentage, gift, or any other consideration contingent upon or resulting from the award or making of this agreement; and

3. For the violation of this provision, the agency 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.

The following conditions are understood and agreed to:

- a. No charges, other than those specified in the cost proposal, are to be levied upon the State as a result of a contract.
- b. The State will have exclusive ownership of all products of this contract unless mutually agreed to in writing at the time a binding contract is executed.

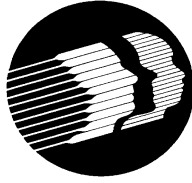
\_\_\_\_\_  
Date

\_\_\_\_\_  
Signature & Title of Official Representative

\_\_\_\_\_  
Type Name of Official Representative

**APPENDIX E**

*STATEMENTS OF COMPLIANCE FORM*



**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: \_\_\_\_\_

**APPENDIX F**

*Contract Boilerplate*

# CONTRACT

## A) Introduction

1. This contract is entered into between the Delaware Department of Health and Social Services (the Department), 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.

## 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, status as a person in a marriage versus a person in a civil union, veteran's status or any 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 in part by the Department upon five (5) calendar days written notice for cause or documented unsatisfactory performance, provided that, in its sole discretion, the Department may impose sanctions in lieu of termination as set forth in Appendix A attached to and incorporated into this Contract.

This Contract may be terminated in whole or in part by either party in the event of substantial failure of the other party to fulfill its obligations under this Contract through no fault of the terminating party; but only after the other party is given:

- a. Not less than 30 calendar days written notice of intent to terminate; and
- b. An opportunity for consultation with the terminating party prior to termination.

This Contract may be terminated in whole or in part by Delaware for its convenience, but only after Contractor is given:

- a. Not less than 30 calendar days written notice of intent to terminate; and
- b. An opportunity for consultation with Delaware prior to termination.

If termination for default is effected by Delaware, Delaware will pay Contractor that portion of the compensation which has been earned as of the effective date of termination but:

- a. No amount shall be allowed for anticipated profit on performed or unperformed services or other work, and b. Any payment due to Contractor at the time of termination may be adjusted to the extent of any additional costs occasioned to Delaware by reason of Contractor's default.
- b. Upon termination for default, Delaware may take over the work and prosecute the same to completion by agreement with another party or otherwise. In the event Contractor shall cease conducting business, Delaware shall have the right to make an unsolicited offer of employment to any employees of Contractor assigned to the performance of the Contract, notwithstanding any provisions in this document to the contrary.

If after termination for failure of Contractor to fulfill contractual obligations it is determined that Contractor has not so failed, the termination shall be deemed to have been effected for the convenience of Delaware.

The rights and remedies of Delaware and Contractor provided in this section are in addition to any other rights and remedies provided by law or under this Contract.

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. Delaware may suspend performance by Contractor under this Contract for such period of time as Delaware, at its sole discretion, may prescribe by providing written notice to Contractor at least 30 working days prior to the date on which Delaware wishes to suspend. Upon such suspension, Delaware shall pay Contractor its compensation, based on the percentage of the project completed and earned until the effective date of suspension, less all previous payments. Contractor shall not perform further work under this Contract after the effective date of suspension. Contractor shall not perform further work under this Contract after the effective date of suspension until receipt of written notice from Delaware to resume performance.

In the event Delaware suspends performance by Contractor for any cause other than the error or omission of the Contractor, for an aggregate period in excess of 30 days, Contractor shall be entitled to an equitable adjustment of the compensation payable to Contractor under this Contract to reimburse for additional costs occasioned as a result of such suspension of performance by Delaware based on appropriated funds and approval by Delaware.

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 Department at:

To the Contractor at:

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 –Contract Budget

Appendix C- Service Description (Scope of Services)

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.
18. 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.
19. 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.

20. 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.

21. 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.
22. 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 subcontractors 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

\_\_\_\_\_  
Title

\_\_\_\_\_  
Date

For the Department:

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

\_\_\_\_\_  
Date

For the Division:

\_\_\_\_\_  
Director

\_\_\_\_\_  
Date

APPENDIX A  
DIVISIONAL REQUIREMENTS

**Lesser Sanctions**

The Division reserves the right to reduce the number of people a Contractor currently serves, restrict the number of referrals a Contractor may receive, or rescind authorization to operate one or more service sites (e.g., neighborhood home, apartment) or any combination of such measures as sanctions for documented unsatisfactory contract performance as determined by the Division. The Division may impose such sanctions for a period of between 30 to 365 days, with the right to renew the sanctions at the Division's sole discretion.

**Attachment 1**

*Monthly Usage Report  
&*

*Supplier Diversity Quarterly Report*



## State of Delaware Subcontracting (2nd tier) Quarterly Report

<b>Prime Name:</b>							<b>Report Start Date:</b>										
<b>Contract Name/Number</b>							<b>Report End Date:</b>										
<b>Contact Name:</b>							<b>Today's Date:</b>										
<b>Contact Phone:</b>							*Minimum Required		Requested detail								
Prime Contract or Name*	Prime Contract or TaxID*	Contract Name/Number*	Prime Contact Name*	Prime Contact Phone*	Report Start Date*	Report End Date*	Amount Paid to Subcontractor*	Work Performed by Subcontractor UNSPSC	M/WBE Certifying Agency	Veteran/Service Disabled Veteran Certifying Agency	2nd tier Supplier Name	2nd tier Supplier Address	2nd tier Supplier Phone Number	2nd tier Supplier email	Description of Work Performed	2nd tier Supplier Tax Id	Date Paid

The following definitions are from the State Office of Supplier Diversity

Vendors wishing to apply for certification or gain more information on Supplier Diversity

programs may do so at:

<http://gss.omb.delaware.gov/osd/certify.shtml>

<http://gss.omb.delaware.gov/osd/index.shtml>

Definitions

**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 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:

Michelle Morin

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