
STATE OF DELAWARE



DELAWARE HEALTH AND SOCIAL SERVICES

DIVISION OF MANAGEMENT SERVICES

1901 N. DuPont Highway

New Castle, DE 19720

**ATTACHMENT B- SCOPE OF WORK
AND TECHNICAL REQUIREMENTS**

REQUEST FOR PROPOSAL NO. HSS-18-020

FOR

PASRR Web Based System and Services

Recommended/PTR Business Case Number: 1503362

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1 Project Overview

1.1 Background and Purpose

DHSS has identified critical needs as the basis for requesting funding for a Web-Based PASRR System. The solution being implemented is one that will enable the State to achieve regulatory compliance with federal Medicaid PASRR requirements codified in 42 CFR Subpart C 483.100-138. A Web-Based PASRR system will allow the State to more effectively manage the Medicaid Long Term Care program. Improved decision support provided by this solution will greatly increase the State's ability to ensure consistent and accurate PASRR outcomes, ultimately improving client care.

Currently, the State utilizes a paper-based application that employs several manual processes. This creates a difficult environment for data integrity, reporting, and the ability to react based on data analysis. Therefore, the State seeks a robust and flexible Web-based PASRR system that will address this need.

The need for a more robust process was identified in 2014. A team began researching and reviewing the options available. Enhanced funding via a Planning Advanced Planning Document (PAPD) was not requested. A Request for Information (RFI) was developed by the team and posted in early 2015 to gather market information on PASRR Level I and Level II. Since this time, the team has attended several conferences increasing their knowledge which resulted in a detailed Request for Proposal.

The State of Delaware Department of Health and Social Services, Division of Medicaid and Medical Assistance (DHSS/DMMA), seeks professional services to procure a web based/vendor hosted Preadmission Screening and Resident Review (PASRR) system that will enable the State to achieve regulatory compliance with federal Medicaid PASRR requirements codified in 42 CFR Subpart C 483.100-138, and that is compliant with State approved browsers and servers. The State wishes to partner with a vendor who demonstrates strong PASRR knowledge and understanding of CMS expectations for individuals with PASRR related disabilities who seek admission to Nursing Facilities. In addition to a web based system, we are seeking qualified Mental Health service staff to perform Level 1.5 clinical review and Level 2 PASRR independent evaluations that meet federal requirements.

2 DHSS Program and System Overview

2.1 Delaware Department of Health and Social Services (DHSS)

The mission of DHSS is to improve the quality of life for Delaware's citizens by promoting health and well-being, fostering self-sufficiency, and protecting vulnerable populations. DHSS is comprised of eleven divisions as follows:

- Division of Substance Abuse and Mental Health
- Division of Child Support Services
- Division of Health Care Quality
- Division of Management Services
- Division of Developmental Disabilities Services
- Division of Public Health
- Division of Services for Aging and Adults with Physical Disabilities
- Division of Social Services
- Division of Medicaid and Medical Assistance
- Division of State Service Centers
- Division for the Visually Impaired

2.2 The Division

DMMA, DSAMH & DDDS will utilize the system and share in the cost.

2.3 Support/Technical Environment

The three groups responsible for the development and operation of the automated systems that support the Division are described below. These three groups will be responsible for review and approval of all project deliverables, invoices and milestone payments. IRM will serve as the liaison with DTI (see below). The selected contractor will coordinate efforts for this project with the Project Director, other project contractors, State participants, and stakeholders.

2.3.1 Information Resource Management (IRM)

The Project Director will oversee the project budget in coordination with DTI, OMB, and the division. The IRM unit is responsible for providing DHSS divisions with direct programming support of automated systems, as well as consulting support and management of automated systems software, vendors and development projects. IRM consists of an Applications Development, Technology Planning, Base Technology, Telecommunications, Security, and Help Desk support group all who participate in all phases of the project lifecycle as appropriate.

IRM will appoint a Project Director with broad oversight authority for all project activities. A Technical Manager will be appointed and report to the Project Director for project-related activities. Vendors on this project will report to the Project Director. The Project Director will report to the Director of Information Resource Management and have a dotted line to DTI's Director of Major Projects.

2.3.2 Department of Technology and Information (DTI)

DTI is a separate cabinet level agency responsible for running the majority of other State agencies' computer operations, the wide area data network, and setting and enforcing statewide IT policy and standards. DTI as a separate state agency does not fall under the authority of DHSS. However, the Project Director has a dotted line to DTI's Director of Major Projects and is required to work with DTI groups throughout all phases of the project lifecycle, review project deliverables, and oversee the project budget. DTI is responsible for supplying Wide Area Network (WAN) systems support to DHSS as well as other state agencies. DTI also provides state agencies with technical consultant services.

2.3.3 Division Business Analyst Group

This group serves as the division liaison between IRM and vendor technical staff with program staff. They typically translate business needs into IT requirements and vice versa. This is a critical function that ensures that division business requirements are properly communicated to technical staff and that division program staff understand IT policies and standards as they relate to the project. This group works closely with IRM and vendor staff on all technical aspects of the project to ensure close communication with program staff on all phases of the project life cycle including RFP, business case process, vendor negotiations, deliverable review and signoff, through testing, implementation, and post-implementation support. For this project, a Functional Manager will be appointed. This position will report to the Project Director for project-related activities

3 State Responsibilities

The following are State responsibilities under this RFP. Outlined in the following subsections are such areas as project staffing, project management, available resources, and system testing and implementation (if applicable). State staff expectations for this initiative beyond what is stated here must be clearly spelled out by the bidder.

3.1 Staffing Roles

As stated above, the Division will appoint a Project Director. The Project Director will serve to manage project staff including vendor staff during this project. All project deliverables will be approved by signature of the Project Director, Technical Manager and the Functional Manager. The Project Director will serve as the overall project lead with input from the Technical Manager and the Functional Manager

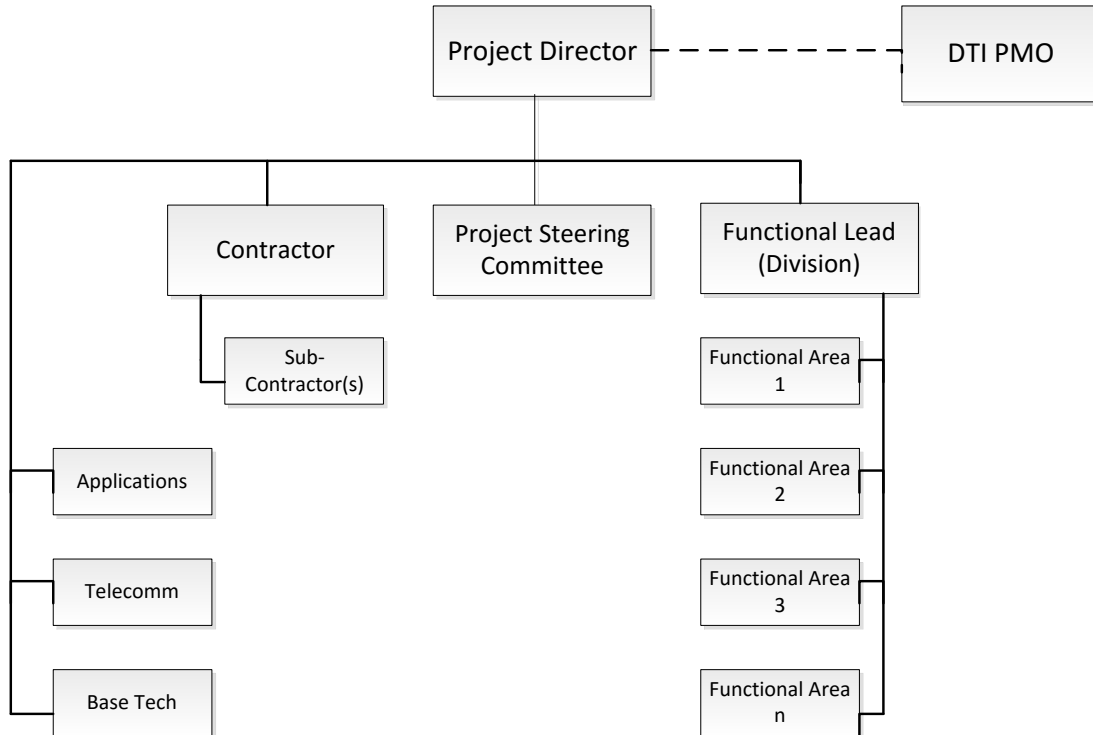
The Project Director will serve as primary coordinator to ensure that Joint Application Design (JAD) sessions take place with the appropriate subject matter experts (SME), that project documents and deliverables are thoroughly reviewed and that approval takes place within agreed upon timeframes. This individual is also responsible for scheduling and coordinating User Acceptance Testing (UAT), when appropriate. The Project Director will coordinate with other divisions and State agencies for their input as needed. These staff will serve primarily as subject matter experts on relevant Division applications and related systems, and will participate in meetings and deliverable review as necessary.

The Technical Manager and the Functional Manager will serve as primary technical liaisons to ensure that contractor and State technical staff work together effectively to identify current and future technology considerations and make key technology decisions. The Technical Manager will serve as the primary liaison with DTI staff to gather State level input as needed.

The Project Director will report to a Project Steering Committee made up of representative managers from the Division, IRM and DTI. This Committee will meet monthly to review project status, progress and issues. The Project Steering Committee will report to an Executive Sponsors group. The Executive Sponsors group will be made up of representatives from DHSS, DTI, OMB and the Division. They will meet quarterly to discuss overall project status, progress and issues, project management, funding, staffing, sponsor issues, stakeholder participation and tasks planned for the upcoming quarter.

3.1.1 Project Organization Chart

The following organization chart outlines the proposed management structure for this project.



3.2 State Staff Participation

The Project Director will be assigned to work on this project full time. Additional State staff participation is as assigned and is in addition to their primary responsibilities. State staff normally work 7.5 hour days from 8:00 AM – 4:30 PM, although some staff flex their schedules. No State staff will be available for data cleanup or meta-data definition. However, divisional SME's can serve to advise contractor on these topics. No State technical staff will be assigned to this project to assist in the coding of the system. State technical staff will attend JAD sessions as assigned. It is important to note that documentation on the existing systems may be missing, incomplete, out of date or in error. Division staff will be responsible for user acceptance testing. The Division will be responsible for assigning a primary and backup division liaison and knowledgeable subject matter experts for the duration of JAD sessions related to their areas of expertise. These assignments will be sent to the Project Director prior to the start of the JAD sessions. Attendance at these sessions is mandatory for assigned staff. These same subject matter experts along with other staff will be assigned to participate during UAT for their areas of expertise. Adequate divisional staff participation is critical.

3.3 Resource Availability

IRM applications, telecommunications and Helpdesk staff are on site from 8:00 AM to 4:30 PM on State business days. The State network is very stable and unscheduled downtime is minimal. Given that the network is an essential state resource, any reported problems have a very high priority and are dealt with immediately. Biggs Data Center power is conditioned and outside supply fluctuations can trigger a switch to automatic local power generation capability. The State has audio and video-conferencing capabilities as well in specific on-site locations for remote meeting participation. Remote connectivity through SSL-VPN is available for offsite work for contracted staff that must access, update or maintain servers and/or applications in the DMZ. Please refer to Exhibit D for more information on the DHSS IT environment.

3.4 Change Control

Scope control is critical to the success of any IT project. If the project is to remain on time and within budget, scope must be tightly managed. In this vein, the project will establish a Change Control Board (CCB) to review all changes requested beyond the scope established in the contract. This entity will be made of representatives from the State (Business and IRM) and the project vendor(s) to review Change Requests (CRs) and vet them as to whether they are critical for inclusion in the implemented solution. Non-critical requests will be prioritized for consideration in the M&O phase. CRs may be swapped for CRs of similar level of effort in order to contain scope. At a certain point, however, design must be locked down at which point no other CRs will be considered for inclusion at implementation. This design lock down date must be documented in the baselined project plan deliverable. The change control process will be documented in the Communications Plan deliverable.

3.5 Deliverable Review

It is the responsibility of the State to perform deliverable review including User Acceptance Testing on all functional aspects of the project. DTI may participate in the review process for certain deliverables. It is the responsibility of the State to review all project deliverables in the agreed upon timeframe. The State will notify the bidder of any changes to the review schedule. Milestone invoicing and payment is contingent upon formal State approval. Likewise, production implementation of each module is contingent upon formal State approval.

3.6 Implementation

Production implementation is normally an IRM responsibility. Depending on the solution selected, IRM may require participation of contractor staff. The state will be primarily responsible for post implementation administration if the system resides at the Biggs Data Center. If a hosted solution is selected, the vendor has primary administration responsibilities.

4 Contractor Responsibilities/Project Requirements

The following are contractor responsibilities and project requirements under this RFP. Please note that specific roles, responsibilities and expectations for State staff under this initiative should be delineated in Section 3.

The contractor is expected to provide most of the expertise and provide for the full range of services during the project. Bidders must discuss each of these subsection requirements in detail in their proposals to acknowledge their responsibilities under this RFP.

Bidders must have demonstrated experience and depth in the following areas:

Component of PASRR

1. Describe how the system provides Level I screeners with an efficient and consistent method of completing and submitting Level I screening tools. Include a description of how the Level I tool meets or exceeds CMS/PASRR Technical Assistance Center design principles and data elements outlined in the 2015 PASRR National Report, Section 2 (see Exhibit M).
2. Compliance with Federal PASRR expectations regarding Level I screening outcomes. The system screens out all individuals who clearly have no indicators of PASRR conditions and screens in for further Clinical Review all individuals with potential PASRR disabilities.
3. Describe how the system is sensitive to potential PASRR qualifying conditions and prioritizes triggered screens for immediate clinical review.
4. Include a quality review process of
 - a. Level I - screening
 - b. Level 1.5 – assessment review
 - c. Level 2 - evaluation
5. Describe how the system assures expedient clinical review of triggered Level I screens to avoid unnecessary delays in hospital discharge and Nursing Home admission. Include average time frames. Responsiveness of system should demonstrate expediency of response time for completion of Level I and Level II results in hours/days.
6. Explain how the system will provide real-time Level I decisions regarding the need for further Level II activity and if applicable, meets categorical, exemption, exclusion, or full Level II evaluation decisions.
7. Describe workflow and clinical confirmation capabilities for Exclusions, Exemptions, and Categorical decisions including issuance of findings and tracking of time limited length of stay approvals. Describe how Evaluators understand the basis for any determinations made by category and how they use

- current, applicable, and sufficient data to support the determination. (See *Exhibit N*)
8. Describe how the system has workflow capability to refer full Level II screens to the Independent Psychiatric Consultant (IPC) for evaluation.
 9. Describe how the system will provide immediate access to Level I screening results to relevant State staff and end users
 10. Describe how the system will include web based submission of Delaware's Nursing Facility Level of Care criteria items
 11. Ability for Level I Screeners and State/Respondent staff to electronically communicate individual case information during the Level I process, including the ability to upload supporting documentation of potential PASRR qualifying conditions.
 12. Describe how the system will provide an alternative submission solution, such as fax submission, when the web based system is unavailable or in special cases
 13. Ability for staff to put the cases "on hold".
 14. Ability for tracking of all dates of when a case is touched from submission of Level I through completion.
 15. Designate roles of the Level I screeners for accessibility to various reports and cases
 16. Ability for State staff to access on demand reports regarding referral source, number, and results of Level I screens
 17. Describe how the system provides an efficient and consistent method of completing and submitting Level II evaluations that meet or exceed CMS/PASRR Technical Assistance Center data elements and requirements outlined in Review of State PASRR Policies and Procedures, 6/12/2012 (See *Exhibit O*).
 18. Level II evaluation tool meets or exceeds CMS/ Payment Model Technical Advisory Committee requirements, incorporates State Nursing Facility medical necessity criteria (See Exhibit P), and includes the State of Delaware Categorical Group Determinations.
 19. Recruit, vet, and provide ongoing quality oversight of Level II evaluators. Minimum evaluator requirements include a Nurse with 6 months psychiatric experience or a LCSW with 1 year medical experience and 1 year psychiatric experience. However, there may be different requirements for Level II evaluators for each division. The provider will work with each division to ensure that each division's credential requirements are met. For example, Full Level II evaluations and Preliminary Summary of Finding reports may be conducted by provider's clinical staff (Psychologist, Psychiatrist, Psychiatric Nurse Practitioner, or an RN with 2 years psychiatric experience), but in some cases, a division may not allow an RN with 2 years. Therefore, the provider must be aware of such a cases and provide the correct staff to complete work. In addition, the provider must be alert to the clinical complexity and geographical location to ensure quality and maximize affordability for volume required.
 20. Will provide IPC evaluations and preliminary summary of findings to be approved and/or amended by Division of Developmental Disabilities Services/ Division of

Substance and Mental Health (DDS/DSAMH) authority and available in the system within 5 days from the time of Level II referral.

21. Independent Psychiatric Consultant (IPC) evaluators must be available to participate in State Fair Hearings.
22. Describe reports that would monitor the effectiveness of the program and the frequency which reports would be available.
23. Describe process in which Level Is and Level IIs will be held accountable for work performed based on the contract and steps to be taken upon missed Service Level Agreements (SLA)s. The selected vendor will be required through the contract to oversee/monitor evaluators who may have contracts with the State through a vendor such as DXC Technology.
- 24.

Training and Customer Service

The Contractor shall provide system training and maintain quality customer service to DMMA throughout the Contract:

1. The Contractor will provide a Project Manager, subject matter experts, and the appropriate number of technical support staff such that they are available to talk directly with DMMA staff regarding any issues or questions about the system during normal working hours, typically 8AM – 5PM EST Monday through Friday, excluding State Holidays.
2. The Contractor will provide initial system training to State staff and end users.
3. The Contractor will provide ongoing training to State staff and end users via a web based training module located on the Vendor's website/portal so that non-state employees can access it.
4. The Contractor will provide ongoing training to State staff and end users secondary to State authorized changes and upgrades to the system over time.
5. The Contractor will provide system manuals and educational materials to State staff and end users. These materials will be updated to reflect PASRR program or web system changes immediately and training will be provided to State staff and end users to ensure compliance.
6. The Contractor will provide updates to the software as needed to align with any CMS regulatory changes. Training to State staff and end users will be provided to ensure compliance.
7. Ability for State staff to access on demand Learning Management System reports of Level I Screener training.

Experience

The Contractor shall have experience in the design, implementation, and management of a web based PASRR system that meets the State's regulatory obligations:

1. Describe how subject matter experts have an understanding of the PASRR process and federal regulations.
2. Describe how the Contractor meets all requirements for providing ongoing hosting, maintenance and support of the system.
3. Describe how the Contractor has experience providing a web based PASRR system through at least two other contracts in the last three years.

Meeting/Reporting Requirements

The Contractor will be required to participate in the following:

1. Weekly and as needed conference calls conducted by the Contractors Project Manager to commence when the Contract is signed. Schedules for the calls will be mutually made by the State and Contractor.

The Contractor will be required to report the following to DMMA:

1. Immediate suspicion of system breach of Protected Health Information (see <https://dti.delaware.gov/pdfs/pp/OffshoreITStaffingPolicy.pdf>, and *Exhibit L*)
2. Periods for planned and emergency system maintenance and updates.
3. Contractor office closings for holiday or weather related events.

The Contractor will provide reports that monitor evaluator's effectiveness at a frequency agreed upon.

HIPAA and Confidential Personal Information

The Contractor will demonstrate that they are capable of:

1. Creating and maintaining a secure user system providing HIPAA compliant PASRR Level I and Level II system processes 24/7/365.
2. Pre-Qualify users as legitimate subjects prior to initial system access.
3. Provide re-qualification of end users on a scheduled basis.
4. Manage screening and provisioning of user credentials and system access.
5. Describe how end users will be able to cover other users' cases during periods of absences.
6. Enter into a HIPAA business associate agreement with DMMA.
7. Follow DHSS/IRM/DTI Security policies and regulations (*Exhibit C*)

Contractors are to propose their compensation rates using as an example the Payment Milestone and Deliverables template in Exhibit Q of this RFP. Proposed compensation rates will be based on an estimated 12,000 Level I Screens per year, adjusted annually. Estimated Clinical Reviews at 3,600 per year. IPC evaluations estimated at 1,200 per year.

This experience is critical in ensuring project success in terms of the future direction of the Division's information technology development, as well as maintaining an open partnership with project partners.

4.1 Staffing

Contractor will propose and supply resumes for the following key positions including:

- Project Director
- Project Manager
- Business Analysts
- Senior Developers
- Technical Analyst (i.e. DBA, SE, etc.)
- Documentation Specialists
- Training Specialist

The resumes will be for specific named individuals and will be in the format specified in Exhibit D. Other positions may be proposed at the contractor's discretion. One person may be proposed to fill more than one role. The contractor project manager and other key staff like the Business Analyst(s) will be required to be on site in New Castle, Delaware, during the entire project phase.

4.1.1 On-Site Staffing Requirement

The following key contractor staff are required to be on-site at the Biggs Data Center in New Castle, Delaware, as indicated below:

- Contractor Project Director, as required
- Contractor Project Manager – 10%
- Business Analysts – as required
- Senior Developers – as required
- Technical Analyst – as required
- Documentation Specialists – 10%
- Training Specialist – 80%

The State and the key contractor staff will work very closely together on this project. This requires an on-site presence. The State will provide office space including furniture, phones and network connectivity for all on-site project staff. Contractor will be responsible for all other office necessities including workstation and required software. It is vital for the contractor project manager and key staff to play an active on-site role in the project and be visible and accessible.

4.1.2 Project Director Requirement

The Vendor Project Director is the individual who has direct authority over the Vendor Project Manager and will be the responsible party if issues arise that cannot be resolved with the Vendor Project Manager. The Vendor Project Director does not need to be on-

site except for designated meetings or as requested. It is critical that a named Vendor Project Director with appropriate experience be proposed.

4.1.3 Project Manager Requirement

The contractor project manager is normally on-site and manages the project from the contractor perspective and is the chief liaison for the State Project Director. The Project Manager has authority to make the day-to-day project decisions from the contractor firm perspective. This contractor project manager is expected to host meetings with Division Subject Matter Experts (SME) to review Division business organization and functions along with the organization, functions and data of existing information systems relevant to this project. The contractor project manager is expected to host other important meetings and to assign contractor staff to those meetings as appropriate and provide an agenda for each meeting. Weekly on-site status meetings are required, as are monthly milestone meetings. Meeting minutes will be recorded by the contractor and distributed by noon the day prior to the next meeting. Key decisions along with Closed, Active and Pending issues will be included in this document as well. In their proposals, bidders must include a confirmation that their project manager will schedule status review meetings as described above. It is critical that a named Vendor Project Manager with prior project management experience be proposed.

In their proposals, bidders must include a confirmation that their Project Manager will schedule status review meetings as required above and that their Project Manager will provide written minutes of these meetings to the State Project Director by noon the business day prior to the next meeting.

4.1.4 Project Help Desk Staff Requirement

Vendor Help Desk expertise is critical to the success of the system. Staff proposed for this function do not need to be dedicated exclusively to this role. They may serve a primary role in addition to providing Help Desk coverage. Secondary Help Desk support must be identified in the resume of the staff member primarily bid for another function. Bidder must supply at least a primary and a backup Help Desk function during the UAT, production Implementation and the warranty timeframe. These staff will provide second-level support during State business hours to callers with system issues. The department's Help Desk will provide first-level support. This generally includes resolution of issues such as network connectivity, application log in problems and general PC advice. The contractor will provide second level support. This will be more system-specific and require application expertise. Specific system issues may be referred to third-level divisional support for SME expertise.

4.2 Project Management

The contractor must be the prime contractor to develop all the deliverables required by this RFP. The prime contractor will be directly responsible for all project work and performance of any subsidiary, subcontractor or by any other third party. The prime contractor will ensure that all ancillary contractors understand and are responsible for the requirements of this project. If the prime contractor will be utilizing the services of an ancillary contractor under this project, please give an example of language to be used in the sub-contractual agreement to satisfy this requirement.

The contractor must recommend a core team to work with DHSS over the course of the project and must identify other resources needed. A high level project plan must be created and included as part of this proposal.

The contractor is expected to employ a rapid application design methodology to speed customization/development. An iterative model of testing is required which will require early prototypes and subsequent demonstrations of working modules to ensure that the product meets user specifications in terms of user interface and functionality. It will be the contractor's responsibility to provide complete and accurate documentation for all entities in the system. The contractor is expected to release prototypes/drafts of project deliverables and components for early state consideration and comment in order to expedite the final review process.

4.3 Requirement to Comply With HIPAA Regulations and Standards

The selected vendor must certify compliance with Health Insurance Portability and Accountability Act (HIPAA) regulations and requirements as described in Department of Health and Human Services, Office of the Secretary, 45 CFR Parts 160, 162 and 164 along with the updated ARRA and HITECH act provisions, as well as all HIPAA requirements related to privacy, security, transaction code sets (where applicable) and medical provider enumeration.

The selected vendor is required to customize/develop the system in accordance with HIPAA requirements, implement the system in accordance with HIPAA requirements and, where the vendor will operate and maintain the system, operate and maintain the system in compliance with HIPAA requirements.

HIPAA requirements also apply to entities with which State data is shared. If this data is covered by HIPAA, then a Business Associates Agreement (BAA) must be signed by both parties to ensure that this data is adequately secured according to State and DHSS policies and standards (See Section 4.4 for more information on this requirement). This agreement/contract must be in force prior to testing or production implementation of this data exchange.

In the proposal, contractor will explain their understanding of the HIPAA regulations and their impact on this project especially in the area of security.

4.4 Requirement to Comply with State Policies and Standards

The proposed solution must be fully compatible with the DHSS technical environment. Proposed solutions that are not fully compliant with State standards may be disallowed.

The Information Technology Publications web page in Exhibit C has links to DHSS and DTI policies and standards and other documentation. See the "Supportive Documentation for Bidding on Proposals" section.

- Please review the MCI and IAS documents referenced on this page. MCI is the Master Client Index which is required for all systems identifying DHSS clients. IAS is the Integrated Authorization System which is a DHSS mechanism for tracking authorized systems users. Contractors will comply specifically with these requirements.

The DTI Systems Architecture Standard contains information confidential to the State and is not published on the internet. However, DTI has set up an email address which will automatically send a response with this document attached. The email address is sysarch@lists.state.de.us

The application will have at least 3 tiers with the tiers configured and secured as in the sample diagram included in the DHSS Information Technology Environment Standards. Please see State of Delaware Systems Architecture Standard (instructions above) and DHSS Information Technology Environment Standards http://www.dhss.delaware.gov/dhss/dms/irm/files/dhss_it_environment.pdf for more information.

All components of the proposed solution, including third party software and hardware, are required to adhere to the policies and standards described above, as modified from time to time during the term of the contract resulting from this RFP, including any links or documents found at the above referenced web sites.

4.4.1 Authorizations4.4.55.

All Contractor staff working on this project will be subject to a Criminal Background Check (CBC). The contractor will be solely responsible for the cost the CBC. DHSS will review the CBC results. DHSS at their sole discretion may request that a Contractor staff member be replaced if their CBC result is unsatisfactory. See Exhibit K for instructions on this process.

Contractor staff will be required to fill out DTI's Acceptable Use Policy, Biggs Data Center User Authorization Form, and the Biggs Data Center Non-Disclosure Agreement for necessary authorizations before starting work. Staff working at a secured DHSS site will be issued a security access card by DHSS as per the DHSS Standard.

4.4.2 Architecture Requirements

Securing and protecting data is critical to DHSS. This protection is required for data whether hosted **onsite or offsite**. As such it is required that the Contractor include in the response to this section proposed architectural diagram(s) in Visio format demonstrating how DHSS data is being secured.

The diagram must include any interfaces between the solution and other solutions. The diagram needs to be clearly documented (ports, protocols, direction of communication). It does not need to contain the inner workings of the solution or proprietary information.

Technical documentation will be required to be produced as part of the contract negotiations process. These will be submitted to DHSS for attachment to a DTI business case. The business case must be in "Recommended" status prior to contract signature or have a clear indication that the contract can be signed subject to conditions listed in the business case. The project business case is a DHSS responsibility. Technical documentation includes a final architecture diagram for each system environment (Prod, UAT, etc.), non-proprietary data dictionary and a high level process flow diagram. This documentation shall be produced at no cost to DHSS prior to contract signature.

Architecture changes can be highly risky if not planned and tested correctly and therefore must go through the change control process. The architecture diagram may have to be updated along with other documents for prior approval. Architecture changes

must be staged in lower environments.at least at the SIT level for integration testing. Formal UAT approval is required for scheduling production implementation.

4.4.3 DHSS Hosting Requirements

If the proposed solution will be hosted by DHSS, Contractor is instructed to include in their response to this section the following statement, **“Proposing a DHSS hosted solution. Therefore the Cloud/Remote Hosting Requirements from section 4.4.4 do not apply and are not addressed in this proposal**

4.4.3.1 Standard Practices

The contractor(s) shall be responsible for the professional quality, technical accuracy, timely completion, and coordination of all services furnished to DHSS. The contractor(s) shall follow practices consistent with generally accepted professional and technical policies and standards. The contractor(s) shall be responsible for ensuring that all services, products and deliverables furnished to DHSS are consistent with practices utilized by, or policies and standards promulgated by, the Department of Technology and Information (DTI) published at <http://dti.delaware.gov/information/standards-policies.shtml>. If any service, product or deliverable furnished by a contractor(s) does not conform to State policies, standards or general practices, the contractor(s) shall, at its expense and option either (1) replace it with a conforming equivalent or (2) modify it to conform to State policies, standards or practices.

4.4.3.2 Confidentiality and Data Integrity

The Department of Technology and Information is responsible for safeguarding the confidentiality and integrity of data in State computer files regardless of the source of those data or medium on which they are stored; e.g., electronic data, computer output microfilm (COM), tape, or disk. Computer programs developed to process State Agency data will not be modified without the knowledge and written authorization of the Department of Technology and Information. All data generated from the original source data, shall be the property of the State of Delaware. The control of the disclosure of those data shall be retained by the State of Delaware and the Department of Technology and Information.

4.4.3.3 Security Controls

As computer, network, and information security are of paramount concern, the State wants to ensure that computer/network hardware and software do not compromise the security of its IT infrastructure. Therefore, the Contractor is guaranteeing that any systems or software meets or exceeds the Top 20 Critical Security controls located at <http://www.sans.org/critical-security-controls/>.

4.4.3.4 Cyber Security Liability

It shall be the duty of the Contractor to assure that all products of its effort do not cause, directly or indirectly, any unauthorized acquisition of data that compromises the security, confidentiality, or integrity of information maintained by the State of Delaware. Contractor's agreement shall not limit or modify liability for information security breaches, and Contractor shall indemnify and hold harmless the State, its agents and employees, from any and all liability, suits, actions or claims, together with all reasonable costs and expenses (including attorneys' fees) arising out of such breaches. In addition to all rights and remedies available to it in law or in equity, the State shall subtract from any payment

made to Contractor all damages, costs and expenses caused by such information security breaches that have not been previously paid to Contractor.

4.4.3.5 Information Security

Multifunction peripherals must be hardened when used or connected to the network. They should be configured to harden the network protocols used, management services, processing services (print, copy, fax, and scan), logging, and physical security. Care shall be taken to ensure that any State non-public data is removed from memory before service calls and/or equipment disposal. Electronic information storage devices (hard drives, tapes, diskettes, compact disks, USB, multifunction peripherals, etc.) shall be disposed of in a manner corresponding to the classification of the stored information, up to and including physical destruction.

4.4.3.6 Mandatory Inclusions for DHSS Hosting

4.4.3.6.1 Network Diagram

The Contractor must include a network diagram of the user's interaction with the solution and any interfaces between the solution and DHSS must be clearly documented (ports, protocols, direction of communication). The network diagram does not need to contain the inner workings of the solution or proprietary information.

4.4.3.6.2 List of Software

The contractor must include a list of software (operating system, web servers, databases, etc.) that the State needs to utilize the solution. For example, a certain web browser (IE) or web service technology for an interface. The contractor will include a list of browsers and versions that are officially supported for web applications. The software list will be formatted as follows:

Product Name	Version	Contractor Name	Required for Development?	Required for M&O?

4.4.3.6.1 3rd Party Authentication

The contractor must include a list of any 3rd party authentication solutions or protocols that they support.

4.4.3.6.2 Password Hashing

The contractor must describe the method used by the solution for hashing user passwords. Include items like hash algorithm, salt generation and storage and number of iterations.

4.4.3.6.3 Data Encryption

The contractor must describe the solution's ability to encrypt non-public State data in transit and at rest. Include encryption algorithm(s) and the approach to key management.

4.4.3.6.4 Securing DHSS Data

The contractor must describe how DHSS data will be protected and secured.

4.4.4 Cloud/Remote Hosting Requirements

This section is mandatory for Contractors proposing to host systems and/or DHSS data outside of the State network. Contractors must respond as required for each subsection below. Failure to respond as instructed may be cause for rejection of the entire proposal.

If the proposed system and/or data will be hosted outside of the State network, Contractor is instructed to include in their response to this section the following statement, **“Proposing a Cloud/Remote Hosting solution. Therefore DHSS Hosting Requirements from section 4.4.3 do not apply and are not addressed in this proposal”**.

4.4.4.1 Remote Hosting Agreements

The data classification for this procurement is **Non-Public**.

Contractor is instructed to review the following two agreements and sign and scan and include with your response

Cloud Services Agreement (CSA)

<https://dti.delaware.gov/pdfs/pp/Delaware%20Cloud%20Services%20Terms%20and%20Conditions%20Agreement.pdf>

Data Usage Agreement (DUA)

<https://dti.delaware.gov/pdfs/pp/Delaware%20Data%20Usage%20Terms%20and%20Conditions%20Agreement.pdf>

The mandatory clauses are identified by the checkmark in the appropriate Public/Non-Public column in each Agreement.

Note: There are very specific instructions above the Cloud Service (CS) Terms column on each page of the CSA regarding which combination of provisions are mandatory for Non-Public data. Please review the instructions carefully

If Contractor can only accept a clause with conditions (Accept Conditionally) or does not agree with (Reject) a clause as written, then please fill out the following Cloud Services/Data Usage Exceptions table as part of your response to this section. Please include a Comment for each exception stating why you Accept Conditionally or Reject. If you can Accept Conditionally, state what controls are or can be put into place to provide for the same or similar level of compliance.

CSA/DUA Exceptions (Example)

CSA/DUA	Clause #	Response	Comment
CSA	CS1-B	Accept Conditionally	We will provide the results of our internal Criminal Background Checks in lieu of the stated requirement.
CSA	CS4	Reject	Our legal counsel has advised that while we can provide notice to DHSS of pending activity, we can provide no specifics otherwise.
DUA	DU2	Accept Conditionally	While we can agree to the minimum necessary provision, under exceptional circumstances,

			our DBA staff may be required to access production datasets for the purposes of data integrity checks or issue resolution. An as-needed, limited term access authorization will be necessary in this situation.

Any exceptions specified will be vetted by DTI prior to contract signature. Individual clauses may be negotiated and updated by DHSS. In this case, DTI's written approval of the negotiated Agreement version will be attached to the final contract.

If the Contractor accepts all clauses as originally specified, Contractor will respond to this subsection with "We accept all clauses in both the CSA and DUA". Do not include the Template Exceptions table in this situation.

4.4.4.1.1 Requirement to Encrypt Data at Rest

In the DUA, requirement DU7 specifies that non-public data (personally identifiable information/confidential information) must be encrypted at rest. If the Contractor is proposing a solution that will comply with this requirement, please include the following statement in your response to this section:

- "[Company Name] is proposing a solution will encrypt non-public data at rest."
- In section 4.4.5.1 of this RFP, Contractor must specifically describe how the data will be encrypted as specified in requirement DU7 in the DUA.

However, if the Contractor cannot comply with this requirement then Contractor must purchase adequate Cyber Liability Insurance as specified in Exhibit L **Cyber Responsibilities, Liability and Insurance**. Please include the following statement in your response to this section:

- "[Company Name] is proposing a solution will not encrypt non-public data at rest and intends to purchase Cyber Liability Insurance as specified in Exhibit L prior to contract signature."
- The selected Contractor will present a valid certificate of cyber liability insurance for attachment to the contract prior to contract signature.

4.4.4.2 Terms and Conditions for Subcontractors

Subcontractors involved in offsite/cloud data hosting are not required to sign the CSA or the DUA; however the primary contractor is expected to hold them responsible to the same or more stringent security requirements to ensure that State data is adequately secured.

4.4.4.3 Standard Practices

The contractor(s) shall be responsible for the professional quality, technical accuracy, timely completion, and coordination of all services furnished to DHSS. The contractor(s) shall follow practices consistent with generally accepted professional and technical policies and standards.

4.4.4.4 Mandatory Inclusions for Cloud/Remote Hosting

4.4.4.4.1 Network Diagram

The Contractor must include a network diagram of the user's interaction with the solution and any interfaces between the solution and the State needs to be clearly documented (ports, protocols, direction of communication). The network diagram does not need to contain the inner workings of the solution or proprietary information.

4.4.4.5 List of Software

The contractor must include a list of software (operating system, web servers, databases, etc.) that the State needs to utilize the solution. For example, a certain web browser (IE) or web service technology for an interface. The contractor will include a list of browsers and versions that are officially supported for web applications. The software list will be formatted as follows:

Product Name	Version	Contractor Name	Required for Development?	Required for M&O?

4.4.5 DHSS-Specific Security Requirements

The requirements in this section are mandatory.

4.4.5.1 Encryption of Data at Rest

Contractor will describe the method(s) for encrypting DHSS confidential/PII/ePHI data at rest in their proposed solution.

4.4.5.2 Encryption of Data in Transit

All data in transit must be encrypted whether transmitted over a public or private network. Contractor will describe the encryption method(s) proposed.

4.4.5.3 DHSS Data Rights

All DHSS data (Public and Non-Public) related to services provided under this contract will remain the sole property of DHSS. De-identified or derived/aggregated DHSS data is not exempted from this requirement. This provision shall survive the life of the contract. Contractor does not acquire any right, title or interest in DHSS data under this contract. Except as otherwise required by law or authorized by DHSS in writing, no DHSS data shall be retained by the Contractor for more than 90 days following the date of contract termination. After the 90 day timeframe the following provisions will remain in effect: contractor will immediately delete or destroy this data in accordance with NIST standards and provide written confirmation to DHSS; contractor is expressly prohibited from retaining, transferring, repurposing or reselling DHSS data except as otherwise authorized by DHSS in writing; contractor retains no ongoing rights to this data except as expressly agreed to by DHSS in the contract.

4.4.6 UAT and Training Environments

The UAT and Training environments must be secured at a level equivalent to the security in place for the production environment. It must be sized and architected such that an entire copy of the production files can be copied over into UAT. The architecture must be equivalently configured so that performance and load testing will essentially

produce the same results and expectations as testing in the production environment. There is no expectation to mask field values in the UAT and Training environments. Lower environments that are secured in the same manner may be exempt from masking requirements as well however this may be subject to DHSS or Federal regulations that override this potential exemption.

4.4.7 Masking of Production Data in Lower Environments

While securing of production data is of critical importance, migration of that data to lower environments presents its own set of challenges as lower environments typically are not as secure as the production environment. Masking of production data in lower environments usually involves deletion or obfuscation of actual PII-related field values such that they have no meaning as plain text and there is no identifiable method of translation back to the original values. If there are plans to copy production data to a less secure environment, Contractor will describe in detail their proposed masking strategy. If there is no expectation that production data will be copied into less secure environments, Contractor will describe their proposed test data generation plans and state clearly in this section that masking of production data is not required under this proposal.

4.4.8 Offsite Project Work

DHSS will permit project work to be done offsite, within the United States and its territories *and Canada*. For offsite work, DHSS requires strong management of the resources and assigned tasks; adequate, timely and accurate communications and completion of assigned work by specified deadlines. This is important to any offsite relationship. If Contractor is proposing offsite project work, Contractor must specifically address each of the bulleted items below in this section of the proposal. Otherwise, Contractor will respond to this section as follows: **"No offsite project work proposed."**

Note: For the purposes of this section, the Contractor staff organization includes subsidiary contractors.

- Provide a detailed description of work to be completed offsite along with a breakdown of the type of work to be provided on-site. Quantify this by estimating for each of the deliverables identified in this Section, the percentage of work to be done offsite.
- Provide an organization chart with job titles of offsite staff and their relationship to the Contractor.
- Provide a description of what tasks each job title is responsible for performing.
- Clearly identify if offsite work is to be performed by Contractor staff or subcontractors.
- For offsite subcontractor or Contractor staff, please include the names and resumes of key staff, highlighting prior participation on similar projects. Also provide named or sample resumes for lower level staff.
- Provide a detailed plan for managing offsite work including communication strategy to accommodate time differences if any. Include contingency plan for completing work should offsite relationship be terminated.
- Propose a meeting schedule for project status discussions with offsite management staff.
- Identify the offsite single point of contact who will serve as the project manager of offsite resources. Describe how this project manager and the on-site project

manager will interact. DHSS prefers that the offsite project manager be a Contractor employee. Please refer to RFP Section 4.1 for normal Contractor staffing requirements.

- Provide a contingency plan for substituting on-site staff if offsite relationship becomes problematic as determined by DHSS.
- Provide a description of prior Contractor organization experience with use of offsite Contractor staff or subcontractors and provide U.S. client references for that work.
- Provide a detailed description of proposed project manager's experience in directing offsite staff and/or subcontractors.
- Describe your understanding that DHSS will only provide management of this project and Contractor resources through the on-site project manager. All management/relationships with offsite resources, whether Contractor staff or subcontractors, will be handled by the respective bidding organization.
- Describe how the system components will be tested and staged during customization/development. For DHSS-hosted solutions, DHSS requires that the all UAT, production and related environments be located at the Biggs Data Center. All system components of these environments including all system libraries and databases will be located in the data center as well. DHSS staff must approve the results of system testing before systems components are migrated into UAT. It is critical that system components are proven to operate in the Biggs Data Center UAT environment prior to promoting the code to production. Remote developers and testing staff may access these environments through VPN. The UAT environment must be the technical equivalent of the production environment to minimize issues with promoted code and/or database changes in production. Contractors may propose additional environments as necessary or recommended for their solution.

4.4.9 Offshore Prohibitions

Offshore is defined as not being within the United States or its territories. DHSS will not permit any project work to be performed offshore either by the prime contractor, subsidiary, subcontractor or by any other third party. Offshore storage and transmission of DHSS data is prohibited. Onshore project data and project artifacts including backup and recovery files in any form shall not be accessed by offshore staff and shall not be copied or moved offshore. This prohibition extends to maintenance and operations services, technical support services and any other subsequent services under this contract. Violation of any provision in this paragraph will be considered breach of contract. Contractor shall respond with their understanding of and their intent to comply with the requirements in this paragraph.

4.4.10 Other Technical Considerations

DHSS prefers to have a system with a web front-end for a common user interface. Web browser based applications are now considered the only acceptable platform for custom applications development. For proposed COTS (Commercial off the Shelf) solutions, DHSS prefers those that are web browser based and that:

- Use Microsoft Windows Server as their operating system
- Use Microsoft Internet Information Server (IIS) as their web and application server software
- Use Microsoft SQL Server for the data store
- Have been developed using Microsoft C#.NET

4.5 Reporting

To the extent possible, reporting should utilize an extracted or near real time copy of the production database so as not to adversely affect the performance and response time of the production application. This is critically important for systems that permit ad-hoc reporting environment especially for complex systems or systems with a large concurrent use base. If a separate reporting environment is being proposed, Contractors will include a corresponding system architecture diagram in their proposal.

4.6 Performance

Performance of the proposed solution within the DHSS and State technical environment is a critical consideration. The present data center environment in terms of infrastructure, hardware, power, etc. needs to be reviewed. Contractor is expected to review this with IRM and DTI to ensure that it is sufficient. The current design and capacity of the network especially in terms of connectivity to the Division business sites must be reviewed along with service upgrade plans. Future capacity and response time needs must be evaluated and accepted.

4.7 Degree of Customization

If bidding a purely custom solution, please respond to this section as follows: **"Bidding a custom solution. Degree of customization is not relevant to this proposal."**

Otherwise, please comply with the following requirements.

In terms of degree of customization of COTS software or transfer of an existing custom solution, the State's interest is in cost containment by restricting the customization features applied to a proposed COTS or transfer solution. The State will waive ownership rights of customization features applied as part of this project if they are made part of the standard product, which in fact is the State's preference.

The basis for this degree of customization will be the maximum number of hours that the vendor is including in the total hours for development for required customization features. Bidder will provide the following information in their technical proposal:

Total Development Hours = _____

Total Customization Hours = _____

Degree of Customization = _____

The Degree of Customization is computed as follows:

Degree of Customization =

$(\text{Total Customization Hours} / \text{Total Development Hours}) * 100$

where

Total Customization Hours = Total hours for all approved change requests
(CR1 hours + CR2 hours + ...)

and

Total Development Hours = Total coding hours bid for this project

Bidder will bid a Degree of Customization that does not exceed 15%. This figure will serve to cap Total Customization Hours that will come out of the design process. If at any point during the design phase, this figure is projected to exceed 15%, contractor will inform the CCB and they will take action to either scale back or disapprove existing CRs to drive this figure back to or below 15%.

4.8 Backup and Recovery

DHSS requires that system data be backed up to appropriate media that can be restored as necessary. The selected contractor will be expected to review the current backup and recovery process and suggest scenarios where incremental backups, full backups or dataset reloads are appropriate.

4.9 Disaster Recovery

DHSS has contracted with Vital Records, Inc. as the offsite media storage contractor for backup media. The State contracts with Sungard Recovery Systems for cold site services. Disaster recovery tests are conducted every six months for the Biggs Data Center Environment. For systems located at the Biggs Data Center, the selected contractor is expected to review this process with IRM and DTI to ensure that it is sufficient

Additionally, if the contractor has ongoing maintenance responsibilities for the system, they will be required to participate to the extent necessary in this testing. This requirement will be detailed in the maintenance contract and will also include expected turnaround time and recovery participation in the event of an actual disaster declaration.

4.10 Specific Project Tasks

Contractor will be expected to address the following requirements in their proposal in detail. Emphasis is on the limited availability of State staff for the project and the expectation that the contractor express in detail their understanding of their responsibilities for each of these tasks. Contractor is expected to have primary responsibility for each of these project tasks. State versus contractor responsibilities must be delineated.

4.11 Project Deliverables

4.11.1 Deliverable Review Process

Each document deliverable must be delivered in soft copy to the State Project Director. Application module deliverables will be delivered and installed by technical staff as agreed to by the State. State staff time is limited on this project especially for deliverable review. The project plan must include sufficient time for serial deliverable review. The vendor must include at least ten (10) business days, per deliverable, in the project plan for State staff to complete a review and to document their findings. Based on the review findings, the State may grant approval, reject portions of or reject the complete document or request that specific revisions be applied. The State may also request in writing a short extension to the review timeframe until a specified date. The vendor shall have five (5) business days to revise the document as requested by the State. The State shall have three (3) business days for subsequent reviews as necessary. These review

timeframes may be modified as necessary for a specific deliverable (i.e. complex deliverables may require greater review time) but must not adversely affect the critical path in the baseline project plan. Review timeframe modification requests must be made in writing by either State or vendor staff to the Project Director. These requests will be approved or rejected at the sole discretion of the Project Director.

For solutions hosted at the Biggs Data Center, specifically for each application module deliverable, the source code (or executable in the case of COTS products) will be delivered to the State. The vendor is responsible for installation in the specified test environment with the assistance of State technical staff. The vendor is responsible for ensuring that each module deliverable can be tested by State staff.

Both document and application module deliverables will be reviewed by the State and will require formal approval from the Project Director, Technical Manager and Functional Manager prior to milestone approval and invoicing. Formal approval of a deliverable constitutes State approval of the final version. Both types of deliverables will be accompanied by a Deliverable Acceptance Request (DAR) – see Exhibit I. The target in the deliverable review process is to complete the review in a maximum of two (2) cycles. However, review will need to extend beyond the second cycle if a deliverable still has defects.

1. In the case of any discrepancy between any deliverable and the Requirements Traceability Matrix, the controlling document shall be the Requirements Traceability Matrix.
2. In the case of any contradiction between deliverables, the contradiction shall be resolved at the sole discretion of DHSS.

NOTE: Deliverables will be reviewed by the State in a sequential manner. A deliverable will not be accepted for review until the preceding deliverable has been approved. This provision does not prohibit a vendor from working on multiple deliverables at the same time.

4.11.2 Project Deliverables by Phase

Project deliverables are as follows. Milestones are indicated with the Mn designation.

	Project Deliverables & Milestones (M1-6)
Phase 1	Deliverable: Baseline Project Plan
	Deliverable: Document Templates
	Approval of Phase 1 (M1)
Phase 2	Deliverable: Requirements Traceability Matrix (RTM)
	Deliverable: Interface Control Document (ICD)
	Deliverable: Business Requirements Document (BRD)
	Deliverable: Design Specifications Document (DSD)
	Approval of Phase 2 (M2)

Phase 3	Deliverable: Communications Plan
	Deliverable: Test Plan
	Deliverable: Training Plan
	Deliverable: Implementation Plan
	Approval of Phase 3 (M3)
Phase 4	Deliverable: Disaster Recovery Plan
	Deliverable: Completed SIT
	Deliverable: Completed Training Prior to Go-Live
	Deliverable: Completed UAT
Phase 5	Approval of Phase 4 (M4)
Phase 5	Deliverable: Production System Acceptance
Phase 6	Approval of Phase 5 (M5)
Phase 6	Deliverable: Conclusion of Warranty
	Approval of Phase 6 (M6)

Except for the initial and final project phases above, vendors may propose a different sequence of phases and deliverables. Schedule E1 of Exhibit E (Project Cost Forms) must reflect this different sequence.

4.11.2.1 Phase 1

This phase is the kickoff of the project where the overall project planning, project management and schedule are agreed to and the ground rules and expectations are set. In Phase 1, all deliverable documentation will be initially introduced in an "Outline and Sample Contents" template submitted by the contractor. State staff will approve each template. These templates may also be subject to federal review as well. Each deliverable will follow its respective approved template design.

The deliverables in this phase are:

Deliverable: Baseline Project Plan

This mandatory deliverable is the first update of the project plan submitted with the proposal of the selected vendor. See Section 6.2.4 for a description of this deliverable.

The project plan is a living document and must be updated at the same interval as the status reports throughout the project to reflect actual project status and timelines. The State must approve any change that results in the change of a milestone date.

Deliverable: Document Templates

This is a mandatory deliverable. Vendor must work with State staff to design templates for each subsequent document deliverable including but not limited to requirement documents, detailed design documents, training plans, testing plans, status reports, issues tracking, executive meeting summaries and other project documents. These template designs are critical to ensuring that the deliverables and other project documents are in a format agreed to by all parties. Each template must be separately

approved by the State. Each deliverable document will be submitted in the agreed upon template format.

A section of this document shall include the deliverable review process agreed to by the State and vendor. This can be a restatement of Section 4.12.1 of this RFP or if the stated RFP process has been modified in any way, it must be documented in this deliverable.

With formal State approval of all deliverables in this phase, the milestone payment (M1) minus 20% holdback may be invoiced.

4.11.2.2 Phase 2

Deliverable: Requirements Traceability Matrix (RTM)

This is a mandatory deliverable. Tracing forward, it is a matrix tracing the business requirements through detailed design, test scripts for SIT and UAT and the verification scenarios used to prove out the functionality of the implemented system. Tracing backward, it can be used for issue analysis and defect tracing. This is a living document that is updated as then project proceeds through its different phases.

Deliverable: Business Requirements Document (BRD)

This is a mandatory deliverable. This document consolidates the business requirements agreed upon from a series of requirements gathering sessions hosted by the vendor. These are English-language requirements that serve as the basis for the **Requirements Traceability Matrix** and may include as-is, to-be and gap analysis as part of a business re-engineering task. This is an important consideration especially with a COTS or system transfer where the business process will be updated to reflect the process flows within the new system. Each requirement must be numbered for mapping in the **Requirements Traceability Matrix**. This document will also include a logical data model and process flow diagrams. This document may also include high level screen designs.

Deliverable: Design Specifications Document (DSD)

This is a mandatory deliverable. This document is based on the approved FRD and specifies a detailed system design which may include screen designs, system flow diagrams, database design, physical data model, ERD (as applicable), code table values, database scripts, rules engine scripts (as applicable), coding design templates (as applicable), hardware and software specification lists including procurement and out-year costs, architecture diagram(s) and other system specifications as agreed upon.

With formal State approval of all deliverables in this phase, the milestone payment (M2) minus 20% holdback may be invoiced.

4.11.2.3 Phase 3

Deliverable: Communications Plan

This is a mandatory deliverable. This is a plan for effective and efficient communications across the project team. This includes stakeholders, business partners and the public if this is a public facing application.

Deliverable: Test Plan

This is a mandatory deliverable. This is a plan for testing of developed code in each of the environments (Unit, SIT, UAT and Production). It must include a section on reporting system issues, analysis and identification of defect, assignment of severity level, defect remediation and regression testing. This must also identify the mechanism for tracking issues and defects over time. The Test Plan must describe the approval process for code promotion from SIT to UAT and from UAT to Production.

The vendor is responsible for providing UAT test scripts along with each application module deliverable.

Deliverable: Training Plan

This is a mandatory deliverable. This is a plan for training of staff involved in UAT plus training of staff for implementation. It will identify the type of training (i.e. train the trainer vs. train all and UAT training). It must include a Resource Allocation Matrix which is a schedule showing staff name, training type/class name, dates and times. It must also include a mechanism for surveying the effectiveness of the training.

Deliverable: Implementation Plan

This is a mandatory deliverable. This is the plan for the events leading up to and including implementation. It must include a readiness checklist and a step-by step schedule and decision points for the actual process. This will include a go/no-go decision process and the responsible parties. This will also include the acceptance criteria for the formal State approval of the implemented system.

- Project Plan
- Requirements Traceability Matrix
- JAD documentation
- Detailed Solution Design
- Test Strategies
- Test Report
- Training Plan
- Disaster Recovery Plan
- Operation & Maintenance Plan
- Lessons Learned
- Report Specs

With formal State approval of all deliverables in this phase, the milestone payment (M3) minus 20% holdback may be invoiced.

4.11.2.4 Phase 4

Deliverable: Completed SIT

This deliverable consists of formal State approval of System Integration Testing as outlined in the Test Plan.

Deliverable: Completed Training Prior to Go Live

This deliverable consists of formal State approval of Training prior to go-live as outlined in the Training Plan. This will include a training effectiveness survey conducted towards the conclusion of training that will make recommendations on post go-live training.

Deliverable: Completed UAT

This deliverable consists of formal State approval of User Acceptance Testing as outlined in the Test Plan.

With formal State approval of all deliverables in this phase, the milestone payment (M4) minus 20% holdback may be invoiced.

4.11.2.5 Phase 5

Deliverable: Production System Acceptance

This deliverable consists of formal State approval of the implemented production system that functions according to the approved design.

4.11.2.6 Phase 6

Deliverable: Conclusion of Warranty

The vendor will supply one year of warranty support after formal State approval of the implemented system. The warranty timeframe provides for issue resolution, bug fixes and system functionality problems with the new system. This support is included in the firm fixed price.

All issues identified during the warranty timeframe will be documented and vetted to determine if they are project defects traceable to agreed-upon system functionality. The vendor will resolve these project defects at no charge to the State. A prioritized list of warranty defects will be maintained until all are resolved. Unresolved defects may be removed from this list only by agreement by the State. Non-warranty defects or change requests outside of project scope will be maintained on a prioritized M&O change list. Any defects identified after the warranty timeframe will be maintained on the prioritized M&O change list.

The vendor will deliver an Implementation/Warranty Closeout Report two weeks prior to the conclusion of the warranty timeframe that discusses overall system health, user satisfaction, on-going issues and challenges and recommendations for future changes/enhancements.

With formal State approval of all deliverables in this phase, the milestone payment (M6) may be invoiced. The total **M6** payment is the sum total of the holdbacks from milestone payments M1 thru **M5**. See section 7.1 for details on project payments.

4.12 Project Expectations

Contractor will be expected to address the following requirements in detail. Emphasis is on the limited availability of state staff for this project and the expectation that the contractor express in detail their understanding of their responsibilities in the areas of Customization/Development, Implementation, Warranty, Training, and Deliverables.

4.12.1 Site Requirements

For State-hosted solutions, the application and database infrastructure and platforms must be located at the Biggs Data Center on the DHSS Herman Holloway Sr. Health & Social Services Campus in New Castle, Delaware.

DHSS prefers the use of web browser based applications and given the option between browser-based applications and other types of applications, will select the browser-based solution.

The State prefers to purchase third party hardware and software directly unless there is significant advantage to the State in having the hardware/software as vendor deliverables. In either case, all software licenses must be in the name of DHSS and must provide for separate development, test and production environments.

State Hosted Solutions

Bidders will address the following only if all or parts of the application will be housed at the Biggs Data Center. This includes components installed on DHSS workstations or servers.

For State-hosted solutions the following separate, isolated regions – in addition to the production region – are required for ongoing maintenance and system enhancements.

At a minimum:

- Unit test/Sand box (developers only)
- Integration test (developers only)
- UAT – prod sized (users only)

Optional development environments:

- A development region for major system enhancement projects
- A development region for ongoing maintenance
- A testing region where business analysts can regression test major systems enhancements
- A training region

When a web browser based solution is not available, DHSS runs all "thick client" applications (sometimes referred to as "client/server applications") on the Citrix XenApp/Metaframe platform. Vendors proposing such applications must ensure full Citrix XenApp/Metaframe compatibility. DHSS has infrastructure in place to present Citrix based applications to internal network users and/or external users via the Internet.

Any remote access by IT vendors will be accomplished through the use of SSL VPN. If a vendor expects or requires remote access for proper implementation and/or support of their solution, proposals must detail the exact nature of the remote access required and why it cannot be accomplished through other means. Vendors should note that under no

circumstances is "remote control" of user desktops ever allowed and the State of Delaware firewall will block such access. Remote access to DHSS servers can only be permitted if the server resides within a DHSS/DTI DMZ. SSL/VPN must be used.

If the vendor will use any third party products during the course of this project, such products must be approved in writing by DHSS prior to their use. In order to receive such approval the vendor is required to submit a list of the products, the number of licenses that will be procured (if applicable), and a description of how the product will be used. The description must include whether the product is only required for customization/development or whether it would be required for ongoing support/maintenance. Each product must also have an outline as to its initial and ongoing costs (including, but not limited to, licensing, maintenance, support, run time licensing versus developer licensing, and so on). Approval of third party products is ultimately at the discretion of DHSS. **Note:** Because of potential liability and support issues, open source products may only be proposed for this project if they are fully supported and insured by the vendor. If proposing open source software, vendor will also propose alternate fully supported software serving the same/similar function(s).

Any software purchased or developed for DHSS must be an appropriate fit into the DHSS IT Environment as described in the DHSS Information Technology Environment Standards. Vendors will describe how their proposal's components are consistent with the current environment. Vendors may propose solutions that are not consistent with the current environment but in that case must include a detailed analysis of how their solution's requirements will be integrated into the existing DHSS IT Environment (including, but not limited to, purchases required, set up requirements and so on). The state wishes to leverage the existing infrastructure at the Biggs Data Center to the extent possible. Bidder will describe how their system will take advantage of the existing infrastructure. All proposals (and/or their attendant integration suggestions) will be evaluated for their fit into the current environment. Utilization of this infrastructure will be a factor in proposal evaluation.

In addition to the required environments listed above, additional staging areas may be proposed at the discretion of the contractor. Bidder will address how each of these environments will be set up and utilized. These environments will be maintained for the life of the system. Proposals must provide for adequate ongoing licenses to maintain each environment.

Remotely Hosted Solutions

For remotely hosted solutions the following separate, isolated regions – in addition to the production region – are minimally required for ongoing maintenance and system enhancements:

- A development region for ongoing maintenance
- A prod-sized UAT region

4.12.2 Environment Responsibilities

Bidder will propose which party (State or contractor) will have responsibility for each of the following environments. For remotely hosted solutions, the contractor will normally assume full responsibility for each environment. Responsibility for State hosted solutions are usually shared but must be clearly documented in the contract. For State hosted

solutions that will be maintained by the contractor, contractor is expected to maintain all regions under the direction of IRM.

4.12.3 Unit Testing

This is a developer-controlled region where developers directly test created or modified modules. Users will not have access to this environment. It is considered dynamic and unstable. Backup and restoration is at the option of the contractor. IRM should only be involved with this environment if it is locally hosted.

4.12.4 System Integration Testing

This is a developer-controlled region where developers directly test functional areas of the application comprising one or modules. Developers will create test scripts. Users will not have access to this environment. This environment should be backed up. If this environment is locally hosted, IRM should be consulted for large scale batch runs that could affect other systems. To the extent possible, the vendor should run the UAT scenarios in the SIT region so that defects are remediated prior to migration to UAT. For locally hosted solutions, Contractor will be expected to configure a local SIT environment for testing prior to migration to UAT. Migration to UAT can only be scheduled after the State has formally approved SIT test results.

4.12.5 User Acceptance Testing (UAT)

System users directly test functional areas of the application as a precursor to production migration. This is a vendor maintained region. Testing will be scripted. This environment must be backed up and be fully recoverable. The environment must be architected and sized as a production copy. Converted production data will be used to populate the database. If this environment is locally hosted, IRM may or may not be involved in its maintenance.

Each system module will undergo UAT by the State prior to production implementation. The State and vendor are jointly responsible for developing UAT test scenarios. However, the State is not limited to these scenarios and will test all aspects of deliverables. The locations for UAT State staff will be at the State's discretion. Acceptance criteria for approval will be documented and based upon the **Requirements Traceability Matrix**. Additional acceptance criteria beyond what is specified in the **Requirements Traceability Matrix** may be specified by the State, documented and agreed to prior to the start of UAT. Vendor cannot be held responsible for criteria that is not properly documented. Upon formal State approval of all UAT scenarios in a module, it may be scheduled for migration into the production environment. For a locally hosted UAT environment, IRM will be involved as necessary in these migrations.

As a necessary part of UAT, end to end regression testing will be conducted by the State. This testing must be completed and the results approved by the State prior to production implementation.

As UAT is a responsibility of the State, vendor is prohibited from participating in the UAT process except for readiness activities such as data refresh and running any batch jobs associated with the testing. Vendor will not be involved in the evaluation of the testing results or in the actual approval process.

4.12.6 Production Implementation

Prior to implementation, the vendor will produce an implementation plan document to be reviewed and approved by the State. This document will contain a schedule listing pre through post implementation tasks, start & end dates/times, and responsible parties. The plan must address backup and recovery strategies along with periodic checkpoints to hasten recovery and restarts if needed. The document will list all primary participants along with backups, their email addresses and at least two phone numbers for each. Escalation procedures must be addressed as well. Actual implementation may be scheduled following State approval of this document.

4.12.7 Legacy Data Conversion

Legacy data conversion is not a requirement under this contract

4.12.8 Training

Training will be outlined in a training plan deliverable discussing expectations and schedules. A training planning session must be held to review the training plan prior to the first actual training session. This will enable State and Contractor staff to better communicate during these sessions. Contractor will detail in their proposal a training plan outline and schedule for users of each component of the system.

4.12.8.1 System User

Contractor will be responsible for training users in all aspects of the new system. As applicable, contractor will also include organizational change management-specific instruction to include old vs. new ways of conducting business with the new system. Training will demonstrate business and system workflows. System policy compliance (including any recent policy changes) will be covered. If the new system is a replacement for a legacy system, training will also cover legacy vs. new system workflows and screens.

4.12.8.2 Technical

Contractor will be responsible for training State technical staff on all technical aspects of system operations and support including any third party products. A key component to technical training is knowledge transfer. In their response to this section, contractor will include a detailed discussion of their approach to knowledge transfer for technical staff.

4.12.9 Maintenance and Operations (M&O)

Bidders must include a description of the ongoing M&O support they are proposing. Support includes licenses, help desk support, bug fixes and scheduled releases. Costs for such services will need to be shown in the Business Proposal. Support cost inflation is discussed on the cost forms.

Bidder must guarantee that their proposed solution will comply with all mandatory requirements throughout the entire support phase. Bidder will also specify expected deadline dates for completion of such modifications after the provision of detailed, written notice of impending changes from the Division.

Bidders must also address the following in their proposal:

- Identify the average of your response and resolution times. Provide examples of current measurements and metrics.

- Describe your process for providing application fixes and enhancements.
- Identify your average turnaround time for fixes and enhancements.
- Confirm whether or not clients have the opportunity to provide input into the prioritization of new features and enhancements.
- Identify your anticipated schedule for new releases and updates from the current date thorough the next three years.
- Confirm whether you have User Conferences and/or Advisory Boards.

It is critical that the proposed solution include ongoing support services and assurance that all regulatory requirements will be met for the Division. Other details and specific requirements are included in various sections throughout this RFP.

If the product is a COTS customizable solution, bidder will provide an estimate of the number of hours required to apply the DHSS customization features to new releases. This and the cost information will need to be provided in the Business Proposal.

Bidder must guarantee that their proposed solution will comply with all mandatory requirements throughout the entire support phase. Bidder will also specify expected deadline dates for completion of such modifications after the provision of detailed, written notice of impending changes from DHSS.

Vendor Maintained Applications Hosted at the Biggs Data Center

For vendor maintained solutions hosted at the Biggs Data Center, the vendor will be responsible for version releases in the SIT, UAT and Production environments at Biggs. Production releases for M&O will be coordinated with the IRM Base Technology group

Separation of Duties

For new versions of the application, it is imperative that for vendor-maintained solutions, even if hosted at the Biggs Data Center, that development staff with a direct interest in the modified modules, not be involved in the production implementation of these modules. Bidders will address their M&O implementation strategy in this section so that it satisfies this requirement.

4.12.10 Documentation

The vendor is responsible for providing documentation of the new system. At a minimum, this includes user manuals and/or on-line help. For non-COTS systems and for the customized components of COTS systems, the vendor is also responsible for providing sufficient technical system documentation to permit DHSS to maintain the application.

4.12.11 Escrow Agreements

For COTS & SAAS solutions (where the code will not become the property of the State), the State requires proof of a software escrow agreement. Bidders will acknowledge in their proposal that they have or will have an escrow agreement in force for the entire contract term for the proposed solution at the time of contract signature.

For SAAS & hosted solutions, bidder will have a data escrow or equivalent agreement in place. If the solution includes a third party hosting vendor providing Platform As A Service (PAAS), bidder will describe their business continuity agreement with this vendor.

4.12.12 Copyrighted/Proprietary Software Inclusion

For solutions being developed with federal funds, there is a federal requirement that the State provide a complete copy of the end product(s) to other States upon request. If this includes any of the bidder's copyrighted/proprietary software, the license terms for this software must be disclosed as they would for any other 3rd party products necessary for development and operations. Bidder will describe any inclusion of their copyrighted/proprietary software into their proposed solution and will affirm in this section that their solution will comply with the federal transfer requirement with no restrictions. The State reserves the right to reject proposals with solutions that do not comply with the federal requirement.

4.12.13 Miscellaneous Requirements

For internet-facing web applications, there must be a Spanish language option at the logon screen for users to choose in order to display a Spanish language version of the application. Vendor will be responsible for any translation services necessary and must include an estimated cost for this in their proposal. Web applications must also demonstrate substantial W3C compliance for accessibility and standardization purposes. Finally, the application must demonstrate the capability to be read by screen reading software such as JAWS® or ZoomText®.

5 Proposal Evaluation/Contractor Selection

5.1 Process

DHSS will conduct a three tiered review process for this project. In the first tier, each Technical Proposal will be evaluated to determine if it meets the Mandatory Submission Requirements described in Exhibit F – Mandatory Submission Requirements Checklist. **Any proposal failing to meet those requirements is subject to immediate disqualification without further review.** All proposals meeting the mandatory submission requirements will be given to the DHSS Evaluation Team.

In the second tier, the Evaluation Team will perform Technical and Business Proposal Reviews. The individual scores of each evaluator will be averaged to determine a final technical score and a final business score. Technical and Business scores will be summed to determine each bidder's final proposal score.

After the Evaluation Team completes its initial review and scoring, DTI may choose to review the top two (2) to five (5) scored proposals and provide comments and recommendations to the Evaluation Team which will be used in selecting the vendors to demonstrate their proposed solution.

Vendors may be required to demonstrate their proposed solutions. The demonstrations will be used in the Evaluation Team's final deliberations.

In the third tier, the Evaluation Team findings will be presented to an Executive Selection Committee. The Executive Selection Committee will review Evaluation Team findings. A potential contractor will be recommended to the Secretary, Department of Health & Social Services. Final selection is at the discretion of the Secretary or a designee.

5.2 Proposal Evaluation and Scoring

The Technical and Business proposals of each bidder will be evaluated and assigned points. A maximum of 100 total points is possible.

5.2.1 Mandatory Requirements

The Division Director or designee will perform this portion of the evaluation. Each proposal will be reviewed for responsiveness to the mandatory requirements set forth in the RFP. This will be a yes/no evaluation and proposals that fail to satisfy **all** of the criteria of this category may not be considered further for the award of a Contract. Specific criteria for this category are as follows: Vendor is required to address Section 4 "Contractor Responsibilities/Project Requirements" in detail by subsection and bullet. Vendor is required to follow Section 6 "Bidder Instructions" explicitly and complete all required forms as instructed.

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.

5.2.2 Technical Proposal Scoring

Only those bidders submitting Technical Proposals which meet the Mandatory Submission Requirements provision will have their Technical Proposals scored.

5.2.3 Business Proposal Consideration

The business proposal will be reviewed based on the costs submitted as part of the cost worksheet and on the documented stability and resources of the vendor. Strong consideration will be given to how well the costs in the Project Cost Forms compare to the level of effort for this and other proposals along with the accuracy of the submitted figures. 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. .

6 Bidder Instructions

6.1 Submission Information

The proposal must be submitted in electronic copy as follows:

Acceptable Media: CD or DVD disk.

Two (2) original copies (Each Labeled as "Original") and six (6) copies – can be electronic (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) disks (Each labeled "Corporate Confidential Information").

Each disk will contain the following files at a minimum:

- Disk Directory.doc (Microsoft Word 2000 or higher)
- RFP Technical Proposal.doc
- RFP Business Proposal.doc
- RFP Technical Proposal.pdf
- RFP Business Proposal.pdf

Each proposal file in PDF format must be a printable copy of each original disk submitted. Other files may be submitted separately. The Disk Directory.doc file must contain a Word table listing each file contained on the disk along with a short description of each.

It is the responsibility of the bidder to ensure all submitted disks are machine readable, virus free and are otherwise error-free. Disks (or their component files) not in this condition may be cause for the vendor to be disqualified from bidding. Bidders are prohibited from submitting their proposals on USB devices.

Bidders are no longer required to make hard copies. Some documents requiring original signatures must be provided in both hardcopy and PDF formats. These documents include the Transmittal Letter, Certification and Statement of Compliance, Mandatory Submission Requirements Checklist and the Bidder Contact Information form.

The disk copies must be labeled on the outside as follows:

State of Delaware Department of Health and Social Services RFP PASRR Web Based System and Services Technical and Business Proposals DHSS RFP #HSS-18-020 [Name of Bidder] <i>Date & Time ET</i>
--

6.1.1 RFP and Final Contract

The contents of the RFP will be incorporated into the final contract and will become binding upon the successful bidder.

6.1.2 Proposal and Final Contract

The bidder's proposal will be incorporated into the final contract and be considered binding upon the successful bidder.

6.1.3 Modifications to Proposals

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

6.1.4 Alternative Solutions

The proposal must contain a single solution, including hardware and software. This is critical in ensuring project success and that project costs are expected, administered and contained. Bidders may propose alternative solutions but only as fully separate proposals that will be evaluated separately. Single proposals containing alternative/multiple solutions will be failed.

6.2 Technical Proposal Contents

The Technical Proposal shall consist of and be labeled with the following sections:

- A. Transmittal Letter**
- B. Required Forms**
- C. Executive Summary**
- D. Contract Management Plan**
- E. Contractor Responsibilities/Project Requirements**
- F. Staff Qualifications and Experience**
- G. Firm Past Performance and Qualifications**

The format and contents for the material to be included under each of these headings is described below. Each subsection within the Technical Proposal must include all items

listed under a heading because evaluation of the proposals shall be done on a section-by-section or functional area basis. **No reference to, or inclusion of, cost information shall appear in the Technical Proposal or Transmittal Letter.**

6.2.1 Transmittal Letter (Section A)

The Transmittal Letter shall be written on the bidder's official business letterhead stationery. The letter is to transmit the proposal and shall identify all materials and enclosures being forwarded collectively in response to this RFP. The Transmittal Letter must be signed by an individual authorized to commit the company to the scope of work proposed. It must include the following in the order given:

1. An itemization of all materials and enclosures being forwarded in response to the RFP
2. A statement certifying that the proposal disk's have been scanned and are free from viruses and other malicious software.
3. A reference to all RFP amendments received by the bidder (by amendment issue date), to warrant that the bidder is aware of all such amendments in the event that there are any; if none have been received by the bidder, a statement to that effect must be included
4. A statement that all proposal conditions are valid for 180 days from the deadline date for proposal submission
5. A statement that price and cost data are not contained in any part of the bid other than in the Business Proposal
6. A statement that certifies pricing was arrived at without any collusion or conflict of interest.

The original of the Transmittal Letter shall be submitted in a separate, sealed envelope inside the package containing proposal disks. PDF versions of the Transmittal Letter must be included in the Technical proposal.

6.2.2 Required Forms (Section B)

This section of the proposal must include the following completed forms:

Certification Sheet and Statement of Compliance

Exhibit B: These are forms in which the bidder must certify certain required compliance provisions.

Additional Technical Mandatory Submission Requirements Checklist

Exhibit F: 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.

J. Bidder Contact Information

Exhibit J: This form must be completed and signed by prospective bidders prior to proposal submission. Please bring the completed form to the mandatory pre-bid meeting.

6.2.3 Executive Summary (Section C)

Bidder shall present a high-level project description to give the evaluation team and others a broad understanding of the technical proposal and the bidder's approach to this project. This should summarize project purpose, key project tasks, a high level timeline, key milestones, qualifications of key personnel, along with subcontractor usage and their scope of work. A summary of the bidder's corporate resources, including previous relevant experience, staff, and financial stability must be included. The Executive Summary is limited to a maximum of ten (10) pages.

6.2.4 Contract Management Plan (Section D)

Bidder shall describe the overall plan and required activities in order to implement the project within the budget and described schedule. This should include descriptions of management controls, processes and reporting requirements that will be put into place to ensure a smooth administration of this project.

Baseline Project Plan (Section D.1)

As part of the proposal, bidder must create a baseline project plan with the following information:

- Tasks, subtasks, dependencies, key dates including proposed dates for deliverable submission, State deliverable approval, Federal deliverable approval (if required) and proposed payment milestones
- Staffing structure, with a breakdown by activity, task and subtask within the entire project
- A separate organization chart with staff names & functional titles
- Description at the subtask level including duration and required staff resources (contractor vs. State) and hours
- Resource staffing matrix by subtask, summarized by total hours by person, per month.

The project plan must be in Microsoft Project (mpp) format. Bidder must also discuss procedures for project plan maintenance, status reporting, deliverable walkthroughs, subcontractor management, issue tracking and resolution, interfacing with State staff and contract management.

See Project Plan Template in Information Technology Publications link in Exhibit C for a sample project plan in mpp format.

This provides the general format that vendors must follow when constructing their project plan. Vendor plans must reflect each deliverable and milestone in the specified format. Review periods as specified in the RFP must be built into the project schedule. As applicable, federal review timeframes must be included as project tasks. Serial deliverable review periods must be shown - the best way to do this is to link the "State Review of Deliverable" task with the prior deliverable's review task. The project plan is a critical deliverable and must reflect all dependencies, dates and review periods. If the plan has unresolved issues, the state will not approve the initial milestone payment.

A detailed, updated project plan will be created after contract signature and will serve as the initial deliverable and baseline project schedule. This is a critical milestone task and all subsequent work will be dependent on the formal State approval of the initial milestone. **Until formal State approval of this milestone, no other billable work on**

this project should take place. Unless otherwise extended by the State, a Baseline Project Plan must be submitted for State approval within one month of the project start date. If there is no Baseline Project Plan submitted by this date, the State at its sole option may choose to take remedial action up to and including termination of the contract. Therefore it is critical that this task be completed and approved as soon as possible. This project plan must include each phase of the project, clearly identifying the resources necessary to meet project goals. It will be the contractor's responsibility to provide complete and accurate backup documentation as required for all document deliverables. **The project plan is a living document and it must be updated and presented as part of the periodic status report to accurately reflect current project timelines and task progress. This is mandatory. The updated project plan must include the baseline start and end dates as columns alongside the current task start and end dates. If there are modifications to the project scope, there is a formal departmental change request process for review and approval of these requests. Approved change requests must result in the addition of a re-baselined project plan as a project deliverable due within one month of signature of the contract amendment.**

Status reports and project plans will be archived as part of the project artifacts in a central controlled Microsoft SharePoint environment.

Vendor staff expertise in MS Project is critical for proper construction and maintenance of this plan.

NOTE: All of the application deliverables are described at a module level. The project plan must be detailed and include items such as:

- Project Kickoff Meeting
- Technical Briefing with IRM Staff
- Status meetings
- Functional Requirements JAD sessions
- Functional Requirements Deliverable (FRD) *
- Detailed System Design (DSD) JAD sessions
- DSD deliverable *
- User manual or on-line help *
- Systems documentation, as required *
- Training plan including test scripts *
- User Acceptance Testing *
- Production implementation *
- Conclusion of Warranty *

For the items shown with an asterisk above, the plan needs to provide time for DHSS review and approval.

6.2.5 Project Requirements (Section E)

Bidder must describe their understanding and approach to meet the expectations and mandatory requirements specified in Section 4. Address bulleted and titled requirement paragraphs within subsections as "Bullet n" and "Paragraph Title" respectively. Please address State staffing considerations in subsections where staffing is mentioned. Please complete **Crosswalk of RFP Section 4** form (Exhibit G) and include in this section.

6.2.6 Staff Qualifications and Experience (Section F)

Bidders shall submit a staff skills matrix in their own format to summarize relevant experience of the proposed staff, including any subcontractor staff in the areas of:

- Technical project management
- Planning
- Requirements Analysis

Additionally, bidders shall provide a narrative description of experience each key staff member has in the areas relevant to this project. Bidder and subcontractor staff shall be separately identified. Contractor staff requirements will be addressed as outlined in subsection 4.1. Resumes will be formatted as outlined in Exhibit D and included in this section of the proposal. Bidder must also provide an organization chart of all proposed staff.

If subcontractors are being proposed, then include the name and address of each subcontractor entity along with an organization chart indicating staffing breakdown by job title and staff numbers on this project. This organization chart must show how the individual subcontractor entity will be managed by your firm as the primary contractor. Any sub or co-contractor entity(s) proposed will need prior approval by the State before the contract is signed. If proposing no subcontractors, please state in this proposal section **“No subcontractors are being proposed as part of this contract.”** Please refer to RFP Exhibit 0 for subcontractor standards.

6.2.7 Firm Past Performance and Qualifications (Section G)

The bidder shall describe their corporate experience within the last five (5) years directly related to the proposed contract. Also include experience in:

- Other government projects of a similar scale

Experience of proposed subcontractors shall be presented separately.

Provide a summary description of each of these projects including the contract cost and the scheduled and actual completion dates of each project. For each project, provide name, address and phone number for an administrative or managerial customer reference familiar with the bidder's performance. Please use the **Bidder Project Experience** form (Exhibit H) to provide this information in this section.

Provide an example of an actual client implementation plan, similar in magnitude to this project including staff, dates, milestones, deliverables, and resources.

6.2.8 Policy Memorandum Number 70 (Section H)

Please review DHSS Policy Memorandum Number 70. The link to this document is in Exhibit C. If your firm has a written inclusion policy/plan, please include it in this section.

If your firm does not have an inclusion policy/plan, please respond to this section as follows, **“Vendor does not have an inclusion policy/plan”**.

The response to this section will have no impact on the scoring of your proposal.

6.3 Business Proposal Contents

The business proposal will contain all project costs along with evidence of the bidder's financial stability.

6.3.1 Project Cost Information (Section A)

The bidder shall provide costs for the project as outlined in Exhibit E.

In completing the cost schedules, rounding should not be used. A total must equal the sum of its details/subtotals; a subtotal must equal the sum of its details.

The Total Project Cost shown in Schedule E1 must include all costs that the selected vendor will be paid by DHSS under this contract.

See the Deliverable Cost Schedule Template in Information Technology Publications link in Exhibit C for a sample file in xls format.

Cost information must only be included in the Business Proposal. No cost information should be listed in the Technical Proposal.

6.3.2 Software and Hardware Information (Section B)

On a separate page of the Business Proposal entitled "Software Licensing Structure" list each module and each third party software application listed in either Schedule E1 or Schedule E4. Describe what required (or optional) functions from section 4 that the particular module or application includes. Discuss the licensing structure (per seat, concurrent user, site, etc.) for each.

On a separate page of the Business Proposal entitled "Hardware Description" list each hardware item listed in either Schedule E1 or Schedule E5. Provide a description of its function and a detailed component list.

All licenses must be in the name of the State and at a minimum must provide for separate development, test and production environments.

Procurement Instructions

Implementation vendor will work with a state approved hardware/software vendor(s) to develop and verify the specifications for project hardware and software. The State approved vendor will send the implementation vendor a product specifications list, without cost information, for confirmation. The implementation vendor will submit the confirmed list to the State and the State will request a quote from the vendor(s). The State approved vendor will develop the quote using these specifications and send this to the State. The Division will process the purchase (order) as normal, using project funds. This will ensure the products are in the State's name and are added to our current agreements.

6.3.3 Vendor Stability and Resources (Section C)

The bidder shall describe its corporate stability and resources that will allow it to complete a project of this scale and meet all of the requirements contained in this RFP. The bidder's demonstration of its financial solvency and sufficiency of corporate resources is dependent upon whether the bidder's organization is publicly held or not:

- If the bidder is a publicly held corporation, enclose a copy of the corporation's most recent three years of audited financial reports and financial statements, a recent Dun and Bradstreet credit report, and the name, address, and telephone number of a

responsible representative of the bidder's principle financial or banking organization; include this information with copy of the Technical Proposal and reference the enclosure as the response to this subsection; or

- If the bidder is not a publicly held corporation, the bidder may either comply with the preceding paragraph or describe the bidding organization, including size, longevity, client base, areas of specialization and expertise, a recent Dun and Bradstreet credit report, and any other pertinent information in such a manner that the proposal evaluator may reasonably formulate a determination about the stability and financial strength of the bidding organization; also to be provided is a bank reference and a credit rating (with the name of the rating service); and
- Disclosure of any and all judgments, pending or expected litigation, or other real or potential financial reversals, which might materially affect the viability or stability of the bidding organization; or warrant that no such condition is known to exist.

This level of detail must also be provided for any subcontractor(s) who are proposed to complete at least ten (10) percent of the proposed scope of work.

7 Terms and Conditions

The following provisions constitute the terms and conditions of the contractual agreement between the State of Delaware, Department of Health and Social Services (DHSS) and its contractor. This section contains terms and conditions specific to this RFP. The general terms and conditions are contained in Exhibit 0.

7.1 Contract Composition

The terms and conditions contained in this section constitute the basis for any contract resulting from this RFP. DHSS 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.

The term "Contract Documents" shall mean the documents listed in this section that constitute the Contract between DHSS and the Contractor. Each of the Contract Documents is an essential part of the agreement between the Parties, and a requirement occurring in one is as binding as though occurring in all. The Contract Documents are intended to be complementary and to describe and provide for a complete agreement. In the event of any conflict among the Contract Documents, the order of precedence shall be as set forth below:

1. Standard GSS Contract (pages 1 – *n* of this contract)
2. Agency/Division Contract Requirements
3. Signed Business Associate Agreement
4. Signed CSA and/or DUA
5. Contract Addenda
6. RFP Addenda *f*
7. Published RFP
8. Amendment(s) to Contractor Proposal
9. Contractor Proposal
10. Other Ancillary Documents

7.2 Payment for Services Rendered

Services will be bound by a **firm fixed price contract**. The firm fixed price will be the Total Project Cost shown in Schedule E1 (Exhibit E). Based upon the contractor's satisfactory completion and formal State approval of the identified scheduled payment milestones, the vendor may invoice the State. In the event that the State and contractor agree to a project scope modification that involves a change (increase or decrease) to the firm fixed price, a contract amendment will be executed to account for the modification to the firm fixed cost along with any other changes required to the project artifacts.

7.3 Contractor Personnel

At any time and at its sole discretion, DHSS shall have the right to require the Contractor to remove any individual (either Contractor or subcontractor) from his/her assignment to this contract if, in the opinion of DHSS, such employee is uncooperative, inept,

incompetent or otherwise unacceptable. DHSS will notify the Contractor of this issue in writing and Contractor will immediately comply. The State shall not be invoiced for any further work by this individual after this notification. If the Contractor must make a staff substitution for whatever reason, a staff person with equivalent or better qualifications and experience will be proposed to the State as soon as possible. This proposed candidate will be subject to the same qualifying procedures as the original candidate. The State Project Director and Project IRM Manager must approve this substitution before their term on the project begins. In the event that a staff position becomes temporarily or permanently vacant for any reason, including the contractor's choice to reassign a staff member, DHSS may reduce payments to the Contractor in the amount equal to the vacated positions pay rate for the time period the position is vacant. DHSS may choose to waive its right to reduce payments if the proposed replacement staff member can be approved and can assume the vacated position immediately upon its vacancy.

7.4 Funding

This contract is dependent upon the appropriation of the necessary funding.

DHSS reserves the right to reject or accept any bid or portion thereof, as may be necessary to meet its funding limitations and processing constraints.

7.5 Confidentiality

The contractor shall safeguard any client information and other confidential information that may be obtained during the course of the project and will not use the information for any purpose other than the Contract may require.

7.6 Contract Transition

In the event the Department awards the contract to another Contractor, through contract expiration or termination of this contract, the Contractor will develop a plan to facilitate a smooth transition of contracted functions either back to the Department or to another Contractor designated by the State. This transition plan must be approved by the Department.

7.7 GSS Professional Services Agreement (PSA) Template

See the link to this document in Exhibit C. This is the State PSA template which is the basis for a contract with the State. All provisions in this template are to be treated as mandatory. Any exceptions to the PSA must be listed (along with the RFP exceptions) in the RFP Exception Form (Attachment 3).

8 Exhibits

Exhibits referenced in this RFP are included in this section. The following are included for the bidder's use in submitting a proposal.

0. General Terms and Conditions

B. Certification Sheet and Statement of Compliance

C. Error! Reference source not found.

D. D. Key Position Resume

E. Project Cost Forms

F. Additional Technical Mandatory Submission Requirements Checklist

G. Crosswalk of RFP Section 4

H. H. Bidder Project Experience

I. I. Deliverable Acceptance Request (DAR)

J. J. Bidder Contact Information

K. K. Criminal Background Check Instructions

L. Cyber Responsibilities, Liability and Insurance

M. Appendix D – 2015 PASRR National Report, Section 2, page 12 – 20

N. State of Delaware Categorical Group Determinations (Approved 2014)

O. National PASRR Policies and Procedures Review, June 12, 2012, page 11

P. 1115 Demonstration Waiver/Medical Eligibility Determinations

Q. Payment Milestones and Deliverables

The following Exhibits must be completed by all bidders and included as part of the specified proposal:

- Technical Proposal - Exhibits B, D, F, G, H, J*

* Exhibit J is to be submitted at the mandatory pre-bid meeting. Do not include as part of your proposal submission.

- Business Proposal – Exhibit E

A. General Terms and Conditions

The following provisions are applicable to all DHSS RFP's

1) 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.

2) Certifications, Representations, Acknowledgments

Using Exhibit B, bidding contractors must certify that:

- They are a regular dealer in the services being procured.
- They have the ability to fulfill all requirements specified for development with this RFP.
- They have independently determined their prices.
- They are accurately representing their type of business and affiliations.
- They have acknowledged any contingency fees paid to obtain award of this contract.
- They have included in their quotation all costs necessary for or incidental to their total performance under the contract.
- They will secure a Delaware Business License.
- They will secure the appropriate type and amounts of insurance coverage required by the State. Proof of such coverage will be a requirement of the contract.

3) Ownership Rights

The State will retain ownership rights to all materials including software, designs, drawings, specifications, notes, electronically or magnetically recorded material, and other work in whatever form, developed during the performance of this contract. A fundamental obligation herein imposed on the Contractor is the assignment by the Contractor to DHSS of all ownership rights in the completed project. This obligation on the part of the Contractor to assign all ownership rights is not subject to limitation in any respect, whether by characterization of any part of the deliverables as proprietary or by failure to claim for the cost thereof. The provisions of this article shall be incorporated into any subcontract.

4) Irrevocable License

The State of Delaware reserves a royalty-free, exclusive, and irrevocable license to reproduce, publish, or otherwise use the copyright of any deliverables developed under the resulting contract.

5) 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.

6) Hiring Provision

Staff contracted to provide the services requested in this RFP are not precluded from seeking employment with the State of Delaware. The contractor firm selected as a result of this RFP shall not prohibit their employees or subcontractor staff from seeking employment with the State of Delaware.

7) Anti Kick-back

The selected contractor will be expected to comply with other federal statutes including the Copeland "Anti-Kickback Act" (18 U.S.C.874), Section 306 of the Clean Air Act, Section 508 of the Clean Water Act , and the Debarment Act.

8) Federal Provisions

- **Americans with Disabilities Act** - This Act (28 CFR Part 35, Title II, Subtitle A) prohibits discrimination on the basis of disability in all services, programs, and activities provided to the public and State and local governments, except public transportation services.
- **Royalty-Free Rights to Use Software or Documentation Developed** - The federal government reserves a royalty-free, non-exclusive, and irrevocable license to reproduce, publish, or otherwise use, and to authorize others to use, for federal government purposes, the copyright in any work developed under a grant, sub-grant, or contract under a grant or sub-grant or any rights of copyright to which a contractor purchases ownership.
- **Drug-Free Workplace Statement** - The Federal government implemented the Drug Free Workplace Act of 1988 in an attempt to address the problems of drug abuse on the job. It is a fact that employees who use drugs have less productivity, a lower quality of work, and a higher absenteeism, and are more likely to misappropriate funds or services. From this perspective, the drug abuser may endanger other employees, the public at large, or themselves. Damage to property, whether owned by this entity or not, could result from drug abuse on the job. All these actions might undermine public confidence in the services this entity provides. Therefore, in order to remain a responsible source for government contracts, the following guidelines have been adopted:
 - a. The unlawful manufacture, distribution, dispensation, possession or use of a controlled substance is prohibited in the work place.
 - b. Violators may be terminated or requested to seek counseling from an approved rehabilitation service.

c. Employees must notify their employer of any conviction of a criminal drug statute no later than five days after such conviction.

d. Contractors of federal agencies are required to certify that they will provide drug-free workplaces for their employees.

Transactions subject to the suspension/debarment rules (covered transactions) include grants, subgrants, cooperative agreements, and prime contracts under such awards. Subcontracts are not included. Also, the dollar threshold for covered procurement contracts is \$25,000. Contracts for Federally required audit services are covered regardless of dollar amount.

9) DHSS Policy Memorandum # 70

Please refer to Exhibit C for the link to this document.

The Vendor agrees to adhere to the requirements of DHSS Policy Memorandum # 70, (effective 7/18/2015), and divisional procedures regarding the concept of an inclusive workplace which is accepting of diverse populations in our workforce and actively practices acceptance of diverse populations within our community, through our programs and services we provide to our clients. 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 Vendor's procedures must include the position(s) responsible for the PM70 process in the vendor's organization. Documentation of staff training on PM70 must be maintained by the Contractor.

B. Certification Sheet and Statement of Compliance**DELAWARE HEALTH AND SOCIAL SERVICES
REQUEST FOR PROPOSAL****CERTIFICATION SHEET**

As the official representative for the bidder, 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 bidder 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

PROCUREMENT**STATEMENT OF COMPLIANCE**

As the official representative for the contractor, I
Certify that on behalf of the agency that _____
(Company name) will comply with all Federal and State of Delaware laws, rules, and
regulations, pertaining to equal employment opportunity and affirmative action laws. In
addition, compliance will be assured in regard to Federal and State of Delaware laws
and Regulations relating to confidentiality and individual and family privacy in the
collection and reporting of data.

Authorized Signature: _____

Title: _____

Date: _____

C. Weblinks

- DTI Requirements
<https://dti.delaware.gov/information/standards-policies.shtml>

See various policies and procedures that must be adhered to and used for guidance.
- Information Technology Publications
<http://www.dhss.delaware.gov/dhss/DMS/itpubs.html>
See section entitled “Supportive Documentation for Bidding on Proposals”
- Policy Memorandum 70 on Inclusion
http://dhss.delaware.gov/dhss/admin/files/PM_70.pdf

See section entitled “Supportive Documentation for Bidding on Proposals”
- DHSS Information Technology Environment Standards
<http://www.dhss.delaware.gov/dhss/dms/irm/files/dhss.it.environment.pdf>
- Top 20 Critical Security Controls
<https://www.sans.org/critical-security-controls/>
- GSS Professional Services Agreement Template
<http://mymarketplace.delaware.gov/documents/professional-services-agreement.docx?ver=021>

D. Key Position Resume

Name: _____ Proposed Project Position: _____

Number of years experience in the proposed position: _____

Number of years experience in this field of work: _____

Detail Training/Education

(Repeat the format below for as many degrees/certificates as are relevant to this proposal. Dates between training/education may overlap.)

Degree/Certificate	Dates of Training/Education
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____

Detail Experience

(Repeat the format below for as many jobs/projects as are relevant to this proposal. Dates between jobs/projects may overlap.)

Job/Project: _____ Position: _____

From Date: _____ To Date: _____

Description of the tasks this person performed in this job/project. Detail any state or government planning projects and specify the role of the person on each project

E. Project Cost Forms

E1. Project Costs by Deliverables & Milestones**Deliverable & Milestone Cost Schedule**

Phase	Project Deliverables & Milestones	Deliverable Cost	Phase Cost	20% Holdback	Vendor Invoice Amount	Projected Approval Date
1	Deliverable: Baseline Project Plan	C2				
	Deliverable: Document Templates	C3				
	State Approval of Phase 1 (M1 = 5% of Total DDI Cost)		SUM(C2:C3)	D4*0.2	D4-E4	M1 Date
2	Deliverable: Business Requirements Document	C5				
	Deliverable: Design Specifications Document	C6				
	State Approval of Phase 2 (M2 = 10% of Total DDI Cost)		SUM(C5:C6)	D7*0.2	D7-E7	M2 Date
3	Deliverable: Communications Plan	C8				
	Deliverable: Test Plan	C9				
	Deliverable: Training Plan	C10				
	Deliverable: Implementation Plan	C11				
	State Approval of Phase 3 (M3 = 15% of Total DDI Cost)		SUM(C8:C11)	D12*0.2	D12-E12	M3 Date
4	Deliverable: Completed SIT	C13				
	Deliverable: Completed Training Prior to Go-Live	C14				
	Deliverable: Completed UAT	C15				
	State Approval of Phase 4 (M4 = 25% of Total DDI Cost)		SUM(C13:C15)	D16*0.2	D16-E16	M4 Date
5	Deliverable: Production System Acceptance	C17				
	State Approval of Phase 5 (M5 = 45% of Total DDI Cost)		C17	D18*0.2	D18-E18	M5 Date
6	Deliverable: Conclusion of Warranty	N/A				
	State Approval of Phase 6 (M6 = 20% of Total DDI Cost)		N/A	N/A	SUM(E4:E18)	M6 Date
Total DDI Cost		SUM(C2:C17)				
Total M&O Costs For Contract Term (From Cost Schedule E4)		\$				
Total Project Cost		SUM(C21:C22)				

Please fill out each of the costs and dates specified above. Computed costs will be in the manner specified. Milestone costs are a specified percentage of the Total DDI cost. Deliverable costs must total to the milestone cost. If the State decides to eliminate one or more deliverables from this project, the firm fixed price will be adjusted by subtracting the cost of the deliverable(s) to be eliminated.

The Total Project Cost shown in Schedule E1 must include all costs that the selected vendor will be paid by DHSS under this contract. The Total Project Cost figure constitutes the firm fixed price of the contract.

Deliverables and milestones in the project cost schedule above will be identified in the Baseline Project Plan deliverable along with the projected date of State approval.

Vendors must complete the **Projected Date** column for each milestone and the dates must correspond to the dates provided in the high level project plan.

Holdbacks are mandatory for every milestone with the exception of the final phase milestone. Holdbacks cannot be modified except by contractual agreement.

Milestone Cost Breakdown

- M_n = Total Cost for Phase n deliverables – 20% holdback
- M_6 = Sum of M_1 – M_5 holdbacks

Costs for each task/deliverable listed must be specified along with the total cost of all tasks/deliverables in each specified phase. Please check all figures for accuracy.

DDI costs will be invoiced only through identified milestones upon formal approval by the Division and IRM. DDI invoicing by any other manner is prohibited except by prior written consent of the State. As applicable, approved change orders shall be bundled into a single deliverable that will be added to the Phase 5 milestone in Schedule E1. The milestone cost, milestone holdback and invoice amount would be adjusted accordingly. This milestone would be invoiced via the prescribed process.

Software will be acquired by the State in the State's name. Estimated total costs are only to be included in Schedule E4. Hardware will be acquired by the State in the State's name. Estimated total costs are only to be included in Schedule E5.

E2. Schedule of Rates for Project Staff

Vendor is to list the fully loaded hourly rate for each person bid. These rates will be binding and will be used to estimate costs in the event of a change in project scope. A fully loaded hourly rate is an hourly rate that encompasses all costs to the vendor for providing additional services to the state as necessitated by for additional tasks not covered under the scope of this contract. Costs included in this rate would be salary, overhead, lodging, travel, supplies, incidentals, etc. This rate would be used to apply against the hours estimated for each additional task proposed such that Task Hours * Rate = Task Cost.

Job Title	Name	Fully Loaded Hourly Rate

Please specify the ACA Safe Harbor Additional Fee and the basis on this cost form.

E3. M&O Support Cost Schedule

M&O costs are to be listed in the following schedule. Total costs are to be capped at a $n\%$ inflation rate per year. Operational costs may be categorized separately (i.e. Hosting, Tier 2 Support, Maintenance (up to n hours), etc.) or bidder may choose to bid a single all-inclusive total operational cost per year. Bidder will detail in this section what their responsibilities will be for M&O support. Years $1 - n$ are included in the firm fixed price of the contract. The State may choose to amend the contract for n additional years (in one year increments) of M&O support at its sole discretion.

Year 1 is defined as the first 12 months after the conclusion of the warranty timeframe.

Support Costs

Cost Category	Year 1	Year 2	Year 3	Year 4	Year 5
Cost Category 1:					
Cost Category 2:					
Cost Category n:					
Total					

Total M&O Costs For Contract Term (Years $1 - n$): \$ _____

Maintenance Costs

Estimate of the number of hours required to apply the DHSS customization features to new releases: _____

Please also include a single fully loaded hourly rate which will apply to future customization beyond what is within the scope of this contract:

\$ _____

E4. State Purchased Third Party Software Schedule

Please list all third party software products required for DDI through M&O. These licenses are for State staff and users only. Vendor licenses are not to be included in this list. The State is not responsible for purchasing vendor developer licenses. The State will purchase all software licenses on this list. Only new software or additional licenses for existing software being proposed for this project will be listed here. If the proposed software solution comprises multiple separately-costed modules, please list them separately here. The State will purchase the software licenses from a third party, not the selected vendor. The software listed here will be evaluated by State technical staff for compliance with State standards.

Software Description/Name	Version Number	# of Licenses	Required After Go-Live? (Y/N)

Total Estimated State Purchased Third Party Software Cost \$ _____

The above total estimated cost is a ballpark estimate only. The vendor will not be held responsible for this figure. The State understands that with licensing costs can vary depending on GSA pricing, licensing structure and individual purchasing agreements. This cost figure will be used as part of estimating the total project budget when justifying project costs for the State Office of Management and federal funding partners (as applicable). This cost is not to be included in Schedule E1.

E5. State Purchased Hardware Schedule

This is a hardware summary schedule with a total estimated cost. Only new hardware or upgrades to existing hardware being proposed for this project should be listed here. This list of hardware will be evaluated by State technical staff for compliance with State standards. The State will purchase the hardware from a third party, not the selected vendor.

Hardware Description/Name	Quantity

Total Estimated State Purchased Hardware Cost \$ _____

The above total estimated cost is a ballpark estimate only. The vendor will not be held responsible for this figure. The State understands that hardware costs can vary. This cost figure will be used as part of estimating the total project budget when justifying project costs for the State Office of Management and federal funding partners (as applicable). This cost is not to be included in Schedule E1.

F. Additional Technical Mandatory Submission Requirements Checklist

Mandatory Submission Requirement	RFP Section	Compliance Y or N
The bid is submitted in the correct number of disk copies containing the Technical and Business proposals	6.1	
Each proposal disk is labeled correctly	6.1	
Proposal conditions are valid for 180 days from the deadline date for proposal submission	6.2.1	
The proposal contains a single solution in terms of this project	6.1.4	
Contractor/Proposed Subcontractor has appropriate project experience	6.2.7	
Transmittal Letter submitted on official business letterhead and signed by an authorized representative	6.2.1	
Proposal media has been scanned and are free from viruses and other malicious software.	6.2.1	
Contractor Agrees to Comply with the provisions specified in the General Terms and Conditions	Exhibit 0	
Completed Project Cost Forms	Exhibit 0	
<i>Total project cost does not exceed cost cap</i>	<i>Exhibit 0</i>	
Firm fixed price contract proposed	7.2	
Proposal includes required resumes	6.2.6 & Exhibit D	
Technical proposal is submitted with a completed, duly signed and dated copy of the Mandatory Submission Requirements Checklist	6.2.2 & Exhibit 0	
Completed Crosswalk of RFP Section 4	6.2.5 & Exhibit 0	
Completed Contractor Project Experience Form	Exhibit H	
Completed Contractor Contact Information Form	Exhibit J	
Compliance with HIPAA Regulations & Standards	4.3	
DHSS-Specific Security Requirements	4.4.5	
The Project Plan, Templates, BRD, DSD, Acceptance in Prod & Conclusion of Warranty are listed as project deliverables	4.11	
ACA Safe Harbor Additional Fee and basis have been specified in Exhibit E2.	Exhibit E2	
Contractor confirms that PII and/or ePHI is <u>either</u> encrypted at rest OR that they intend to purchase Cyber Liability Insurance as specified in Exhibit L.	4.4.4.1.1 & Exhibit L	

Contractor acknowledges that they have reviewed the CSA and DUA documents	4.4.4.1	
The Contractor has a Supplier Diversity plan currently in place. <i>Note: The response to this statement, while mandatory, will have no effect on the evaluation of the Contractor proposal.</i>	Exhibit F	
The Contractor has diverse sub-contractors as outlined in Attachment 8 Tier II Sub-contractors. <i>Note: The response to this statement, while mandatory, will have no effect on the evaluation of the Contractor proposal.</i>	Exhibit F	
Does the Contractor have a written inclusion policy/plan currently in place? If "Yes", it is required that a clearly identifiable copy of the inclusion policy/plan be attached to your proposal as instructed in RFP Section 6.2.8. <i>Note: The response to this statement, while mandatory, will have no effect on the evaluation of the Contractor proposal.</i>	6.2.8	

Signature of Authorized Representative

Title / Company

Date

G. Crosswalk of RFP Section 4

RFP Section	Proposal Section Number	Proposal Page Number
4 Contractor Responsibilities/Project Requirements		
4.1 Staffing		
4.2 Project Management		
4.3 Requirement To Comply With HIPAA Regulations and Standards		
4.4 Requirement to Comply with State Policies and Standards		
4.5 Reporting		
4.6 Performance		
4.7 Degree of Customization		
4.8 Backup and Recovery		
4.9 Disaster Recovery		
4.10 Specific Project Tasks		
4.11 Deliverables		
4.12 Project Expectations		

This crosswalk links the numbered RFP sections to the sections and page numbers of the bidder's proposal. Bidders are required to fill out this crosswalk completely for each numbered section in Section 4.

H. Bidder Project Experience


Delaware Health and Social Services
Bidder Project Experience

Client	
Contact Name	
Telephone No.	
Location Street Address/City State/ZIP	
Location City/State	
Type of Facility	
Comparable Project Experience	
Current Status (WIP/Complete)	
Original Budget	
Completed Budget	
Original Schedule	
Completed Schedule	
Comments:	
Use one page per client. All clients will be used as references and all projects must be completed or work in progress. For projects in progress, state the estimated final budget and schedule dates based on current status. The Contact must be an administrative or managerial customer reference familiar with the bidder's performance.	

I. Deliverable Acceptance Request (DAR)

*DELAWARE HEALTH
AND SOCIAL SERVICES*

Deliverable Acceptance Request (DAR)

Division Name:	
Project Name:	
Project Phase:	
Project Manager:	
Vendor:	
Vendor Project Manager:	

Deliverable Name:	
Delivery Date:	
Expected Date of Response:	
Actual hours worked and Cost incurred:	

Narrative of findings:

Division Program Name:	Signature:	Date:
Div. IT Liaison Name:	Signature:	Date:
IRM Name:	Signature:	Date:

J. Bidder Contact Information**Delaware Health and Social Services
Request for Proposal****Bidder Contact Information**

The following information must be filled out and brought to the mandatory pre-bid meeting. Proposals submitted without prior submission of this form will not be opened. Multiple bidder contacts may be specified.

Bidder Contact(s)

Contact Name	
Email Address	

Authorized Vendor Representative

Printed Name	
Signature	
Phone Number	
Email Address	

K. Criminal Background Check Instructions

Contractor staff are required to request their own criminal history. For privacy reasons, the SBI and FBI will not mail the results to anyone except the requestor, so the results must be delivered to the DHSS Security Manager at the Biggs Data Center in a sealed envelope. Costs will be borne by the contractor.

1. Visit one of the State Police locations listed on the next page. **Note:** For the New Castle and Sussex locations, appointments may take up to six weeks to schedule.
2. Complete a SBI Personal Criminal History authorization form.
3. Present valid government-issued photo identification, such as a driver's license.
4. The State fee is \$45 and the Federal check fee is \$10, payable by cash or debit/credit card. (No personal checks).
5. The State Police will require you to fill out an FBI fingerprint card, which they will return to you after you have completed the fingerprint process.
6. Complete and sign the FBI Applicant Information Form to request the national record check. The form can be found on-line at <http://www.fbi.gov/about-us/cjis/background-checks/applicant-information-form>
7. Mail the Cover Letter and fingerprint card, along with an \$18 processing fee, payable by money order, certified check, or credit card. The FBI turnaround time is 3-6 weeks.
8. When you receive your reports at your home address, **DO NOT OPEN THE ENVELOPES**. If you break the seal on the envelopes, you will be responsible to go through the process again at your own expense.
9. Either hand-deliver or mail the **SEALED** FBI and SBI envelopes to:

DHSS Security Manager
1901 N Dupont Highway
Biggs Data Center
New Castle, DE 19720

Mark envelopes as **CONFIDENTIAL**.

The results of the criminal background check will be reviewed and kept completely confidential. The total cost is \$73.

New Castle County	Kent County (Primary Facility)	Sussex County
State Police Troop 2 100 LaGrange Ave Newark, DE 19702 (Between Rts. 72 and 896 on Rt. 40) ** By appointment only To schedule an appointment: Phone: 302-739-2528 or Toll Free 1-800-464-4357	State Bureau of Identification 655 Bay Road Blue Hen Mall and Corporate Center Suite 1B Dover, DE 19903 Customer Service: 302-739-5871 ** Walk-ins accepted Hours of Operation Monday 9AM – 7PM Tuesday – Friday 9AM – 3PM	State Police Troop 4 S DuPont Hwy & Shortly Rd Georgetown, DE 19947 (Across from DelDOT & State Service Center) ** By appointment only (every other Wednesday) To schedule an appointment: Phone: 302-739-2528 or Toll Free 1-800-464-4357

L Cyber Responsibilities, Liability and Insurance

A. Vendor Protection of Customer Data

1. The awarded vendor shall, at a minimum, comply with all Delaware Department of Technology and Information (DTI) and Department of Health and Social Services (DHSS) security standards identified in this Request for Proposals and any resultant contract(s).

B. Definitions

Data Breach

1. In general the term “data breach” means a compromise of the security, confidentiality, or integrity of, or the loss of, computerized data for the State of Delaware that results in, or there is a reasonable basis to conclude has resulted in :
 1. 1 The unauthorized acquisition of personally identifiable information (PII); or
 1. 2 Access to PII that is for an unauthorized purpose, or in excess of authorization,
2. Exclusion
 - 2.1 The term “data breach” does not include any investigative, protective, or intelligence activity of a law enforcement agency of the United States, a State, or a political subdivision of a State, or of an intelligence agency of the United States.

Personally Identifiable Information (PII)

1. Information or data, alone or in combination that identifies or authenticates a particular individual.
 1. 1 Such information or data may include, without limitation, Name, Date of birth, Full address (e.g. house number, city, state, and/or zip code), Phone Number, Passwords, PINs, Federal or state tax information, Biometric data, Unique identification numbers (e.g. driver's license number, social security number, credit or debit account numbers, medical records numbers), Criminal history, Citizenship status, Medical information, Financial Information, Usernames, Answers to security questions or other personal identifiers.
2. Information or data that meets the definition ascribed to the term “Personal Information” under §6809(4) of the Gramm-Leach-Bliley Act or other applicable law of the State of Delaware.

Customer Data

1. All data including all text, sound, software, or image files provided to Vendor by, or on behalf of, Delaware which is occasioned by or arises out of the operations, obligations, and responsibilities set forth in this contract.

Security Incident

1. Any unauthorized access to any Customer Data maintained, stored, or transmitted by Delaware or a third party on behalf of Delaware.

C. Responsibilities of Vendor in the Event of a Data Breach

Vendor shall notify State of Delaware, Department of Technology and Information (DTI) and Department of Health and Social Services (DHSS) without unreasonable delay when the vendor confirms a data breach. Such notification is to include the nature of the breach, the number of records potentially affected, and the specific data potentially affected.

1. 1 Should the State of Delaware or the awarded vendor determine that a data breach has actually occurred; the awarded vendor will immediately take all reasonable and necessary means to mitigate any injury or damage which may arise out of the data breach and shall implement corrective action as determined appropriate by VENDOR, DTI and DHSS.
1. 2 Should any corrective action resultant from Section C.1.1 above include restricted, altered, or severed access to electronic data; final approval of the corrective action shall reside with DTI.
1. 3 In the event of an emergency the awarded vendor may take reasonable corrective action to address the emergency. In such instances the corrective action will not be considered final until approved by DTI.
1. 4 For any record confirmed to have been breached whether such breach was discovered by the awarded vendor, the State, or any other entity and notwithstanding the definition of personally identifiable information as set forth at 6 *Del. C. § 12B-101* the awarded vendor shall:
 - 1.4.1. Notify in a form acceptable to the State, any affected individual as may be required by 6 *Del. C. § 12B-101* of the Delaware Code.
 - 1.4.2. Provide a preliminary written report detailing the nature, extent, and root cause of any such data breach no later than two (2) business days following notice of such a breach.
 - 1.4.3. Meet and confer with representatives of DTI and DHSS regarding required remedial action in relation to any such data breach without unreasonable delay.
 - 1.4.4. Bear all costs associated with the investigation, response and recovery from the breach, such as 3-year credit monitoring services, mailing costs, website, and toll free telephone call center services.

D. No Limitation of Liability for Certain Data Breaches

1. Covered Data Loss

- 1.1 The loss of Customer Data that is not (1) Attributable to the instructions, acts or omissions of Delaware or its users or (2) Within the published recovery point objective for the Services

2. Covered Disclosure

- 2.1 The disclosure of Customer Data as a result of a successful Security Incident.

3. Notwithstanding any other provision of this contract, there shall be no monetary limitation of vendor's liability for the vendor's breach of its obligations under this contract which proximately causes a (1) Covered Data Loss or (2) Covered Disclosure, where such Covered Data Loss or Covered Disclosure results in any unauthorized public dissemination of PII.

E. Cyber Liability Insurance

1. An awarded vendor unable to meet the DTI Cloud and Offsite Hosting Policy requirement of encrypting PII at rest shall, **prior to execution of a contract**, present a valid certificate of cyber liability insurance at the levels indicated below. Further, the awarded vendor shall ensure the insurance remains valid for the entire term of the contract, inclusive of any term extension(s).
2. Levels of cyber liability insurance required are based on the number of PII records anticipated to be housed within the solution at any given point in the term of the contract. The level applicable to this contract is: 1. Should the actual number of PII records exceed the anticipated number, it is the vendor's responsibility to ensure that sufficient coverage is obtained (see table below). In the event that vendor fails to obtain sufficient coverage, vendor shall be liable to cover damages up to the required coverage amount.

Level	Number of PII records	Level of cyber liability insurance required (occurrence = data breach)
1	1-10,000	\$2,000,000 per occurrence
2	10,001 – 50,000	\$3,000,000 per occurrence
3	50,001 – 100,000	\$4,000,000 per occurrence
4	100,001 – 500,000	\$15,000,000 per occurrence
5	500,001 – 1,000,000	\$30,000,000 per occurrence
6	1,000,001 – 10,000,000	\$100,000,000 per occurrence

F. Compliance

1. The awarded vendor(s) is required to comply with applicable security-related Federal, State, and Local laws.

G. Media Notice

1. No media notice may be issued without the approval of the State.

H. Points of Contact – Data Breach

1. State of Delaware

Department of Technology and Information
Elayne Starkey, Chief Security Officer
elayne.starkey@state.de.us; 302.739.9631

Department of Health and Social Services
John Pasquale, Chief Security Officer
john.pasquale@state.de.us; 302.255.9180

M 2015 PASRR National Report Section 2, pg 12**2 Level I Screens**

The PASRR regulations at 42 CFR 483.100-138 give no detailed guidance about the Level I process, except that it should identify all individuals who are "suspected of having" a PASRR-relevant disability (section 483.128(a)). To develop a Level I review instrument, we followed five fundamental principles about the design of Level I tools:

1. Sensitivity: The Level I should be sensitive enough to identify all individuals who *might* have a PASRR disability. As such, it should generate some false positives – it should sometimes identify individuals who are later found (at Level II) not to have a PASRR disability. A Level I that generates no false positives will "miss" some individuals who do, in fact, have a PASRR disability.
2. Specificity: The Level I tool should be as specific as possible. It should screen out individuals who show no signs of having a PASRR disability. As such, it should keep the number of false positives relatively low – but not zero.
3. Usability: The tool should be easy to understand and use at the level of professional qualification the state requires. In most states, there are very few qualifications. The logic of the questions should be straightforward, not relying too much on separate instructions or training – again, commensurate with who does the screening (typically hospital staff or even NF staff) and the level of influence the state PASRR agencies have over these screeners. Each question should ask for one and only one answer. Screeners in most states must be able to complete the tool without the expert judgment that comes with years of clinical training and practice.
4. Accuracy: The tool should be accurate. For example, where the tool includes criteria for PASRR disabilities, those criteria should be correct – as with age for ID and RC.
5. Informativeness: To the extent practical, tools should capture information that would help inform the Level II evaluation (if one is necessary).

Guided by these design principles, we developed a set of 14 data elements for scoring Level I tools. These 14 elements represent "plausible triggers" – items that seem, logically, to predict the possible presence of MI, ID, or RC.

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Table 4 presents those data elements along with the keywords that guided our review of Level I tools. (More information about how we applied these keywords can be found in Section 2.1, Methods.)

In developing these data elements, we were informed by the Level II requirements in the CFR, but we did not replicate those requirements. Indeed, a Level I that replicates the requirements of a Level II is not a *preliminary* screen at all, and would generate false negatives – it would fail to identify individuals who in fact have a PASRR disability.

Nonetheless, the criteria in the CFR for data required in the Level II can supply guidance about who is expected to be evaluated by Level II, and therefore the *kinds* of evidence Level I screeners should look for in order to identify those people. When these data elements are present, they can serve as triggers for a possible Level II evaluation, or for additional review when experienced clinicians review and approve Level I screens (before a Level II evaluation) – what is sometimes informally called a Level 1.5.

It is worth noting that data elements 4.1 and 4.2 reflect the design principle of informativeness. According to the CFR, PASRR Level II evaluations can sometimes be halted when it is determined that the individual does not have MI for PASRR purposes because dementia is also present – but this decision must be made at Level II, not Level I. The Level II can be terminated if a qualified professional determines that the individual has MI and a primary diagnosis of dementia (section 483.128(m)) that has advanced to be more prominent in the individual's experience than the MI. States can also apply a categorical determination for individuals with MI/ID/RC who by situation obviously need NF care but would not benefit from Specialized Services (section 483.130(h)) – and categorical determinations involve abbreviated Level II evaluations. Even though categorical determinations are Level II functions, states may permit Level I screeners to apply the categories when documented evidence is available and no clinical judgment is required, or to collect this information to help inform the work of Level II evaluators or, if applicable, the “Level 1.5” approvers of the Level I.

One might imagine that a tool with all of the triggers in Table 4 would lead to a large number of false positives and, thus, an unnecessary number of Level II's – so many, in fact, that a state's Level II systems might be overwhelmed. This is a reasonable concern. However – as we will see in Section 3 – our analysis of MDS suggests that current PASRR systems generate too many false *negatives*, at least for MI. As recorded in MDS, PASRR identifies relatively few individuals who otherwise carry a diagnosis of at least one

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mental illness. We can therefore plausibly argue that Level I tools should be more "open-minded" about who should receive a Level II evaluation.

An additional element we did not examine is congruence of each state's Level I form with any categorical determinations the state uses, and whether those categories are approved in the Medicaid state Plan. If Level I screeners are to apply categories, or give the information to those who do approve categorical determinations, the Level I form must contain data elements sufficient to make and document those Level II decisions. Since an abbreviated Level II evaluation report is required for categorical determinations, (section 483.128(j)), the Level I tool, or a supplement to it, must collect all the information needed for that report.

It is important to again note that we have deliberately confined our analysis to the forms and tools states use. We have not yet assessed the policies and procedures states use to administer those tools – for example, the trainings that screeners receive or the algorithms that state use to translate responses into a probability that a Level II is warranted. The influence of these policies and procedures on the success of Level I screens remains, for now, unmeasured.

A final note about the data elements we used in our analysis. Following our 2014 analysis, some states questioned whether the data elements we had identified were strongly supported by evidence. This was especially true for two items:

1. The item about substance abuse. We included this data element because there is a high correlation between MI and substance abuse disorders.
2. Our claim that Level I's should not impose a strict "look-back period" to determine whether an episode of mental illness has previously impaired an individual's functioning. If the look-back period is too restrictive, we reasoned, PASRR may miss individuals who are at greater risk of psychiatric challenges when they enter the (sometimes stressful) environment of a nursing facility.

In further discussion with states, and in close collaboration with our partners at CMS, the PTAC team agreed with state concerns that we do not yet have evidence-based reasons for a final conclusion that Level I should include all of the data elements in our analysis. However, it is difficult to imagine eliminating any one element without also missing some individuals, because each element identifies different populations or different needs. Whether these items really do distinguish between people with a PASRR disability and people who lack such a disability is an empirical question. For example, while we

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continue to find that it is too restrictive in Level I to limit the look-back period for episodes of mental illness to the same timeframe used in Level II, we do not set an alternative time frame, because we currently lack data about the most effective time frame. As states modify their Level I tools and begin using them in the field, we encourage state staff to analyze the data they get back to determine whether these items are truly discriminating. PTAC can help with designing these analyses.

In our conversations with states, we also have been made aware that they often define the age of onset for intellectual and developmental disabilities in ways that do not align with the PASRR rules. Most commonly, states set the upper age for both at 22 – usually the definition used in the states' 1915(c) waiver programs for serving individuals with I/DD. The CFR, on the other hand, stipulates that the upper age for intellectual disabilities is 18. Our use of the CFR age boundary has created some confusion and consternation. In future analyses of Level I tools, we will accept as comprehensive any age boundary for I/DD that is *equal to or greater than* the age boundary set in the CFR. In other words, we will treat as comprehensive an item that stipulates that an intellectual disability must manifest by the age of 21 or 22. The only situation that would prompt us to mark that data element as partial or absent would be stipulating an age that is *below* the age set in the CFR (say, 12 or 15 – a situation that we believe is highly unlikely). It is the job of evaluators at Level II to determine whether an intellectual disability manifested by the age of 18, or a related condition by the age of 22. The Level I can be more open-minded about age. As we have said before, the Level I should generate some false positives, and this is a case in which false positives are acceptable.

One distinct advantage of retaining the same Level I data elements for the 2015 Report is that it allows us to compare directly between the findings of the last National Report and the findings of this one. We will therefore be able to quantify the degree to which states have incorporated these plausible data elements/triggers into their screens, or are working to do so.

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Table 1: Data Elements for Level I Screen

Item #	Data Element	Keywords/Phrases
Mental Illness		
1.1	Mental illness diagnosis	diagnosis; serious mental illness; mental disorder
1.2	Substance abuse disorder	substance use
1.3	Interpersonal symptoms	interpersonal; serious difficulty interacting with others; altercations, evictions, unstable employment, frequently isolated, avoids others
1.4	Completing tasks	serious difficulty completing tasks, required assistance with tasks, errors with tasks; concentration; persistence; pace
1.5	Adapting to change	self-injurious, self-mutilation, suicidal, physical violence or threats, appetite disturbance, hallucinations, delusions, serious loss of interest, tearfulness, irritability, withdrawal
Intellectual/Developmental Disability or Related Condition		
2.1	ID/DD diagnosis	diagnosis; intellectual disability; developmental disability; mental retardation
2.2	ID/DD age of onset	age 18 (age of onset); evidence
2.3	Related condition diagnosis	evidence, history, diagnosis; affects intellectual functioning, affects adaptive functioning; autism, epilepsy, blindness, cerebral palsy, closed head injury, deaf
2.4	Related condition age of onset	age of onset; evidence; history; age 22
2.5	Receipt of services	agency serving individuals with ID/DD; past and present; services; services received; referred/referrals
Key Symptoms or Behavioral Indicators		
3.1	Undiagnosed condition	evidence; presenting evidence; suspected diagnosis; undiagnosed; indications
3.2	Functional limitations	mobility, self-care, self-direction, learning, understanding/use of language, capacity for living independently
Co-morbid Dementia		
4.1	Primary dementia diagnosis	dementia; primary diagnosis
4.2	Documented evidence of primary dementia	dementia work up; comprehensive mental status exam; primary diagnosis; evidence

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2.1 Methods

Notifying States of Our Analysis and Giving Them the Option to Respond: On March 18, 2015, PTAC notified states it was preparing to review state Level I tools for the 2015 National Report. PTAC sent each state the latest Level I form on file and gave states an opportunity to respond with their most recently updated Level I form. States were given until March 27 to respond with an updated Level I tool. Twenty-three (23) states responded with an updated Level I form for PTAC's review, while the other 28 states indicated they were either in the process of updating their Level I form, or were using the same form from the 2014 review. PTAC reviewed the 28 updated Level I forms sent by states, and, on August 19, sent out draft, state-specific Fact Sheets to all the PASRR leads in the three key agencies of all 50 states and the District of Columbia: the Medicaid agency, the state mental health authority, and the state intellectual disabilities authority. (With the help of CMS Regional Office staff, we maintain an updated list of these contacts. We urge states to keep this information current.) States were given the option to respond to the draft Fact Sheets with any comments or concerns by August 28. Thirteen (13) states responded with questions or a new tool. PTAC reviewed the new tools and feedback, and sent newly revised Fact Sheets to 12 of the states.

The Fact Sheets are only given to each state for self-assessment purposes; they are not accessible to other states. Each Fact Sheet:

- ⊙ Describes the nature of PTAC's review project;
- ⊙ Lists the 14 data elements (listed below) and the state's score on each element;
- ⊙ Presents a set of suggestions for revising the state's current tool; and
- ⊙ Lists the names of the tools we reviewed (to verify, one last time, that we had reviewed the state's most current tool).

It is important to note that we accepted and reviewed updated Level I screens that were still in draft form, and not yet in use in the field. In this way, we gave states as much credit as possible for the improvements they had made.

Coding the tools: Each data element in each tool was given one of three scores:

- ⊙ *Comprehensive:* The tool captured the data element thoroughly.
- ⊙ *Partial:* The tool captured the data element partly but incompletely, or it misstated one or more criteria (including age).

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Absent: The tool did not capture this data element at all.

Data elements were coded as "partial" for a variety of reasons; some of the most common reasons are listed in Table 5. (For some data elements, no single reason predominated; we have labeled these cases "Various"; see Table 4 for a description of each element.) Early testing of the review instrument showed a high degree of reliability across coders.

Table 2: Common Reasons for Scores of "Partial" on Each Data Element

Data Element	Common Reasons for "Partial"
1.1	None (no partials)
1.2	None (no partials)
1.3	Time limit placed on symptoms (e.g., last 6 months)
1.4	Time limit
1.5	Time limit
2.1	Diagnosis of ID and RC asked in the same question (should be separately)
2.2	ID age of onset stated incorrectly (should be 18)
2.3	Diagnosis of ID and RC asked in the same question
2.4	RC age of onset state incorrectly (should be 22)
2.5	Time limit placed on referrals or receipt of services
3.1	Various
3.2	Various
4.1	Tool indicates that evidence of dementia halts PASRR (i.e., no Level II)
4.2	Various

For each state, we calculated an overall "comprehensiveness score" – the total number of data elements scored as comprehensive, divided by the total number of data elements (out of 14 altogether), taken as a percentage. Note that the distinction between "absent" and "partial" does not affect the final score – only the number of elements scored as "comprehensive" figures into this value. Because the CFR gives little guidance about the contents of a Level I screen, comprehensiveness scores do not directly reflect compliance. Instead, they indicate the degree to which a state's Level I tool adheres to the five design principles we articulate above, and the likelihood that the Level I tool will enable the state to comply with the requirement to identify the correct individuals. Moreover, comprehensiveness scores do not capture any information about the overall operation of a state's Level I system.

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2.2 Findings and Discussion

The major finding of this analysis is that many states have improved the quality of their Level I tools, but that many still do not reflect the design principles we identified above. In some cases, tools were too restrictive about whether an individual might have a PASRR disability; in other cases, tools did not include some important pieces of evidence that would trigger a Level II evaluation. As Table 6 shows, the majority of states – 33, or 64.7 percent – fall in the top two quartiles. (This table is included in the Executive Summary as Table 1.) A sizable share of states – 20, or 39.2% – fall in the uppermost quartile. Table 7 lists all 51 States and the quartiles in which they scored.

These findings represent a dramatic improvement over our 2014 analysis, when the majority of states – 58.8 percent – fell within the bottom two quartiles. Clearly many states have used the feedback from the 2014 Report and modified their tools to adhere to the design principles it articulated.

Table 3: Number and Percentage of States Within Each "Comprehensiveness Quartile," with 2014 Comparison Data

Level of Comprehensiveness	# States	% States 2015	% States 2014
76%-100%	20	39.2%	11.7%
51%-75%	13	25.5%	29.4%
26%-50%	16	31.4%	52.9%
≤ 25%	2	3.9%	5.9%

Despite the improvements we have seen over 2014, the need for national improvement is still evident, as 18 states – more than a third – fall within the bottom two quartiles. We have been talking to lower-scoring states about why their results appear as they do, and to provide support for any changes they wish to make to their Level I screens.

The pattern of findings and state responses to the findings indicate the challenging balance required for effective Level I tools. In most states Level I screeners are not qualified to make judgments about mental illness or intellectual disability (in some states they are non-professionals); but the tool they use must have triggers to identify everyone who should be evaluated by qualified Level II evaluators. Some states with missing or overly restrictive triggers thought that only the Level II evaluation should collect information on any issues that require professional judgment – correctly preventing Level I screeners from working beyond their qualifications, but missing the point that individuals not triggered at Level I will never be presented to Level II. States with Level I tools that require too much judgment or that require the screener to make

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Level II decisions said they would otherwise miss individuals who need PASRR protection – correctly attempting to identify all affected individuals, but introducing both false negatives and false positives by exceeding the screener’s capabilities.

The degree to which state PASRR programs might be affected by the mismatch between the design principles we have identified and the tools states use is unknown. However, previous studies of PASRR, and impressions from most experts in the field, have long indicated that Level I is missing many individuals it should be identifying. Our analysis of MDS, presented next in Section 3, suggests that inadequacy of Level I tools is causing PASRR programs to be too conservative in identifying individuals who have serious MI.

N Categorical Group Determinations (Approved 2014)

Categorical Group Determinations	
1. Convalescent Care: Client meets the following criteria: - Admission to NF directly from hospital after receiving acute medical care. - Need for NF is required for the condition treated in hospital. Specify Conditions: _____ - Lacks adequate supports to safely remain in the community for 24 hour skilled nursing observation or intervention IE: Complex wound care, IV therapy - NF stay not to exceed 120 days. Specify number of days requesting: _____ - There is not current risk to self or others. - Does not meet all criteria for an exempted hospital discharge	Yes ☐ No ☐
2. Respite: Client being admitted to provide caretakers relief and meets the following criteria: - Respite care is to provide relief to the family or caregivers - There is no current risk to self or others. - NF stay not to exceed 14 days in one year fiscal year. Specify number of days requesting: _____.	Yes ☐ No ☐
3. Delirium : Client being provisionally admitted pending further assessment due to the presence delirium and meets the following criteria: - Accurate diagnosis cannot be made until Delirium clears. - NF stay not to exceed 7 days.	Yes ☐ No ☐
4. Emergency Placement: Client is being provisionally admitted pending further assessment due to an emergency situation requiring Protective Services and meets the following criteria: - Authorization was provided by an appropriate state Protective Services Agency. Authorized by: Name: _____ Agency: _____ Phone: _____ - There is no current risk to self or others. - NF stay not to exceed 7 days.	Yes ☐ No ☐
5. Terminal Illness: Does the individual meet the following criteria: - Life expectancy of less than six months (records supporting the terminal state must accompany this tool.) - There is no current risk to self or others.	Yes ☐ No ☐
6. Severe Medical Dependence: Does the individual meet the following criteria: - Coma, ventilation dependence, functioning at a brain stem level, or other diagnoses which results in a level of impairment so severe that the individual would be unable to participate in a program of specialized care associated with his/her MI and/or I/DD. (Documentation of the individual's medical status must accompany this tool.) - There is no current risk to self or others.	Yes ☐ No ☐

I certify that the above information is correct to the best of my knowledge.

Signature: _____ Date: _____
Name & Title (MD, APRN, Physician Assistant)

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The data elements in Table 2 assess the degree to which States fulfill each of the specific requirements of their MI and MR Level II tools. Keywords and phrases in italics were taken directly from the CFR. The remaining keywords and phrases stem from the identification of good clinical practices and are *not* specified in the CFR. The value for each data element was coded as *comprehensive*, *absent*, or *partial* (these terms are defined below).

Table 2: Data Elements for Level II

<u>SPECIFIC REQUIREMENTS - Level II</u>	<u>Keywords/Phrases</u>	<u>CFR (MI; MR)</u>	<u>Level of Detail</u>
<u>H&P</u>			
Medical history	diagnosis(es); onset date(s)	MI: .134(b)(1)(i) MR: .136(b)(1)	Comprehensive Comprehensive
Neurological assessment	<i>motor functioning; gait; communication</i>	MI: .134(b)(1)(iii) MR: .136(b)(8)(9)	Absent Partial
Medication review	<i>current medications; allergies; side effects</i>	MI: .134(b)(2) MR: .136(b)(3)	Comprehensive Comprehensive
<u>Medical Status</u>			
Externalizing and internalizing behaviors	aggressive; disruptive; inappropriate; depression; anxiety; loneliness	MI: .134(b)(4) MR: .136(b)(15)	Partial Comprehensive
Harm to self or others (intentional or unintentional)	<i>suicidal/homicidal ideation</i> self-injurious behaviors	MI: .134(b)(4) MR: .136(b)(15)	Partial Partial
Intellectual functioning	estimated IQ level (MR, low average, average, high average) MR range (mild, moderate, severe, profound)	MI: .134(b)(4) MR: .136(c)(1)	Partial Comprehensive
Cognitive functioning	<i>memory; concentration; orientation; cognitive deficits</i>	MI: .134(b)(4)	Comprehensive
Reality testing	<i>delusions and hallucinations</i>	MI: .134(b)(4)	Comprehensive
Psychosocial evaluation	<i>current living arrangements; medical and support systems</i>	MI: .134(b)(3) MR: .136(b)(10)	Partial Comprehensive
<u>Functional Status</u>			
ADLs/IADLs	<i>self-care; self-administration of medication</i>	MI: .134(b)(5)(6) MR: .136(4)-.136(7), .136(12)	Comprehensive Absent
ADLs/IADLs in community	<i>assessment of ability to perform ADLs in the community</i>	MI: .128 (f), .134 (5) MR: .136(4)-.136(7)	Partial Partial
Support systems	<i>level of support needed to perform activities in the community</i>	MI: .134(b)(5)	Partial
<u>Other</u>			
Need for NF	<i>appropriate placement is NF</i> <i>appropriate placement is other setting</i>	GENERAL: .126 MI: .134(b)(5)	Comprehensive Partial

Note: All citations are to 42 CFR Part 483.

The column labeled “CFR” cites the specific section of the Code of Federal Regulations. Values in this column represent the sections of the regulation that specify the data elements, both for PASRR/MI and PASRR/MR.

P 1115 Demonstration Waiver; Attachment E; Medical Eligibility Determinations

Medical Eligibility Determinations

The state's Division of Medicaid & Medical Assistance Pre-Admission Screening (PAS) team completes a level of care (LOC) screening to determine if the applicant requires the level of care LOC provided by the program. An individual must be in need of skilled or intermediate level of care as determined by PAS and as defined below in order to be medically approved for the DSHP-Plus program's enhanced services. During the LOC determination process, the PAS Team obtains a comprehensive medical evaluation of the level of care needed in a facility or the community. Physician orders are required for skilled nursing needs. The medical evaluation must be signed and dated not more than 365 days before the date of referral for the DSHP-Plus program.

Referrals to PAS may come from the family of the applicant as well as other sources.

LOC Criteria with Implementation of DSHP-Plus – With implementation of DSHP-Plus, Delaware revised the nursing facility (NF) LOC definition for individuals entering a nursing facility to reflect that they must need assistance with at least two Activities of Daily Living (ADLs) rather than the previous minimum requirement of assistance with one ADL. There will be no impact on eligibility as a result of this change. Individuals requesting HCBS must be determined by PAS to be “at-risk” of institutionalization by requiring assistance with at least one ADL. Those Medicaid participants already residing in Nursing Facilities as of implementation of DSHP-Plus will be automatically enrolled in the DSHP-Plus program and their nursing facility services will continue to be covered by Medicaid as long as they continue to require assistance with at least one ADL.

“Activity of daily living (ADL)” means a personal or self-care skill performed, with or without the use of assistive devices, on a regular basis that enables the individual to meet basic life needs for food, hygiene, and appearance. The ADL need may look ‘independent’, but assessment will reflect, without supervision and/or assistance, clients’ ability to function and live independently, will be compromised. Assessment will reflect client’s inability to manage their own hydration, nutrition, medication management, mobility and hygiene, as applicable.

Nursing Facility Level of Care– PAS determines that an individual requires an NF LOC when the individual requires assistance with at least two ADLs. This LOC requirement only applies to individuals newly entering a NF. All individuals receiving services in a NF prior to implementation of DSHP-Plus will be grandfathered at the LOC requirement of requiring assistance with at least one ADL as long as they continue to require assistance with at least one ADL. In addition, children residing in the community are medically eligible under TEFRA if they are determined to require a NF LOC.

Q Payment Milestones and Deliverables

Sample report for illustration purposes only

Payment Milestone	Deliverables
Project Plan	Baselined Project Plan
	Project Status Reports
	Security Policies & Procedures
Requirements Analysis Meetings Completed	JAD Sessions
	Interface Control Document (ICD)
	Requirements Traceability Matrix (RTM)
System Design	Detailed Solution Design (DSD)
	System Architecture and Design Documents
Report Layouts	Report Specs
Test Plan	Test Strategy & Plan
	Test Workbook - Initial Draft
Source Data Quality Report	Data Profiling Test Report
System Test	Test Workbook - Final
	Integration, System, User Testing
	Test Reports & Defect Resolution
Training Plan & Completion of Training	Training Plan
	User & System Manuals
Delivery & Go Live	Resource Transition Plan
	Disaster Recovery Plan
	Operations & Maintenance Plan
	Lessons Learned