



**State of Delaware  
Office of Management & Budget  
Statewide Benefits Office**

**REQUEST FOR PROPOSAL  
FOR  
PROFESSIONAL SERVICES  
TO PROVIDE TO THE STATE OF DELAWARE  
DATA WAREHOUSE SERVICES**

**September 12, 2011**

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**Intent to Bid Due: September 26, 2011**

**Bid/Response Due: October 31, 2011**

**Contents:**

Background and Administrative Information  
Minimum Requirements and Questionnaire  
Officer Certification Form  
Financial Proposal Form

**Attachments:**

Attachments must be obtained by email request to the RFP Coordinator, Ms. Laurene Eheman, at [laurene.eheman@state.de.us](mailto:laurene.eheman@state.de.us).

Professional Services Agreement  
Business Associate Agreement  
Financial Proposal Excel Workbook

500 W. Loockerman Street, Suite 320 • Dover, DE 19904  
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## **BACKGROUND AND ADMINISTRATIVE INFORMATION**

### **Introduction**

The State of Delaware's State Employee Benefits Committee (SEBC) is seeking a vendor to provide services relating to its data warehouse program for the Group Health Insurance Program (GHIP). The SEBC is soliciting proposals from vendors who will partner with the State and its contracted vendors to provide exemplary services. The contract award will be effective July 1, 2012. Proposals are due from interested vendors by October 31, 2011. Bids must be received no later than 2:00 p.m. EST on the due date. This Request for Proposal (RFP) is issued pursuant to Title 29 Delaware Chapter 69 Sect. 6981 and 6982.

### **Organization Description**

The SEBC is chaired by the Director of the Office of Management and Budget (OMB). The Controller General, Insurance Commissioner, State Treasurer, Secretary of Health and Social Services, Secretary of Finance and Chief Justice of the Supreme Court comprise the remainder of the SEBC. The SEBC provides benefits to approximately 36,000 active employees and approximately 25,000 pensioners. The Statewide Benefits Office (SBO) is a division within the OMB. The SBO functions as the administrative arm of the SEBC responsible for the administration of all statewide benefit programs with the exception of pension and deferred compensation benefits. These programs include, but are not limited to: health, prescription, dental, vision, disability, group life, flexible spending accounts, wellness and disease management programs, employee assistance, and pre-tax commuter benefits.

### **Background Information**

The SBO administers the GHIP. The health insurance component of the program is self-insured and currently provides services to an estimated 112,000 covered lives. The pharmacy benefit is currently carved-out.

Eligible participants include active, non-Medicare and Medicare retired, school district, charter school, university, community college, non-state groups, their enrolled dependents, and COBRA participants. The State utilizes multiple electronic human resource programs and vendor databases at separate locations in various formats to collect and store participant personal health data.

The SEBC is seeking a data warehouse/warehousing vendor to store data related to the State's medical and pharmacy claims. The current health insurance vendors are Blue Cross Blue Shield of Delaware (BCBSD) and Aetna, with BCBSDE administering over 90% of the eligible members' policies. Effective July 1, 2012, the same vendors, different vendors, or one vendor may be selected as the health insurance vendor(s). Medco is the current pharmacy benefit manager with its contract extending beyond July 1, 2012. The data feeds to the data warehouse vendor currently come through BCBSD, Aetna and Medco. In the future, we may also want to incorporate wellness data such as health assessment results through our current health management partner, Alere. We may also consider additional programs for the warehouse, including but not limited to: disability, workers compensation, biometrics, or health management. We may also want to include claim data feeds from the dental and vision insurance programs.

### **Intent to Bid**

**Your intent to bid is required by September 26, 2011, no later than 4:00 p.m. EST.**

## Timetable/Deadlines

The following timetable is expected to apply during this marketing effort:

| Event                                  | Target Date                 |
|--|-----------------------------|
| RFP Release/Advertisement Dates        | September 12 and 19         |
| <b>Receive Intent to Bid</b>           | 4:00 p.m. EST, September 26 |
| Vendor's Deadline to Submit Questions  | 4:00 p.m. EST, October 5    |
| Responses to Questions Sent to Vendors | October 17                  |
| <b>Deadline for RFP Responses/Bids</b> | 2:00 p.m. EST, October 31   |
| Notification of Finalists*             | Mid-November                |
| Selection of Vendor                    | January, 2012               |
| Contract Effective Date                | July 1, 2012                |

\*The SEBC will require each of the finalists to make a presentation in Dover, Delaware. The presentations will be at the expense of the proposing firm.

## Contract/Rate Guarantee Periods

The State of Delaware plans to enter into a three (3) year contract with the selected vendor(s) effective July 1, 2012, with the SEBC having the option to renew the contract for two (2) additional one-year extensions. The vendor must guarantee the contract period rates and fees through June 30, 2015, with a rate cap for two additional optional one year periods. The rate caps must be expressed in a percentage as an increase from the previous year. (See *Financial Proposal* form.)

## Performance Guarantees

The SEBC is interested in evaluating financial and non-financial performance guarantees. The winning vendor will be required to negotiate both financial and non-financial performance guarantees.

## Proposal Objectives

The SEBC desires to contract with a data warehouse vendor who specializes in providing services to state government or large public sector clients. The vendor must have prior experience directly related to the services requested in this RFP.

## Scope of Services

The SEBC is evaluating proposals for comprehensive data warehouse services. We expect the selected vendor to provide an end-to-end data analytics solution, where they are responsible for interface with our carriers to obtain raw data, operationally managing the data through thorough quality measures and implementation of that data into a robust and easy to use tool set for our use. In addition, we expect our selected partner to have the client service expertise to assist the SEBC and SBO and any other partners we designate in specific data analysis, delivery of standard and *ad hoc* reporting solutions, and proactive recommendations of data analysis projects to support the SEBC's ongoing benefit strategies.

## Selection Criteria

The primary selection criteria that will drive the SEBC's decision-making process are:

1. **Pricing:** The competitiveness of the proposed fees.
2. **Experience and Qualifications:** The extent, degree, and context of the vendor's experience and qualifications with programs of similar complexity.
3. **Proven Performance:** Demonstration of an exceptional level of performance, client satisfaction, and track record of successfully providing data warehouse services to clients of a similar type and scope as SEBC of Delaware.

## Evaluation Process

All proposals submitted in response to the RFP will be reviewed by the Proposal Review Committee (PRC). The PRC shall be comprised of representatives from each of the following offices: Office of Management and Budget, Controller General's Office, Department of Finance, Department of Health and Social Services, State Insurance Commissioner's Office, State Treasurer's Office, and the Chief Justice of the Supreme Court. The PRC shall determine the firms which meet requirements pursuant to selection criteria of the RFP and procedures established in 29 Del.C. §6981 and 6982. The PRC shall interview at least one of the qualified firms.

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

The PRC shall make a recommendation regarding the award of contract to the SEBC who shall have final authority, in accordance with the provisions of this RFP and 29 Del.C. §6982, to award a contract to the successful firm or firms as determined by the SEBC in its sole discretion to be in the best interests of the State of Delaware. The SEBC may negotiate with one or more firms during the same period and may, at its discretion, terminate negotiations with any or all firms. The SEBC reserves the right to reject any and all proposals or award to multiple vendors. However, the SEBC does not intend to award the data warehouse contract to multiple vendors.

## Evaluation Criteria

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

1. **Cost** - Cost for requested services as detailed in the RFP in relation to other competitive proposals.
2. **Organization and Personnel** – The organization's overall stability and the experience and qualifications of the personnel with public employer data warehouse programs, implementation, breadth of services, and account administration.
3. **Depth of Experience and Ability** - Depth of the organization's experience and ability to be responsive to the needs of the State of Delaware and provide assistance to the SEBC for services dealing with vendors' services as stated in the Scope of Services.
4. **Demonstrated Excellent Customer Service and Work Product** - Demonstrated ease of access to personnel, ability to complete projects within required timeframes, and proven expertise in proactively using the data warehouse to support the SEBC's benefit strategy and have the initiative to suggest data analysis projects that would be helpful to the SEBC.
5. **Ability to Analyze and Project** - Ability to be pro-active in analyzing possible effects of options for health insurance or pharmacy formulary design changes and also proposed changes in federal and state statutes.

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

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

The proposals shall contain the essential information for which the award will be made. The information required to be submitted in response to this RFP has been determined by the SEBC and the PRC to be

essential in the evaluation and award process. Therefore, all instructions contained in this RFP must be met in order to qualify as a responsive contractor and to participate in the PRC's consideration for award. Proposals which do not meet or comply with the instructions of this RFP may be considered non-conforming and deemed non-responsive and subject to disqualification at the sole discretion of the PRC.

## **Rights of the PRC**

### **1) The PRC reserves the right to:**

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

### **2) Right of Negotiation**

Discussions and negotiations regarding price and other matters may be conducted with vendor(s) who submit proposals determined to be reasonably susceptible of being selected for award, but proposals may be accepted without such discussions. The PRC reserves the right to further clarify and/or negotiate with the proposing firms following completion of the evaluation of proposals but prior to contract execution, if deemed necessary by the PRC and/or the SEBC. The SEBC also reserves the right to move to other proposing firms if negotiations do not lead to a final contract with the initially selected proposing firm. The PRC and/or the SEBC reserves the right to further clarify and/or negotiate with the proposing firm(s) on any matter submitted.

### **3) Right to Consider Historical Information**

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

### **4) Right to Reject, Cancel and/or Re-Bid**

The PRC and/or the SEBC specifically reserve the right to reject any or all proposals received in response to the RFP, cancel the RFP in its entirety, or re-bid the services requested.

## **RFP Award Notifications**

After review by the PRC a recommendation will be made to the SEBC for award of the contract. The contract shall be awarded to the vendor whose proposal is determined by the SEBC to be most advantageous, taking into consideration the evaluation factors set forth in the RFP. It should be explicitly noted that the SEBC is not obligated to award the contract to the vendor who submits the lowest bid or the vendor who receives the highest total point score, rather the contract will be awarded to the vendor whose proposal is determined by the SEBC to be the most advantageous. The award is subject to the appropriate State of Delaware approvals. After a final selection(s) is made, the winning vendor will be invited to negotiate a contract with SEBC; remaining vendors will be notified in writing of their selection status.

## Award of Contract

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

The vendor shall be paid on a mutually agreeable schedule. The amount of any such payment shall be based on actual services provided as covered by the validated request for payment.

## Confidentiality of Documents

- 1) The OMB is a public agency as defined by state law, and as such, it is subject to the Delaware Freedom of Information Act, 29 Del. C. Ch. 100 (FOIA). Under the law, all of the State of Delaware's records are public records unless otherwise declared by law to be confidential and are subject to inspection and copying by any person. Proposing firms are advised that once a proposal is received by the SEBC, a decision on contract award is made and the contract awarded, its contents will become public record and nothing contained in the proposal will be deemed to be confidential except proprietary information. **Fee structures or pricing information is not considered confidential and cannot be included as proprietary information.**
- 2) **Proposing firms must submit one hard copy of any information the firm is seeking to be treated as proprietary in a separate, sealed envelope labeled "Proprietary Information" with the RFP name included (Data Warehouse Program RFP).** The envelope must contain a letter from the Proposing firm's legal counsel describing the documents in the envelope, representing in good faith that the information in each document is not public record as defined by FOIA at 29 Del. C. § 10002(d) and state the reasons that each document meets the said definitions. **The documents must also be provided electronically on a separate CD from the bidding documents.** In order to submit a complete electronic copy, you must scan the letter as the first page so that the file is clearly designated.
- 3) Upon receipt of a proposal accompanied by such a separate, sealed envelope, the State will open the envelope to determine if the procedure described above has been followed. Such requests will not be binding on the State to prevent such a disclosure but may be evaluated under the provisions of 29 Del.C. Chapter 100. Any final decisions regarding disclosure under FOIA shall be made at the sole discretion of the State.
- 4) All documentation submitted in response to this RFP and any subsequent requests for information pertaining to this RFP shall become the property of the State of Delaware, OMB, and shall not be returned to the proposing firm. All proposing firms should be aware that government solicitations and responses are in the public domain.

## Proposal Response Requirements

Your proposal must conform to the requirements set forth in this RFP. The SEBC reserves the right to deny any and all exceptions taken to the RFP requirements. RFP information can be obtained by emailing Ms. Laurene Eheman at [laurene.eheman@state.de.us](mailto:laurene.eheman@state.de.us).

Please provide complete answers and explain all issues in a concise, direct manner. If you cannot provide a direct response for some reason (e.g. your company does not collect or furnish certain information), please indicate the reason rather than providing general information that fails to answer the question. **"Will discuss"** and **"will consider"** are not appropriate answers. All information requested is considered important. If you have additional information you would like to provide, include it as an appendix to your proposal.

## **Completeness**

The proposal must be complete and comply with all aspects of the specifications. Any missing information could disqualify your proposal. Proposals must contain sufficient information to be evaluated and, therefore, must be complete and responsive. Unless noted to the contrary, we will assume that your proposal conforms to our specifications in every way. Failure to respond to any request for information may result in rejection of the proposal at the sole discretion of the SEBC.

## **Questions**

The SEBC anticipates this will be an interactive process and will make every reasonable effort to provide sufficient information for vendor responses. Vendors are invited to ask questions during the proposal process and to seek additional information, if needed. All proposing vendors must submit their questions electronically, and only electronically, to Ms. Laurene Eheman no later than October 5, 2011, at 4:00 p.m. EST. SBO will then put all questions received and the responses into one document and send to all vendors who confirmed their intention to bid. Do not contact any member of the SEBC or PRC about this RFP or the data warehouse program selection process.

## **Submission of Proposal**

Proposals will not be accepted via e-mail.

Proposals must be submitted in three (3) complete writing/hard copies and two (2) complete pdf electronic copies on separate discs. *Complete* means that it includes all information you may deem proprietary and confidential. In other words, the information deemed proprietary and confidential must not be separated from the rest of the information and therefore would require the State to manually merge the documents in order to read the material in the order and format requested. (Accordingly, information you may deem proprietary and confidential would be duplicative because it is also in the complete copy.) To provide a complete electronic copy, you must scan all the documents; for example, your signed cover letter and the signed Officer's Statement. Please label and carefully package the CD(s). (CDs are preferred rather than flash drives.)

Information deemed Proprietary and Confidential must be submitted in hard copy and electronic format. See the *Confidentiality of Documents* section for a complete explanation of the required elements. In order to submit a complete electronic copy, you must scan the letter as the first page so that the file is clearly designated.

## **Submit your bid to:**

Ms. Laurene Eheman, RFP and Contract Coordinator  
Office of Management and Budget  
Statewide Benefits Office  
500 W. Loockerman Street, Suite 320  
Dover, DE 19901

Phone: 302-739-8331  
Fax: 302-739-8339  
[laurene.eheman@state.de.us](mailto:laurene.eheman@state.de.us)

Proposals must be received at the above address no later than 2:00 p.m. EST on October 31, 2011. Any proposal received after this date and time shall not be considered and will be returned to the proposing firm unopened. The proposing firm bears the risk of delays in delivery.

## **Officer Certification**

All vendors participating in this RFP will be required to have a company officer attest to compliance with RFP specifications and the accuracy of all responses provided. See the form included in this RFP.

### **Vendor Errors/Omissions**

The SEBC will not be responsible for errors or omissions made in your proposal. You will be permitted to submit only one proposal. You may not revise or withdraw submitted proposals after the applicable deadline.

### **General Modifications**

The SEBC reserves the right to issue amendments or change the timelines to this RFP. All firms provided with a copy of the RFP will be notified in writing via e-mail of any modifications made by the SEBC to this RFP.

### **Modifications to Submitted Proposal**

Changes, amendments or modifications to proposals shall not be accepted or considered after the time and date specified as the deadline for submission of proposals. Any changes, amendments, or modifications to a proposal must be made in writing, submitted in the same manner as the original response, and conspicuously labeled as a change, amendment or modification to a previously submitted proposal.

### **Incurred Costs**

This RFP does not commit the SEBC to pay any costs incurred in the preparation of a proposal in response to this request and vendor/bidder agrees that all costs incurred in developing its proposal are the vendor/bidder's responsibility.

### **Basis of Cost Proposal**

Your proposal must be based on your estimated cost of all expenses for the services and funding arrangements requested.

### **Certification of Independent Price Determination**

By submission of a proposal, the proposing firm certifies that the fees submitted in response to the RFP have been arrived at independently and without – for the purpose of restricting competition – any consultation, communication, or agreement with any other proposing firm or competitor relating to those fees, the intention to submit a proposal, or the methods or factors used to calculate the fees proposed.

### **Improper Consideration**

Bidder shall not offer (either directly or through an intermediary) any improper consideration such as, but not limited to, cash, discounts, service, the provision of travel or entertainment, or any items of value to any officer, employee, group of employees, pensioners or agent of the State in an attempt to secure favorable treatment or consideration regarding the award of this proposal.

### **Representation Regarding Contingent Fees**

By submission of a proposal, the proposing firm represents that it has not retained any person or agency to solicit or secure a contract for the services described herein upon an agreement or understanding for a commission or a percentage, brokerage, or contingent fee. The SEBC will not pay any brokerage fees for securing or executing any of the services outlined in this RFP. Therefore, all proposed fees must be net of commissions and percentage, contingent, brokerage, service, or finder's fees.

### **Confidentiality**

All information you receive pursuant to this RFP is **confidential** and you may not use it for any other purpose other than preparation of your proposal.

## MINIMUM QUALIFICATIONS

The following minimum qualifications are mandatory. **Bidders must comply with ALL minimum qualifications for the bid to be reviewed and considered.** Failure to meet any of these proposal criteria will result in disqualification of the proposal submitted by your organization. Any misrepresentation of compliance will result in exclusion from the process.

### Organization of Proposal

**\*\*\*IMPORTANT\*\*\***

For each qualification or question, retain the numbering/lettering, copy the item and state your answer below it. Please completely answer the question even if you must restate information provided in a minimum qualification or in another question.

Please tab your proposal with a section for *Minimum Qualifications* and a separate section for *Questionnaire*. In each section, for each attachment or appendix you reference, clearly tab the corresponding materials and copy the question. Please include a table of contents for the appendices.

#### A. Data Types and Sources

The proposal must state the vendor’s abilities and experience accepting all types of data described in the table below. The SEBC requires at least three (3) years of demonstrable experience in aggregating, integrating and reporting on all data types below. Please include the number of clients for whom you currently aggregate data of each type.

**Minimum Standard: No less than five (5) clients, no less than three (3) years**

| Data Type   | Number of clients | Years integrating |
|---|-------------------|-------------------|
| Eligibility and Enrollment                          |                   |                   |
| Medical Claims                                      |                   |                   |
| Prescription Drug Claims                            |                   |                   |
| Dental Claims                                       |                   |                   |
| Absence/Sick Leave                                  |                   |                   |
| Short Term Disability                               |                   |                   |
| Long Term Disability                                |                   |                   |
| Personal Health Assessment (Health Risk Assessment) |                   |                   |
| Worker’s Compensation                               |                   |                   |
| Wellness Program Participation                      |                   |                   |
| Health Management files                             |                   |                   |

**B. Vendor Relationships**

The proposal must state the vendor’s abilities and experience accepting data from the following vendors. In addition, the SEBC requires that there is an ongoing relationship between the bidder and the data supplier for elevated data issues.

**Minimum Standard: No less than five (5) clients, direct contact in place**

| Data Supplier                                 | Number of clients | Direct Contact In Place |
|---|-------------------|-------------------------|
| Blue Cross Blue Shield (common data platform) |                   |                         |
| Aetna   |                   |                         |
| Medco   |                   |                         |

**Minimum Standard: At least three (3) clients**

| Data Supplier               | Number of clients |
|-----------------------------|-------------------|
| Alere (Health and Wellness) |                   |
| The Hartford (STD and LTD)  |                   |

**C. Similar Client Profile**

The SEBC requires the bidder to have a current relationship with a similar scope of services with at least five large (over 20,000 covered lives) public sector clients.

**Minimum Standard: At least five (5) large (over 20,000 covered lives) public sector clients**

|                       | Number of clients |
|-----------------------|-------------------|
| Public Sector Clients |                   |

- D. The SEBC requires the bidder to have a minimum of five (5) years in business providing similar services. Please confirm.
- E. Please confirm that your company can maintain Health Information Technology for Economic and Clinical Health (HITECH) standards for the encryption of confidential information for transmission via non secure methods which include File Transfer Protocol or other use of the internet.
- F. Please confirm that your organization has strict policies and procedures in place for the protection of client and member Personal Health Information (PHI) and to avoid security breaches under the Health Insurance Portability and Accountability Act (HIPPA) and the Health Information Technology for Economic and Clinical Health (HITECH) Act. Please describe in detail your program, policies and procedures.
- G. Please confirm your acceptance that any payments made by SEBC of Delaware will be by Automated Clearing House (ACH) as per its ACH processing procedures.

- H. Please confirm that your organization will not use the names, home addresses or any other information obtained about participants of the GHIP for the purpose of offering for sale any property or services which are not directly related to services negotiated in the RFP without the express written consent of SEBC or other representative of the State.
- I. Please confirm your willingness to negotiate financial and non-financial performance guarantees.
- J. Please confirm that your company does not store data at a physical location outside of the United States.
- K. Verify that the primary contact and personnel assigned to the transition team and account management team will be part of any interview team.
- L. Provide a copy of professional liability insurance for professional liability coverage in the amount of \$5,000,000.
- M. Please confirm that you have reviewed the policies and standards as referenced below and your acceptance of the Standard Practices requirement for contractors, i.e., your company:  
With respect to work provided to or conducted for the State by a contractor, the contractor(s) shall be responsible for the professional quality, technical accuracy, timely completion, and coordination of all services furnished to the State. 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 the State 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.

## QUESTIONNAIRE

For each qualification or question, retain the numbering/lettering, copy the item and state your answer below it. Please completely answer the question even if you must restate information provided in a minimum qualification or in another question.

Please tab your proposal with a section for *Minimum Qualifications* and a separate section for *Questionnaire*. In each section, for each attachment or appendix you reference, clearly tab the corresponding materials and copy the question. Please include a table of contents for the appendices.

### A. Overview and Corporate Structure

1. Please provide a short overview of your organization, including a summary of the following items:
  - a. Date your firm began operations (and the date that you began providing healthcare analytic services, if different). Provide an overview of your firm’s products, lines of business and target markets.
  - b. Corporate ownership (current and any changes that have occurred in the past three years or are projected to change in the next year), identifying any outside parties that have ownership interests in your organization.
  - c. A summary organizational chart and brief biographical information on the senior executives of the organization.
  - d. Summary financial statements (income statement, balance sheet, statement of cash flows) for the most recent two completed fiscal years. If your firm is privately held and does not release financial statements, please explain what information you will release on a confidential basis.
  - e. What do you believe primarily differentiates your firm from other healthcare data management firms?
2. Describe your major lines of business or business segments, and identify the amount of annual revenue attributable to each line of business during the most recent completed year and the revenue expected for the current year.
3. Complete the table below, providing a summary of your current client base and the historical growth of your business, for each of the major business segments described above.

|                           | As of June<br>30, 2011<br>(Current YTD) | Most Recent<br>Completed<br>Year | Prior<br>Completed<br>Year |
|---------------------------|---|----------------------------------|----------------------------|
| Line of Business: _____   |   |                                  |                            |
| ▪ Total number of clients |   |                                  |                            |
| ▪ Total member lives      |   |                                  |                            |
| ▪ Total revenue           |   |                                  |                            |
| Line of Business: _____   |   |                                  |                            |
| ▪ Total number of clients |   |                                  |                            |
| ▪ Total member lives      |   |                                  |                            |
| ▪ Total revenue           |   |                                  |                            |

|                                 |  |  |  |
|---------------------------------|--|--|--|
| Total for all Lines of Business |  |  |  |
| ▪ Total number of clients       |  |  |  |
| ▪ Total member lives            |  |  |  |
| ▪ Total revenue                 |  |  |  |

4. Describe how you structure your client service teams. For your relationship with the SEBC and SBO, identify the service team you are proposing and the location of the office(s) that will be servicing this account.
5. Describe the roles and qualifications of the individuals responsible for the following functions:
  - a. Managing the relationship with the SEBC and SBO.
  - b. Managing the evolving needs and priorities of the SEBC and SBO and providing leadership for consulting activities.
  - c. Managing the business and technical aspects of system implementation.
  - d. Coordinating and providing data analysis in support of the State's needs.
  - e. Managing database production and data quality improvement process.
  - f. Developing innovative and quality consulting solutions and supporting the account team with subject matter expertise.
6. Provide a copy of your standard client contract, including any appendices or ancillary contracts, and your HIPAA confidentiality policies.
  - a. Do you accept the HIPAA BAA forms provided by the data source vendor as the basis for meeting the confidentiality requirements?
7. Provide at least three (3) references of current public sector clients for which your organization is providing services substantially similar to those requested in this RFP. For each reference, please provide the following information:
  - a. Name of the client
  - b. Name and position of the reference person and which city and state they are located
  - c. Contact information (phone, address and email address)
  - d. Date your organization began working with this client
  - e. Summary of the scope of service provided to this client
8. Provide at least two (2) references of former public sector clients who terminated your services (for any reason) within the past two (2) years. If you do not have public sector clients who have terminated services in the last two (2) years, please provide references of clients of similar size.
  - a. Name of the client
  - b. Name and position of the reference person and which city and state they are located
  - c. Contact information (phone, address and email address)
  - d. Date your organization began working with this client
  - e. Date your organization terminated work with this client
  - f. Summary of the scope of service provided to this client
9. List and describe any pending litigation or other legal action taken against your firm in the last two (2) years.

10. Describe any peer networking opportunities, such as user conferences, that are available to clients. Do you have specific opportunities for public sector clients? Please provide an agenda of a recent user conference.
11. Describe any educational opportunities that are offered for clients, including webinars, white papers, etc. Please provide samples of presentation or communication materials. Is there an additional cost for these educational opportunities? If so, please provide.

## **B. Technology Platform and Data Security**

1. Provide a summary description of the data security policies currently in effect. Please include a copy of the current security policy.
  - a. Does your company have dedicated Security and/or Privacy Officers? Who in your organization is responsible for maintaining and updating the security plan?
2. Is your firm (and, if applicable, data center host providers) SAS 70 certified? If yes, type I or II and when was most recent report issued? Provide a summary of the results of that evaluation in your proposal.
3. Are you currently SSAE16 certified, and if not, please provide your plans to obtain SSAE16 certification when your current SAS70 certification expires.
4. What is/are your Data Center location(s) and who is responsible for managing them? With respect to the Data Center(s):
  - a. Describe the physical, administrative and technical security controls and procedures for your data center operations. How is access restricted to the data center, computer room and/or communication closets?
  - b. What is your "Disaster Recovery Plan" and procedures to cover loss scenarios for: the building, the data center, communications, etc? Please provide copies or a written description.
  - c. Describe your business continuity plan as it pertains to the data warehouse operations.
  - d. Are there periodic disaster/recovery tests? If so, what is the scheduled frequency? When was the most recent test completed? Provide a summary description of the test protocol and the results of the test.
5. How are external connections managed and secured (e.g., firewall policy, encryption, static/dynamic connections, authentication, etc.)?
6. Is logging active on firewalls, routers, and application/web servers? What is the log review procedure?
7. Describe your procedures for working through a hacker attack.
8. How will you notify the SBO in the event of a security breach (unauthorized access to client data)? In what timeframe? Provide information on your company's liability policy in the event of a security breach.
9. Explain any security breaches within the last three (3) years and what steps followed the breach.
10. Have third party audits, security risk assessments, or vulnerability tests ever been performed? Are such audits, assessments and tests done on a scheduled basis and if so, describe the basis

on which such activities are conducted. If so, when and are the results available for review on a non-disclosure basis? If any deficiencies were identified, have those been corrected?

11. Is administrative and/or user access to the application logged via an audit trail? Does the team performing the log reviews have access to the data? Is the logged information secured to prevent tampering?
12. Describe your procedures for setting user security levels and how you will restrict SBO user access to individual claim records.
  - a. Does your system support role based security access? If so, describe the roles and data each role has access to.
13. Please indicate who at your firm will have access to the State of Delaware's PHI level data. Please describe the process for determining who has such access, and how the State will be made aware of those resources and how they may change over time. It is appropriate to describe the role of the person who has access to the data, not the specific resource.
14. Please indicate if any of the resources described in Question 13 reside outside of the United States.
15. Does the software require strong passwords, including a combination of upper and lower case alphabetic characters, special and/or numeric characters?
  - a. What is the minimum/maximum length of the user password?
  - b. Does the software require users to change their passwords every 90 days or sooner?
  - c. Does the software store passwords in an encrypted format?
  - d. Does the software require users to immediately change their password after they initially log into the system using the default password? What is the process for assisting users who require password change support?
  - e. Does the software support two factor security authentication?
  - f. Are password values suppressed from the screen?
  - g. Is there an automated log-out/time-out feature initiated after thirty (30) minutes of user inactivity in the application? This includes forcing the user to log-in again.
  - h. Are user accounts that are inactive for more than 90 days disabled?
  - i. Will your company provide to the State a list of all assigned users upon demand? In addition, will the company immediately remove inactive or terminated users whenever specified by the SBO?
16. Explain in detail how you will manage and coordinate changes to the State's applications. Is there a written process for modifying the application? (e.g., project registry entry, change control, etc.)
17. Provide information on your data destruction (i.e., CD's, tapes, hard drives, etc.) policy.
18. Provide documented procedures for tape retention (both on-site and off-site); backup schedule, retention periods; authority to pull tapes; labeling processes; and inspections.

19. How are system changes and application system changes controlled and logged? What is the support process for notifying and coordinating system changes with clients?
20. Is the State of Delaware's information secured from unauthorized access within your company?
21. Describe your Application and Operating system hardening procedures.
22. Are the latest security patches being applied?
23. Is State of Delaware's data housed on same server as other companies' data? If so, how is it secured?
24. Though the State of Delaware's data will not be physically stored outside the United States (a minimum qualification), are there any occasions (pre-processing, during processing, or post-processing) where SEBC specific data would be accessed by an off-shore resource? If so, please fully explain.
25. Are all administrators/personnel hired by your company? Are they bonded? Are any functions outsourced to third party or contract service? If so, what legal agreements are in place to protect customer data?
26. Do you perform background checks on personnel who will have administrative access to servers and applications?

**C. Data Warehouse and Data Management Processes**

1. Describe the database technologies used within your environment. How will one customer's data be separated from other customer's data?
2. What is the application architecture of the platform? Please include conceptual, logical and physical diagrams.
3. Complete the table below, identifying the type of data files currently provided to clients by your organization.

| Type of Data Files  | Number of Data Sources | Number of Clients |
|---|------------------------|-------------------|
| Health plan claims data <ul style="list-style-type: none"> <li>▪ Medical plans</li> <li>▪ Rx/PBM data files</li> <li>▪ Behavioral Health plans</li> <li>▪ Dental plans</li> <li>▪ HSA/HRA plans</li> <li>▪ EAP plans</li> </ul> |                        |                   |
| Disability and Absence data <ul style="list-style-type: none"> <li>▪ Employer sick/absence files</li> <li>▪ Short term disability plans</li> <li>▪ Long term disability plans</li> <li>▪ Employer FMLA files</li> </ul>         |                        |                   |
| Employer eligibility data files   |                        |                   |

|   |  |  |
|---|--|--|
| Personal Health Assessment files <ul style="list-style-type: none"> <li>▪ Personal Health Assessment data</li> <li>▪ Employee Attitude survey data</li> </ul> |  |  |
| Health/Disease Management records <ul style="list-style-type: none"> <li>▪ DM case management files</li> <li>▪ Wellness program files</li> </ul>              |  |  |
| Biometric data files <ul style="list-style-type: none"> <li>▪ Lab test values</li> </ul>  |  |  |

4. Below is a list of the State’s current data suppliers. Please indicate the number of clients for whom you receive from each of them:

| Type of Data Files  | Number of Clients | Number of Data Sources |
|---|-------------------|------------------------|
| Medical - Blue Cross Blue Shield of Delaware; or, indicate which BCBS vendor with a common data platform)                               |                   |                        |
| Medical - Aetna   |                   |                        |
| Prescription Drugs - Medco  |                   |                        |
| Disease Management - Alere  |                   |                        |
| Dental – Dominion and Delta Dental  |                   |                        |
| Long Term Disability – The Hartford   |                   |                        |
| Vision – EyeMed   |                   |                        |
| Short Term Disability – The Hartford  |                   |                        |
| Workers Compensation - PMA  |                   |                        |
| Disease Management or Wellness data from Blue Cross Blue Shield of Delaware; or, indicate which BCBS vendor with a common data platform |                   |                        |
| Disease Management or Wellness data from Aetna  |                   |                        |

5. For the data files shown in the above table, provide a list of all data sources (carriers, PBMs, disease management firms, etc) for which you have a current map of the source data file.
6. What is your process when a file submitted by a vendor is corrupt, inaccurate, or unusable due to errors from the data supplier?
7. Describe the basis on which you provide normative or benchmark data to your clients. Complete the table below regarding the volume of data (showing the aggregate membership with at least 12 complete months of data) of your normative databases.
- a. Is your normative database obtained entirely from aggregating client data or do you purchase data files from third parties to supplement/maintain the normative database? If data is acquired from a third party source, identify all such third parties and indicate the volume and type of data acquired.
  - b. Please identify the stand alone norms or “cuts” available to the State of Delaware.
  - c. Are the normative data available in all screens/reports of your application?

- d. Will you provide extracts of specific normative cohort groups for the State of Delaware?

| Type of Data File            | Overall Normative Database Membership as of July 2011 | DELAWARE ONLY Normative Database Membership as of July 2011 |
|------------------------------|---|---|
| ▪ Medical data               |   |   |
| ▪ Rx/PBM                     |   |   |
| ▪ Dental                     |   |   |
| ▪ Vision                     |   |   |
| ▪ Short term disability      |   |   |
| ▪ Long term disability       |   |   |
| ▪ Worker's Comp              |   |   |
| ▪ Disease management         |   |   |
| ▪ Personal Health Assessment |   |   |

8. What analytic measures can be obtained from the normative database? Describe the capability of the normative database to respond to each of the following requests.
- Identify the total cost of care over a specified period (12 to 24 months) for a primary condition or diagnosis. In addition to the cost measures, can the database provide utilization measures such as the expected number of provider visits, inpatient admissions/days, number of Rx scripts and similar measures?
  - In the question above, can claims-based risk scores be included in both the client specific data and the normative data set? Can you compare cost, utilization, and risk score for the specific population to normative data?
  - Identify the average cost of facility services (inpatient and outpatient), professional services (by procedure or by type of provider) for a specified period?
  - For what parameters or measures can the normative database be adjusted to reflect differences in the makeup of the group (differences in the underlying demographics), intensity of services (differences in the distribution of procedures) or underlying group risk level (differences in the severity of health status)? If so, explain what adjustment measures are used.
9. Describe the process for importing and accepting data into the data warehouse.
- How do you verify the date that data files for a client are received from the data source? For each data source do you maintain a schedule of data transmission dates identifying the expected date the refresh data file will be sent?
10. How do you communicate the status of the data import process to your clients?
11. Describe the process to validate the acceptability of a data file. How soon after the data file has been received will the file be reviewed for completeness and accepted for processing?
- What control total reports do you require/request from the data source in order to validate the refresh data files?
  - How do you ensure that the data provided to you matches, within mutually agreeable tolerances, the "standard" reports that data suppliers provide to the State?
  - Identify the specific tests performed to validate the data elements in the file.

- d. Provide a copy of a sample QC/Data Validation report you would provide to the SBO at both data import (pre-processing) and post processing.
12. For clients with multiple data source files and where those files are received at different times during the monthly cycle, does processing of each data file begin when the file is received or does the process begin when all the data files for that client are received?
- a. What is the expected time frame for complete processing of the source data file into the client data warehouse?
  - b. Will the State of Delaware data warehouse be refreshed on a specific date during the month or will the refresh date be variable, based on the date when all monthly data files are ready? Assume that all March data is received by the third week of April - when will the March data be available?
  - c. How is the client notified when the monthly data refresh cycle is completed?
13. Describe the data reconciliation and integration process in detail. Indicate how your process resolves the following situations:
- a. How do you determine a single provider ID from separate data files where the provider identification does not exactly match?
  - b. How do you standardize the definition of claim payments when different data files have varying levels of claim payment detail and differing definitions of the payment fields? As an example, how do you determine the amount of network discount across different carriers?
  - c. How do you resolve data discrepancies and what is your standard processing time for identification of the data discrepancy to the carrier (data source) and subsequent resolution?
14. Will you provide the SBO with access to an application that tracks the status of all data updates and changes to the data warehouse? If so, how often will this application be updated (daily, real-time)?
15. Will you utilize a “staging” data warehouse environment, where the monthly loads can be verified by the State prior to updating the production warehouse?

#### **D. Data Analysis and Reporting Tools**

- 1. Provide a summary description of the technology platform that you are proposing to implement for the State of Delaware, identifying any third party software elements that are part of the system.
- 2. How often are new versions or major enhancements of the analytic system released? Provide a summary of the enhancements to the system which have been released in the past 18 months.
- 3. Provide a copy of the product development roadmap for the next 24 months.
- 4. Provide a summary overview and description of your data analytic tools, indicating the specialized analytic tools/suites used to provide specific reports for such areas as:
  - a. Financial Analysis
  - b. Disease Management
  - c. Utilization
  - d. Trends
  - e. HEDIS reporting

- f. Provider Pay for Performance
  - g. Provider Quality
5. Describe the drill-down capabilities of your tools. Are all modules contained in one system, or does the user need to “back-out” to go from a dashboard level key indicator reporting down to an individual claim view?
  6. Describe how your system integrates multi data types in a single analysis. For example, will the system connect a risk score provided on a feed from the Health Risk Questionnaire vendor to the claims-based risk score developed within the system, allowing for integrated analysis?
  7. Describe the capabilities of your system to integrate non-claims data into the analytic reports. Explain how your analytic reports currently integrate the following types of data:
    - a. Personal Health Assessments (self reported survey data)
    - b. Disability and absence data
    - c. Worker’s Compensation data
    - d. Clinical data (lab values or physician records)
    - e. Disease management data
    - f. Wellness plan participation data
    - g. Custom Human Resource Information System (HRIS) data
  8. How does your system account for member payments from an account based or “consumer driven” plan design? Are claims paid from the account attributed to “employer” or “employee” share, and is this field and amount customizable to address different plan designs?
  9. Does your system have a pre-configured set of management “dashboard” reports that are provided as part of your standard services? Describe the extent to which the dashboard reports can be configured for the specific requirements of the State. Please provide a copy of the included dashboard reporting package.
  10. To what level are normative data measured and adjusted to reflect the major characteristics of the client (such as the age, gender, family composition, benefit plan type, and risk status of the client group) when preparing standard reports that compare client to normative data?
  11. What clinical coding grouper(s) are integrated with your analytic and reporting packages? For the standard clinical coding grouper(s), please describe the grouper methodology, including:
    - a. What data elements (diagnosis codes, procedure codes, NDC codes, etc) are used by the clinical grouper to determine each individual’s health risk score?
    - b. What is the basis of the clinical grouper methodology (episode, condition, resource groups, etc) and what types of services or procedure codes are included/excluded?
    - c. If you use a proprietary clinical grouper, provide a description of the grouper methodology, including the data elements used and the hierarchy of risk scoring.
  12. What additional clinical grouper(s) are currently supported by your system? Please describe the capabilities of your system to support additional clinical groupers and indicate the number of clients currently using each method.
  13. If the risk grouper(s) are used to support predictive modeling of anticipated future costs for individuals, describe how the predictive model determines the expected costs for those individuals.

- a. Is the predictive cost algorithm for the State of Delaware based on the normative data used in developing the clinical risk grouper, or is it adjusted to the actual experience of the State?
  - b. Do your predictive models incorporate multiple types of information, such as HRA measures, disability/absence data, or measures relating quality of care/evidence based treatment protocols into the risk adjustment methodology? If so, please provide a description of how such data elements are incorporated.
  - c. If the data described in 13b are NOT loaded into the data warehouse, please describe the impact on any predictive modeling tools or analytic methods.
14. Specify the various types of coding used by your system to identify and correlate claim data across programs. Include both generally known coding systems (e.g., ICD-9, CPT-4, MDCs) and any internal groupings you have developed to facilitate analysis.
15. Describe how adjustments are made for differences in population such as age, case mix, severity, and geography. Are these adjustments made automatically?
16. Are evidence based treatment guidelines and other clinical rules integrated in the analytic and reporting tools? If so, describe how the guidelines are selected and updated.
- a. Provide a list of the clinical areas where evidence based treatment guidelines or other clinical rules have been integrated into the analytic and reporting tools.
  - b. How have your clients been able to use the clinical analytic tools to improve the delivery of healthcare services?
  - c. Please provide a sample of a report using the evidence based guidelines
17. How does your system integrate prescription drug treatments into measures of appropriateness and/or efficiency of treatment measures?
- a. Provide a list of the areas where your analytic tools have methodologies to identify alternative prescription drug therapies. Describe the clinical rules used to identify instances where drug substitution is appropriate. Please provide a copy of a report addressing these issues.
18. How does your system identify instances of excessive or unnecessary utilization or delivery of services? Describe the clinical rules used in such situations and provide specific examples of the report families where these rules are applied. Please provide a sample of this type of analysis.
19. Confirm your ability to support the following reporting needs for the State of Delaware:
- a. Ability for the State to analyze data by state agency, school district, non-payroll groups, age, work location, geography, employee/retiree status, etc.
  - b. Ability to produce reports on any timeframe selected by the SBO and/or SEBC.
  - c. Analysis on both paid and incurred claim basis
  - d. Reporting by demographic characteristics such as age, gender, etc.
  - e. Reporting by provider groups and by individual providers.
  - f. Separate reporting by primary care physicians versus specialists.
  - g. Assessment of provider network usage.
  - h. Health plan network discounts.
  - i. High claim activity (individual claims above a State of Delaware specified threshold)
  - j. Reserve analysis (paid v. incurred lag).
  - k. Trend analysis.

- l. Analysis of changes in cost due to changes in population demographics.
- m. Competitive benchmarking (book of business, public sector, geography, or industry).

#### **E. Standard Report Packages**

1. Please provide examples of your standard reporting packages. This should represent any standard integrated report, delivered without a need to write an *ad hoc* query.
2. How often is this package produced?
3. Are standard reports customizable for the State of Delaware?
4. Do your standard reports highlight actionable interventions in plain text?
5. Are the standard report packages “pushed” to the SBO or do these reports need to be run by the user?
6. How long after the update cycle completes are reports available for use?
7. How might you integrate data not captured in the data warehouse into a report platform?

#### **F. Implementation and Training Support**

1. Provide a detailed outline of your proposed implementation plan. The plan should identify the individuals in a fully dedicated service team that are responsible for specific portions of the implementation process and clearly identify those tasks which will be the responsibility of the State to complete.
  - a. Your implementation plan should identify all subgroups that may be organized to complete the implementation process.
  - b. Your implementation plan should also identify all update meetings or conference calls and any additional face to face meetings with the SBO staff.
2. Based on the data sources and the scope of services described in this RFP, when do you expect to complete the implementation process and transition of the State of Delaware’s data to a production status?
  - a. Does your implementation plan assume that all data sources will need to be completed before the State of Delaware is in production status or do you have a “phased” implementation plan to move the State to production as certain components of the data warehouse are completed?
  - b. Identify the timeframes to which your organization will commit to complete the cleaning and loading of the data (this timeframe should be defined as starting from the date your organization receives complete data from a data source).
3. Describe in detail any specific challenges or concerns you have with respect to being able to build the data warehouse to the specifications requested by the SEBC.
  - a. Describe how you will reconcile those data files contained in the existing State of Delaware data warehouse.
4. Provide a detailed description of the training schedule and training agenda for the SBO users. Following the completion of the implementation, describe your user support services and identify those services that will be available to the SBO users.

- a. What are the hours of the user support services included in your proposal to SEBC?
  - b. What additional training is provided when you provide system and application upgrades?
  - c. How do you evaluate the readiness of client users to access and manage the system following your training courses?
  - d. If needed, are you capable of hosting the training at your location?
5. Provide a copy of the user training agenda and education materials used for a similar client implementation during the past 12 months.
6. Describe your ability to provide statistical, analytical and clinical support to assist the SEBC and/or SBO with the development of healthcare reporting and analysis, beyond the existing reports included in your application.
- a. Provide a description of the user support services for training and implementation of the new version releases, including a copy of the user training/support guide used for similar clients during the past 12 months.

**G. Performance Guarantees**

**1. Service Support**

The proposal must state that the bidder will meet certain performance standards (as defined by SEBC) regarding the services provided. Below are some of the areas in which we are asking you to provide performance standards and amounts at risk. Please provide your input to these specific standards.

| Service Support               | Minimum Performance Level  | Proposed Performance Level and Amount at Risk |
|-------------------------------|--|---|
| System Availability           | System must be available to SBO users from 7:00 am to 10:00 p.m. EST, Monday through Saturday. With the exception of scheduled system updates and maintenance, there will be no more than two (2) hours of system downtime each month.   |   |
| Database Updates              | Database will be updated within ten (10) business days of receipt of clean and complete data   |   |
| Initial Quality Review        | First level of quality review of raw data files to be complete within three (3) business days of receipt. First level review would include: <ul style="list-style-type: none"> <li>• Data received in expected layout</li> <li>• Control totals match vendor description</li> <li>• Time periods are appropriate for file delivered</li> </ul> |   |
| Service Problem Response Time | In the event of a service problem or interruption, the vendor must provide service response of:<br>Level 1 Severity Problems – the system is totally inoperable to SBO users. Response time to confirm the scope of the problem and the proposed solution to SBO   |   |

| Service Support                 | Minimum Performance Level  | Proposed Performance Level and Amount at Risk |
|---------------------------------|--|---|
|                                 | <p>– 30 minutes. Escalate if the system is not available within six (6) hours or by the start of the following business day, whichever is sooner. Permanent resolution of the issue will be confirmed within a week following the restoration of the system functionality.</p> <p>Level 2 Severity Problems – the system is significantly restricted or not able to support key functionality for SBO users. Response time to confirm the scope of the problem and the proposed solution to the SBO – two (2) hours. Escalate if the system is not fully functional or accessible within twenty-four (24) hours. Permanent resolution of the issue will be confirmed within a week following the restoration of the system functionality.</p> <p>Level 3 Severity Problems – the problem would have a minor impact on operations, but some functionality if not available. Response time to the SBO – twenty-four (24) hours. Resolution in two (2) weeks, with permanent resolution incorporated into the next application release.</p> |   |
| Data Quality Improvement        | <p>The selected vendor must develop and maintain an ongoing data improvement plan, which identifies specific issues relating to the quality of the data included in the State’s data warehouse, as well as your overall book of business, and the activities undertaken to improve the overall quality of the data and the data cleansing processes. On a semi-annual basis, the vendor will provide the SEBC with a report showing the activities completed and planned to improve data quality and an assessment of the quality of the data held in the data warehouse. This is not limited to, but should include CPT, ICD-9, HCPCS, DRG updates.</p>   |   |
| Notification of System Upgrades | <p>The State requires an annual roadmap listing all system updates for the upcoming year. To allow the State adequate time to manage system updates across all data sources, the vendor must notify the SBO at least four (4) months prior to the effective date of system upgrades. Any user training needed must be completed at least three (3) business days prior to the system upgrade, or as agreed to by the SBO.</p>  |   |
| Account Management              | <p>The designated Account Manager will provide and maintain a schedule of deliverables for each component of the State’s data warehouse services. The Account Manager is responsible for ensuring that all activities and commitments are provided to the SEBC or SBO within the agreed upon expectations. The project management tools provided by the vendor will clearly show all activities and responsibilities included in the scope of this engagement, including</p> <ul style="list-style-type: none"> <li>➤ Healthcare reporting and special analysis requests</li> </ul>  |   |

| Service Support  | Minimum Performance Level   | Proposed Performance Level and Amount at Risk |
|------------------|---|---|
|                  | <ul style="list-style-type: none"> <li>↳ Data cleaning and activities to improve the data quality</li> <li>↳ User training for SBO staff</li> <li>↳ Consulting and clinical support for SEBC and/or SBO projects</li> <li>↳ Process management and relationships with the data sources</li> </ul> <p>The Account Manager will be fully familiar with the needs and expectations of the various constituencies within the State’s system and will proactively assist the SBO with the analysis of healthcare issues and the identification of ways in which the data warehouse and the analytic tools can assist in the development of solutions.</p> <p>The Account Manager will proactively identify and provide the SBO with appropriate access to specialized expertise available within the vendor’s organization that may be needed to assist with the development of healthcare programs and the associated metrics appropriate to evaluate the performance of such programs.</p> <p>The Account Manager will participate in monthly conference calls with a technical support team to review outstanding projects or action items as identified by the SEBC and/or SBO.</p> <p>The Account Manager will conduct quarterly meetings (two via conference call and two on-site) meetings with the SBO’s offices in Dover, Delaware, at no cost to the State for the purpose of planning and analysis.</p> <p>The Account Manager will be active with the account from implementation in order to provide continuity of service.</p> |   |
| Product Support  | <p>The vendor will respond within one (1) business day to any system related inquiry or user support question – either providing the answer or an estimated timeframe for resolution. If the question/inquiry cannot be resolved in one (1) business day because research is required, vendor will provide the SBO with a mutually agreed upon resolution date.</p>   |   |
| SBO Notification | <p>The vendor’s account team will notify SBO of data submission status by the 20<sup>th</sup> of the month. Additionally, vendor will alert SBO of any identified data problems within two (2) business days of discovery (if not resolved first with the vendor).</p>  |   |

**2. Performance Based Fees**

The proposal must state that the bidder will place fees at risk based on the performance measures defined below, in accordance with the following schedule. Note that additional performance measures may be added before awarding the contract.

| Performance  | Minimum Performance Level   | Proposed Performance Level and Amount at Risk |
|--|---|---|
| System Availability and/or Service Problem Response Time | For any month in which the performance standards relating to System Availability and/or Service Problem Response Time are not met, the base fee for the month shall be reduced (vendor - please provide a suggested amount). If the performance standards for System Availability and/or Service Problem Response Time are not met for two (2) consecutive months, then the base fee for the second month and any succeeding consecutive month in which the performance standards will increase over the initial requirement. |   |

**H. Contractual Requirements**

1. The term of the contract between the successful organization and the State will be for three (3) years and may be renewed for two (2) additional one-year extensions at the discretion of the SEBC. The State of Delaware will be the only party to have termination for convenience rights. Should the vendor terminate for cause, the State of Delaware will require 180 days written notice. Please confirm your acceptance.
2. In the event of contract termination or expiration, vendor shall provide, in a format acceptable to the State and/or replacement vendor, and at no additional cost to the State and/or replacement vendor, all reasonable and necessary materials, files, and assistance to the State to allow for a functional transition to another vendor. Please confirm your acceptance.
3. Please confirm your agreement that work you complete under any contract awarded will not be copyrighted. If not, please explain.
4. The RFP and the executed Contract between the State and the successful organization will constitute the Contract between the State and the organization. In the event there is any discrepancy between any of these contract documents, the following order of documents governs so that the former prevails over the latter; Contract and RFP. *No other documents will be considered.* These documents contain the entire agreement between the State and the organization. Please confirm your acceptance.
5. Do you agree to the terms of the Professional Services Agreement (Contract)? (See attachment) If no, reference the paragraph number and in general terms please explain. *Do not provide a red-lined version at this time.*
6. Do you agree to the terms of the Business Associate Agreement (BAA)? (See attachment.) If no, reference the paragraph number and in general terms please explain. *Do not provide a red-lined version at this time.*
7. The following are the State of Delaware’s requirements regarding compensation to vendors. Please confirm that you agree to comply with all the compensation requirements outlined below. If not, please state your objection below the particular paragraph.

- a. The State of Delaware will not agree to provide any prepayments in advance of services being rendered. Payment for any and all services provided by the Consultant to the State of Delaware shall be made only after said services have been duly performed and properly invoiced.
- b. The unit rates in the completed cost quotation form shall constitute the entire compensation due the vendor for services and all of the vendor's obligations hereunder regardless of the difficulty, materials or equipment required. The unit prices include, but are not limited to, all applicable taxes, fees, general office expense, overhead, profit, and all other direct and indirect costs incurred or to be incurred, by the vendor. No additional compensation will be provided by the State of Delaware for any expense, cost, or fee not specifically authorized by contract or by written authorization from the State of Delaware.
- c. The unit rates in the completed cost quotation form are firm for the duration of the contract and are not subject to escalation for any reason, unless the contract is duly amended.
- d. Compensation to the vendor for pre-approved travel, meals, and/or lodging other than for attendance at two (2) quarterly on-site meetings and at meetings with the SEBC shall be allowed subject to the following criteria:
  - i. In order to be compensable by the State of Delaware, travel expenses must be reasonable and necessary for the fulfillment of project and contractual obligations;
  - ii. Air travel reimbursement will be limited to "Coach" or "Tourist" class rates, and must be supported by a copy of an original invoice;
  - iii. Meals and lodging expenses will be reimbursed in the amount of actual costs, subject to the maximum *per diem* as defined in the Federal Register. A copy of the [original itemized hotel and meal](#) receipts must be provided.
  - iv. Taxi fares, reasonable rental car expenses, and airport parking expenses will be reimbursed in the amount of actual costs and must be supported by a copy of the original receipt/invoice;
  - v. Personal automobile mileage and related costs are not compensable expenses;
  - vi. Time spent in "travel status" is not compensable. Unit rates in the completed cost quotation form are to be charged for actual hours worked only and shall not include travel time.
- e. The vendor shall submit all invoices, in a form acceptable to the State of Delaware with all of the necessary supporting documentation, prior to any payment of allowable costs. Such invoices will, at a minimum, include the name of each individual, the individual's job title, the number of hours worked during the period, the hourly rate, the total compensation requested for the individual, the total amount due the vendor for the period invoiced, and the project or work type.
- f. The payment of an invoice by the State of Delaware shall not prejudice the State of Delaware's right to object or question any invoice or matter in relation thereto. Such payment by the State of Delaware shall neither be construed as acceptance of any part of the work or service provided nor as an approval of any costs invoiced therein. Vendor's invoice or payment shall be subject to reduction for amounts included in any invoice or payment theretofore made which are determined by the State of Delaware, on the basis of audits, to not constitute allowable costs. Any payment shall be reduced for overpayment, or increased for underpayment on subsequent invoices.

- g. The State of Delaware reserves the right to deduct from amounts which are or shall become due and payable to the vendor under this contract between the parties any amounts which are or shall become due and payable to the State of Delaware by the vendor.
8. Provide a copy of a sample invoice that would be used to report and bill for work performed and travel expenses.
9. Provide a copy of a Delaware business license or application form.
10. Please complete the following "Financial Proposal" form. Rates for each of the five years must be included.
11. Confirm that your proposal is valid for 180 days subsequent to the date of submission.

## FINANCIAL PROPOSAL

**Please note: Provide your financial proposal electronically in the attached Microsoft Excel document and in a hard copy.**

**A.** Please provide your financial proposal on the following basis:

| Services included  | Proposed Fee<br>(Annual Total) |
|--|--------------------------------|
| Implementation Fee for in scope Data Warehouse Services (1 Eligibility Feed, 2 Medical Feeds, 1 Rx Feed)   |                                |
| Basic monthly data management/analytics fee broken out by categories below   |                                |
| In Scope Data Warehouse Services (2 Eligibility Feeds (provided by medical vendors), 2 Medical Feeds, 2 Rx Feeds, 2 Dental Feeds, 1 Vision Feed)   |                                |
| In Scope Account Support retainer (20 hours/month)   |                                |
| All other in-scope information (please clarify what is included)   |                                |
| <p>Does the monthly fee quoted above include:</p> <ul style="list-style-type: none"> <li>• Monthly data feeds from all sources identified as in the Scope of Work (Y/N)? If no, indicate any additional fees.</li> <li>• The fee shown must be based on providing on-line access to at least the most recent 36 months of data. If there are any additional fees associated with providing additional historical data to the State beyond the 36 month period, explain the basis of such fees.</li> <li>• Risk adjustment software (Y/N)? Also indicate any additional fees for each of the following risk adjustment tools: <ul style="list-style-type: none"> <li>— DxCG</li> <li>— CRG</li> <li>— ACG</li> </ul> </li> <li>• Benefit modeling software (Y/N)? If no, indicate any additional fees.</li> <li>• Normative data measures (Y/N)? If no, indicate any additional fees.</li> <li>• User site licenses for a minimum of five (5) users at the SBO and/or partners SEBC defines.</li> <li>• Technical training support (Y/N)? If yes, indicate the hours of the annual technical training support time included in the base rates.</li> </ul> |                                |

### **B. Ongoing Data Feeds —**

During the course of this engagement, the SEBC may wish to add additional data feeds to the warehouse for which we require a pricing commitment at this time. Please provide pricing for initial implementation and ongoing updates. Implementation fees should represent DISCREET implementation costs. If your model assumes implementation and first year updates in implementation costs, please break them out as indicated. While not all data types will necessarily be in-scope of the contract at this time, we require you provide pricing to add additional data feeds.

|   | Implementation<br>(one time fee) per<br>data feed | Ongoing update<br>(yearly fee) per data<br>feed (assume<br>monthly feeds) |
|---|---|---|
| ▪ Eligibility                                     |   |   |
| ▪ Medical claims                                  |   |   |
| ▪ Rx claims                                       |   |   |
| ▪ Dental claims                                   |   |   |
| ▪ Vision claims                                   |   |   |
| ▪ Short term disability<br>▪ Long term disability |   |   |
| ▪ Absence/Sick Leave                              |   |   |
| ▪ Workers Compensation                            |   |   |
| ▪ Health Risk Assessment                          |   |   |
| ▪ Disease Management program details              |   |   |
| ▪ Wellness program details                        |   |   |
| ▪ On-site clinic                                  |   |   |
| ▪ Other feeds not listed (please describe)        |   |   |

**C. Additional Ongoing Support Services**

Indicate the fees associated with the following support services:

| Service  | Fee |
|--|-----|
| Support for healthcare analysis (hourly fees) – identify hourly rate associated with each level of support below:                    |     |
| • <i>Ad Hoc</i> Report Running (System Analyst Level)  |     |
| • Standard Report Explanation (Mid-Level Consultant level, able to thoroughly explain all relevant information in a standard report) |     |
| • Non-Clinical Expert advice (Sr. Consultant)  |     |
| • Nurse level clinical consultant (Sr. Clinical Consultant)  |     |
| • MD level clinical consultant (VP level Consultant)   |     |
| • Other SME as required  |     |

**D. Special Request Examples:**

For the two special requests below, provide a statement of how you would support the SEBC and develop a project plan and fee estimate for the following situations. Your response should include your understanding of the effort needed to support the SEBC’s request and your estimate of the time and staff resources required to complete the assignment.

**Special Request 1:**

Assume the SEBC were to request support for a longitudinal study of members with selected health conditions (such as diabetes, including all co-morbidities) over a 48 month period (for which data is available) that would integrate all relevant individual data (including health claims data, data from disease

management/case management files, absence or disability data, and demographic data elements). In addition, this project would require an extract of similar data from your normative database for a similar period. As part of the project, you would also assist the SEBC in the development of appropriate clinical measures to track member health status, appropriateness of care and outcomes. Describe your capabilities to provide support services, your ability to pull the normative data from your existing database and the expertise of the staff available to assist the SEBC.

**Special Request 2:**

Assume that the SEBC were to request assistance in evaluating the performance of its disease management program and vendor and establishing specific performance measures for future periods. As part of this project, you are asked to provide specific case study materials for any similar (confidential) client projects that you may have completed or undertaking during the past 18 months. Describe your capabilities to provide the SEBC with an analysis of performance measures used in similar situations, an evaluation of the advantages, disadvantages, requirements and suitability of each, and a proposed approach for the SEBC to adopt. Indicate the staff resources you propose to commit to support such an effort and the proposed project schedule and fees.

**E. Rate Caps-Years Four and Five**

As stated in the proposal requirements, ALL fees provided above must be guaranteed for three years. At the SEBC's discretion the contract may be extended for two additional one year terms. Please provide a rate cap guarantee for years four and five for each component below:

| Services included  | Maximum Increase for Year 4 (percentage increase as compared to initial fees) | Maximum Increase for Year 5 (percentage increase as compared to Year 4) |
|--|---|---|
| Basic monthly data management/analytics fee broken out by categories below:  |   |   |
| In Scope Data Warehouse Services (1 Eligibility, 2 Medical, 2 Rx Feeds)  |   |   |
| In Scope Account Support retainer (20 hours/month)   |   |   |
| <ul style="list-style-type: none"> <li>• Ad Hoc Report Running (System Analyst Level)</li> </ul>   |   |   |
| <ul style="list-style-type: none"> <li>• Standard Report Explanation (Mid-Level Consultant level, able to thoroughly explain all relevant information in a standard report)</li> </ul> |   |   |
| <ul style="list-style-type: none"> <li>• Non-Clinical Expert advice (Sr. Consultant)</li> </ul>  |   |   |
| <ul style="list-style-type: none"> <li>• Nurse level clinical consultant (Sr. Clinical Consultant)</li> </ul>  |   |   |
| <ul style="list-style-type: none"> <li>• MD level clinical consultant (VP level Consultant)</li> </ul>   |   |   |
| <ul style="list-style-type: none"> <li>• Other SME as required</li> </ul>  |   |   |