



State of Delaware
Office of Management & Budget
Statewide Benefits Office

STATE EMPLOYEE BENEFITS COMMITTEE

**Request for Proposal for the
State of Delaware's Supplemental Insurance Program:
Group Accident, Cancer, and Critical Illness**

September 22, 2014

**Intent to Bid and Vendor Questions Submission Deadline –
Friday, October 3, 2014, noon ET**

Proposals Due – Friday, October 17, 2014, by noon ET

OMB14003 – SuppIns

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I. Introduction

On behalf of the State of Delaware, the State Employee Benefits Committee (SEBC) is seeking proposals to provide a Supplemental Insurance program to active employees of the State of Delaware, the University of Delaware (“UD”) and their dependents - approximately 39,800 employees (see Attachment 4). School district, charter schools, and other higher education institution employees and their dependents are eligible. Non-Medicare retirees and pensioners are not eligible.

Public notice has been provided in accordance with 29 Del. C. § 6981. This RFP is available in electronic form through the State of Delaware Procurement website at www.bids.delaware.gov. Paper copies of this RFP will not be available.

Important Dates (A full timeline is included in Section I.D.)

Contract Effective Date:	July 1, 2015
Open Enrollment:	May, 2015
Intent to Bid and Follow-up Questions Due:	Friday, October 3, 2014, by noon ET
Proposal Submissions Due:	Friday, October 17, 2014, by noon ET

A. Background and Overview

Organization Description

The SEBC is chaired by the Director of the Office of Management and Budget (OMB). The Committee is comprised of the Insurance Commissioner, the Chief Justice of the Supreme Court, the State Treasurer, the Director of the Office of Management and Budget, the Controller General, the Secretary of Finance, the Secretary of Health and Social Services, the Lieutenant Governor, and the President of the Correctional Officers Association of Delaware or their designees. 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, life, flexible spending accounts, wellness and disease management programs, and pre-tax commuter benefits. Visit <http://ben.omb.delaware.gov> for information about the programs. The SEBC controls and manages benefits for approximately 36,000 active employees, approximately 25,000 retirees, and their dependents.

Background Information

The 147th General Assembly passed House Bill No. 336 requiring the SEBC to offer supplemental individual health insurance for active and University of Delaware employees of the

State of Delaware and their dependents effective July 1, 2015. School district, charter schools, and other higher education institution employees and their dependents are eligible. Non-Medicare retirees and pensioners are not eligible. The legislation states that:

- Eligible employees will be offered an opportunity to enroll during the Open Enrollment period in May, 2015.
- The insurance shall offer income indemnity coverage that is guaranteed renewable for accident, cancer, and critical illness or critical care and recovery.
- This is an employee-pay-all program with no premium cost or administrative fees to the State.
- The SEBC will evaluate the proposals to determine whether or not the payroll deduction of premiums are to be deducted pre-tax or after-tax.
- The SEBC will review the volume of employee participation and may, on or after July 1, 2020, use its discretion to vote to restructure, modify, or terminate the program.
- The carrier shall be licensed in Delaware and maintain a claims loss ratio of not less than sixty percent (60%).

A copy of the legislation is attached as Attachment 5. The Scope of Services section sets forth additional requirements for administrative management of the program along with expectations for excellent standards of account management and customer service.

Respondents should issue a complete, integrated bid that identifies account representation to service the entire award. The State is not seeking separate bids from individual insurance agents for the same insurance company. This account representative should be the only authorized representative to act on behalf of the respondent. Local franchises and providers must adhere to the master contract terms and conditions and service the account through the identified representative.

Bidders are required to include a plan that provides insurance that meet or exceed the minimum plan design in Appendix D that is Guaranteed Issue. Bidders must also submit at least one alternate plan design for evaluation by the SEBC. Bidders are encouraged to submit multiple plan designs so the SEBC can choose the coverage most suitable for the eligible employees.

Once it has been determined that a bidder has met the Minimum Requirements and has been selected as a finalist, two additional plan provisions will be evaluated:

- 1) pre-tax or post-tax premium payments for each type of coverage
- 2) coverage for on-the-job Accident coverage

The SEBC will decide on both of these plan provisions.

The SEBC is also requesting information on other voluntary group coverages your company offers. The SEBC will not award these types of coverages on the effective date of this contract,

July 1, 2015, but may elect to offer these programs to eligible employees in future years within the contract term with the winning vendor. Interested bidders may provide this information only as a supplement to the mandatory programs solicited in this RFP. The SEBC would enter into rate and plan design negotiations at that time.

Because the services requested are fully-insured products and the data provided by the State is used for underwriting purposes, the ownership of the data resides with the vendor.

B. Proposal Objectives

The SEBC desires to contract with an organization specializing in providing supplemental benefit programs for clients of similar size. The organization must have prior experience directly related to the services requested in this RFP and must be able to demonstrate clearly their ability to:

- offer state of the art administrative services;
- provide excellent customer service to participants;
- provide excellent account management services to the State, including timely reporting;
- meet performance guarantees; and
- be responsive to requests of the SEBC.

C. Scope of Services

The selected organization is required to provide the following services, at a minimum, to members¹:

- a. Group Accident Coverage - Please see Appendix D for the minimum benefit plan design.
- b. Group Cancer Coverage - Please see Appendix D for the minimum benefit plan design. Group Cancer coverage can be substituted for a rider to the Group Critical Illness or Critical Care and Recovery coverage.
- c. Group Critical Illness or Critical Care and Recovery Coverage - Please see Appendix D for the minimum benefit plan design.
- d. Reputation and historical experience in the Supplemental Benefits market.
- e. Superior program implementation support.
- f. Provide excellent account management to the Statewide Benefits Office with timely reporting and ease of accessibility to the account manager.

¹ This is a general list of services. Details are set forth in the minimum qualifications and questionnaire sections.

- g. Support the State with communication to all eligible employees about the Supplemental Insurance program with posters, flyers, newsletters, brochures and other types of media along with occasional direct mailings to eligible employees.
- h. Ease of access to a secure web portal for enrollment, account information, and reporting.
- i. Capability to accept electronic transfer of employee eligibility information.
- j. Reconcile a monthly electronic invoice file at the carrier's expense.
- k. Excellent customer service to eligible employees and participants.
- l. Processing and payments of claims in a timely manner.

D. Timetable/Deadlines

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

Event	Target
RFP Released	Mon 09/22/14
Intent to Bid Deadline – noon ET	Fri 10/03/14
Follow-up Questions due to SBO from Confirmed Bidders – noon ET	Fri 10/03/14
Responses to Questions to Confirmed Vendors	By Fri 10/10/14
Deadline for Bids – noon ET	Fri 10/17/14
Notification of Finalists - Invitation to Interview	By Thurs 11/13/14
Finalist Interviews ² (!!IMPORTANT!! See footnote)	Thurs 11/20/14
Contract Award	January, 2015
Open Enrollment	April/May, 2015
Plan Effective Date	Tues 07/01/15

² The SEBC will require each of the finalists to make a presentation in Dover, Delaware, at the expense of the proposing firm. In addition to communicating your organization's capabilities to fulfill the requirements in the RFP, the presentation will require an on-line demonstration of your web portal for enrollment along with customer service and account management on-line functions. **Because the finalist notifications may go out as late as a week beforehand, SAVE THE DATE of November 20, 2014.**

E. Evaluation Process

Proposal Review Committee

The Proposal Review Committee (PRC) will review all proposals submitted in response to the RFP. 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
- Chief Justice of the Supreme Court
- Lieutenant Governor's Office
- President of the Correctional Officers Association of Delaware

The PRC shall determine the firms that meet requirements pursuant to selection criteria of the RFP and procedures established in 29 Del. C. § 6981 and 6982. The PRC reserves full discretion to determine the competence and responsibility, professionally and/or financially, of vendors. Vendors are to provide in a timely manner any and all information the PRC may deem necessary to make a decision. The PRC shall interview at least one (1) of the qualified firms.

The minimum requirements are mandatory.

Failure to meet any of the minimum requirements outlined in the RFP may result in disqualification of the proposal submitted by your organization.

The proposing firm's ability to meet the Technology and Data Requirements are also considered a minimum requirement.

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. The SEBC also reserves the right to award to multiple vendors, however, it is the SEBC's intention to award all lines of coverage exclusively to one vendor.

Evaluation Criteria

All proposals shall be evaluated using the same criteria and scoring process. After the finalists' presentations, the PRC will determine whether or not to recommend to the SEBC that the premium be a pre-tax or post-tax payroll deduction for each type of coverage and also whether or not to offer Accident coverage for on-the-job injuries.

The following criteria shall be used by the PRC to evaluate proposals:

Topic and Weighting	Description
Responsiveness – 5%	Compliance with the submission requirements of the bid including format, clarity, conformity, realistic responses, and completeness, as well as responsiveness to requests during the evaluation process.
Plan Design and Cost - 30%	Reasonable rates compared to other competitive proposals for the minimum benefit plan designs for all three types of coverage. The optional plan design levels will also be evaluated for reasonable rates compared to other competitive proposals that, at its discretion, the SEBC may elect to offer to eligible employees.
Organization's Ability - 25%	Depth of the organization's experience and ability with accounts of similar size. Proven ability and infrastructure, including on-line web portal technology and data security requirements, and to perform the services as outlined in the Scope of Work.
Experience - 20%	Qualifications and experience of the organization's personnel to provide excellent customer service to the participants and account management services.
Administrative Services - 20%	Demonstrated ease of access to account management personnel and the ability to be responsive and solve problems. Ability to provide reports and all account management services within required timeframes. Ability to accurately reconcile a monthly electronic invoice file.

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 that do not meet or comply with the instructions of this RFP may be considered non-conforming and deemed non-responsive and subject to disqualification at the sole discretion of the PRC.

RFP Award Notification

After review by the PRC, a recommendation will be made to the SEBC for award of the contract. The contract may be awarded on a contingent basis if there are outstanding requirements that must be satisfied, including, but not limited to, the technical standards and security requirements. The contract shall be awarded to the vendor whose proposal is determined by the SEBC to be most advantageous, taking into consideration the evaluation criteria set forth in the RFP. It should be explicitly noted that the SEBC is not obligated to award the contract to the vendor who submits the lowest bid 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 is made, the winning vendor will be invited to negotiate a contract with the State; remaining vendors will be notified in writing of their selection status.

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.

F. Confidentiality of Documents

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 the State's records are public records unless otherwise declared by law to be not public and are subject to inspection and copying by any person. Organizations are advised that when a contract has been fully executed, the contents of the proposal and terms of the contract will become public record and nothing contained in the proposal or contract will be deemed to be confidential except proprietary information. Pricing information and fee structures are treated as confidential only until the contract to the awarded vendor has been executed and cannot be included as proprietary information.

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. 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 CD with a complete redacted copy. In order to submit a complete electronic copy, you must scan the letter as the first page so that the file is clearly designated.

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 SEBC 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 OMB.

Please see the section entitled Submission of Proposal for a detailed description of the number, format, and type of copies that are required.

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.

II. Terms and Conditions

A. Proposal Response Requirements

1. **Conformity** - Your proposal must conform to the requirements set forth in this RFP. The SEBC reserves the right to deny any and all exceptions taken to the RFP requirements. By submitting a bid, each vendor shall be deemed to acknowledge that it has carefully read all sections of this RFP, including all forms, schedules, appendices, and exhibits hereto, and has fully informed itself as to all existing conditions and limitations. The failure or omission to examine any form, instrument or document shall in no way relieve vendors from any obligation in respect to this RFP.
2. **Concise and Direct** - Please provide complete answers and explain all issues in a concise, direct manner. Unnecessarily elaborate brochures or other promotional materials beyond those sufficient to present a complete and effective proposal are not desired. Please do not refer to another answer if the question appears duplicative, but respond in full to each question. If you cannot provide a direct response for some reason (e.g., your company does not collect or furnish certain information), please indicate the reason rather than providing general information that fails to answer the question. **“Will discuss” and “will consider” are not appropriate answers, nor is a reference to the current contractual terms by an incumbent.** All information requested is considered important. If you have additional information you would like to provide, include it as an appendix to your proposal.
3. **Realistic** – It is the expectation of the SEBC that vendors can fully satisfy the obligations of the proposal in the manner and timeframe defined within their proposal. Proposals must be realistic and must represent the best estimate of time, materials, and other costs including the impact of inflation and any economic or other factors that are reasonably predictable. The State of Delaware shall bear no responsibility or increased obligation for a vendor’s failure to accurately estimate the costs or resources required to meet the obligations defined in the proposal.
4. **Completeness of Proposal** – The proposal must be complete and comply with all aspects of the specifications. Any missing information could disqualify your proposal. Proposals must contain sufficient information to be evaluated and, therefore, must be complete and responsive. Unless noted to the contrary, we will assume that your proposal conforms to our specifications in every way. The SEBC reserves full discretion to determine the competence and responsibility, professionally, and/or financially, of vendors. Failure to respond to any request for information may result in rejection of the proposal at the sole discretion of the SEBC.

B. General Terms and Conditions

General

1. **Intent to Bid** – You must indicate your intent to bid via email to Ms. Laurene Eheman at laurene.eheman@state.de.us by Friday, October 3, 2014, no later than noon ET. Upon receipt, a Word document of the RFP will be provided.
2. **Complete Integrated Bid Required** - Respondents should issue a complete, integrated bid that identifies account representation to service the entire award. The State is not seeking separate bids from individual insurance agents for the same insurance company. This account representative should be the only authorized representative to act on behalf of the respondent. Local franchises and providers must adhere to the master contract terms and conditions and service the account through the identified representative.
3. **No Bid** - To assist us in obtaining competitive bids and analyzing our procurement processes, if you choose not to bid we ask that you let us know the reason. We would appreciate your candor. For example: objections to (specific) terms, do not feel you can be competitive, or cannot provide all the services in the Scope of Services. Please email Ms. Laurene Eheman at laurene.eheman@state.de.us.
4. **Definitions** – The following terms are used interchangeably throughout this RFP:
 - a. bidder, vendor, contractor, organization
 - b. SEBC, State of Delaware
 - c. proposal, bid, vendor’s submission
5. **Discrepancies, Revisions and Omissions in the RFP** – The vendor is fully responsible for the completeness and accuracy of their proposal and for examining this RFP and all addenda. Failure to do so is at the sole risk of the vendor. **Should the vendor find discrepancies, omissions, unclear or ambiguous intent or meaning, or terms not appropriate to the services requested in the Scope of Services or Minimum Requirements** the vendor shall notify the contact for this RFP, Ms. Laurene Eheman, electronically, and only electronically, at laurene.eheman@state.de.us, at least ten (10) business days before the proposal opening by using the *RFP Terms and Conditions Exception Tracking*, Appendix J. This will allow for the issuance of any necessary addenda. It will also help prevent the opening of a defective proposal and exposure of the vendor’s proposal upon which an award could not be made. All unresolved issues should be addressed in the proposal.

Protests based on any omission or error, or on the content of the solicitation, will be disallowed if these faults have not been brought to the attention Ms. Laurene Eheman, electronically, and only electronically, at laurene.eheman@state.de.us, no later than ten (10) business days prior to the time set for opening of the proposals.

If it becomes necessary to revise any part of the RFP, an addendum will be posted on the State of Delaware’s website at www.bids.delaware.gov and emailed to all vendors that

submitted an Intent to Bid. The State of Delaware or SEBC is not bound by any statement related to this RFP made by any State of Delaware employee, contractor or its agents.

- 6. Questions** – The SEBC anticipates this will be an interactive process and will make every reasonable effort to provide sufficient information for vendor responses. Vendors are invited to ask questions during the proposal process and to seek additional information, if needed. However, do not contact any member of the SEBC about this RFP. Communications made to other State of Delaware personnel or attempting to ask questions by phone or in person will not be allowed or recognized as valid and may disqualify the vendor.

Vendors should only rely on written statements issued by the RFP designated contact, Ms. Laurene Eheman. **All proposing vendors must submit their questions electronically, and only electronically, to Ms. Laurene Eheman at laurene.eheman@state.de.us no later than Friday, October 3, 2014 by noon ET.** The SBO will then put all questions received and the responses into one document and send to all vendors who confirmed their intention to bid. Again, all questions regarding this proposal should be directed only, and by email only, to Ms. Laurene Eheman at laurene.eheman@state.de.us.

Contract/Rate Guarantee Periods

The term of the contract will be for three (3) years beginning July 1, 2015. The vendor must guarantee the rates through June 30, 2018. Vendors will be asked if they are willing to provide rate caps (expressed in either a percentage or PEPM) for two (2) additional optional one-year periods that may be exercised at the discretion of the SEBC effective July 1, 2018 and July 1, 2019. The State will have the option to renew the contract annually following the initial three-year contract period.

Term

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 contract may be terminated by either party upon 180 days written notice. In the event the successful firm materially breaches any obligation under this Agreement, the State may terminate this Agreement upon thirty (30) days written notice.

Performance Guarantees

The State expects exceptional client account management and participant customer service from their vendors and is interested in evaluating financial and non-financial performance guarantees. The State reserves the right to negotiate both financial and non-financial performance guarantees. Please refer to Appendix H.

Use of Subcontractors

Subcontractors are subject to all the terms and conditions of the RFP.

Required Reporting of Fees and 2nd Tier Spend

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

A complete and accurate Usage Report (for illustrative purposes, Attachment 6) shall be furnished in an Excel format and submitted electronically to the State's central procurement office no later than the 15th (or next business day after the 15th day) of each month, stating the administrative fees on this contract. Complete instructions and a sample report will be provided to the awarded vendor.

Any exception to this mandatory requirement or failure to submit complete reports, or in the format required, may result corrective action, up to and including the possible cancellation of the award. Failure to provide the report with the minimum required information may also negate any contract extension clauses. Additionally, vendors who are determined to be in default of this mandatory report requirement may have such conduct considered against them, in assessment of responsibility, in the evaluation of future proposals.

2nd Tier Spending Report - In accordance with Executive Order 44, the State of Delaware is committed to supporting its diverse business industry and population. The successful Vendor will be required to accurately report on the participation by Diversity Suppliers which includes: minority (MBE), woman (WBE), veteran owned business (VOBE), or service disabled veteran owned business (SDVOBE) under this awarded contract. The reported data elements shall include but not be limited to: name of state contract/project, the name of the Diversity Supplier, Diversity Supplier contact information (phone, email), type of product or service provided by the Diversity Supplier and any minority, women, veteran, or service disabled veteran certifications for the subcontractor (State OSD certification, Minority Supplier Development Council, Women's Business Enterprise Council, VetBiz.gov). The format used for Subcontracting 2nd Tier report is shown as in Attachment 6. Complete instructions and a sample report will be provided to the awarded vendor.

Accurate 2nd Tier Reports shall be submitted to the Office of Supplier Diversity on the 15th (or next business day) of the month following each quarterly period. For consistency, quarters shall be considered to end the last day of March, June, September and December of each calendar year. Contract spend during the covered periods shall result in a report even if the contract has expired by the report due date.

Offshore Vendor Activity

An activity central to the Scope of Services cannot take place at a physical location outside of the United States. Only support activities, including those by a subcontractor, may be performed at satellite facilities such as a foreign office or division. Failure to adhere to this requirement is cause for elimination from future consideration.

Rights of the PRC

- The PRC reserves the right to:
 - Select for contract or negotiations a proposal other than that with lowest costs.
 - Reject any and all proposals received in response to this RFP.
 - Make no award or issue a new RFP.
 - Waive or modify any information, irregularity, or inconsistency in a proposal received.
 - Request modification to proposals from any or all vendors during the review and negotiation.
 - Negotiate any aspect of the proposals with any organization.
 - Negotiate with more than one organization at the same time.
 - Select more than one contractor/vendor to perform the applicable services.
- Right of Negotiation – Discussions and negotiations regarding price, performance guarantees, and other matters may be conducted with organizations(s) who submit proposals determined to be reasonably 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 organizations 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.
- Right to Consider Historical Information – The PRC and/or the SEBC reserves the right to consider historical information regarding the proposing firm, whether gained from the proposing firm’s proposal, question and answer conferences, references, or any other source during the evaluation process.
- Right to Reject, Cancel and/or Re-Bid – The PRC and/or the SEBC specifically reserve the right to reject any or all proposals received in response to the RFP, cancel the RFP in its entirety, or re-bid the services requested. The State makes no commitments, expressed or implied, that this process will result in a business transaction with any vendor.

C. Submission of Proposal

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

In each section, and for each attachment or appendix you reference, clearly separate the corresponding materials with a tab. Please include a table of contents for the appendices.

2. **Hard Copies** – Please submit five (5) complete hard copies - binders are preferred instead of spiral bound - of your proposal to Ms. Laurene Eheman at the following address:

Ms. Laurene Eheman, RFP and Contract Manager
 Office of Management and Budget
 Statewide Benefits Office
 500 W. Lookerman Street, Suite 320
 Dover, DE 19904
 Phone: (302) 739-8331
 Fax: (302) 739-8339

Complete means that it includes all information you may deem proprietary and confidential. In other words, the information deemed proprietary and confidential must not be redacted or separated from the rest of the information.

3. **Electronic Copies** – Please include a *complete* electronic copy of your proposal in a PDF format on its own CD. You must scan all the documents; for example, a signed cover letter, the signed Officer's Statement and any appendices. Please divide the PDF into manageable sections for easier readability.³ Please label and carefully package the CD.
4. **Redacted Copies** – Information that you assert is confidential and proprietary must be submitted in a redacted form within the entire proposal. This means the information must be blacked out or substituted with a blank page that references the page or document that is missing. For example:

For all transactions, the following conditions must be met:

- individual notice policies are followed;
- verbal price quotes are obtained;
- State Contracts must be utilized;
- purchases over \$5,000 have a corresponding purchase order prior to the charge, and fragmentation of purchases is prohibited.

In addition, [REDACTED] Employees must reimburse the State of Delaware for any expenditures above the allowable amounts.

Any questions on requirements should be directed to staff in DMD Financial Operations.

2. Coordinator/Back-Up Coordinator - Designation, Policy and Responsibilities
 The Coordinator or Back-Up Coordinator will be responsible for maintaining a file which shows all applications, agent affidavits, and policies and procedures. Any issue that arises with the employer or [REDACTED] is to be dealt with first by the Coordinator or Back-Up Coordinator. The Coordinator or Back-Up Coordinator is also responsible for ensuring that the purchase contracts with the state and federal legislative, regulations, policies and procedures. [REDACTED]

[REDACTED] not attached to a weekly log (weekly log). Any employee not producing a receipt must complete an affidavit statement certifying that they did in fact purchase the particular item. The affidavit statement must be signed by the employee and the supervisor or section manager.

Reconciler - The Reconciler is responsible for applying the statefield information in the First State Financial system. The Reconciler is also responsible for ensuring that the purchase receipts comply with the state and federal legislative, regulations, policies and procedures.

Approver - [REDACTED]

3. Request for an Application
 All requests need to be addressed to the employee's supervisor for approval. The supervisor that will request a SuperCard approval from the Coordinator or Back-Up Coordinator.

One (1) hard copy is needed with the redacted materials. Imagine you are flipping through the hard copy. You would see that section on a page with information blacked out (redacted) that the author considers confidential and proprietary. If an entire document, section or

³ As stated in the *Technical Standards and Security Requirements* section, sub-heading *Directions*, please ensure that your responses (and exhibits, if any) to that section are in a separate tab.

appendix consisting of multiple pages is considered confidential and proprietary, use a blank page with a reference to the missing information. For example, “Appendix C – Disaster Recovery Plan – is confidential and proprietary and is not public record as defined by FOIA at 29 Del. C. § 10002(d)”.

One (1) electronic copy is needed with the redacted materials in a PDF format on a separate CD from the non-redacted copy. You must scan all the documents; for example, the signed cover letter, the signed Officer's Statement and any appendices. Please divide the PDF into manageable sections for easier readability. Please label and carefully package the CD.

Recap of Proposal Copy Formats	Hard Copies	PDF Copies on separate CDs
Confidential and Proprietary documents: <u>Only</u> those documents (not redacted) and the attorney’s cover letter in a marked and sealed envelope	1	1
Complete bid <u>with</u> redacted sections	1	
Complete bid <u>without</u> redacted sections	5	1

5. **Proposal Submission Date** – Both hard and electronic copies of your complete proposal must be received at the above address no later than **noon ET on Friday, October 17, 2014**. If the office is closed on the bid due date due to weather or other emergency, the due date and time cannot be pushed forward one day. Any proposal received after this date and time shall not be considered and will be returned to the proposing firm unopened. The proposing firm bears the risk of delays in delivery. The contents of any proposal shall not be disclosed or made available to competing entities during the negotiation process.
6. **Proposal Opening** – To document compliance with the deadline, the proposals will be date and time stamped upon receipt. Proposals will be opened only in the presence of State of Delaware personnel. There will be no public opening of proposals, but a public log will be kept of the names of all vendor organizations that submitted proposals. The list will be posted on www.bids.delaware.gov. In accordance with Executive Order #31 and Title 29, Delaware Code, Chapter 100, the contents of any proposal will not be disclosed to competing vendors prior to contract execution. Proposals become the property of the State of Delaware at the proposal submission deadline.
7. **Officer Certification** – All vendors participating in this RFP will be required to have a company officer attest to compliance with RFP specifications and the accuracy of all responses provided. Please fill out the *Officer Certification Form*, Appendix I, and include it in your bid package.
8. **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.

9. **General Modifications to RFP** – The SEBC reserves the right to issue amendments or change the timelines to this RFP. All firms who submitted an Intent to Bid notice will be notified in writing via e-mail of any modifications made by the SEBC to this RFP. If it becomes necessary to revise any part of the RFP, an addendum will be posted on the State of Delaware’s website at www.bids.delaware.gov.
10. **Modifications to Submitted Proposal** – Changes, amendments or modifications to proposals shall not be accepted or considered after the time and date specified as the deadline for submission of proposals. However, vendors may modify or withdraw its complete proposal by written request, provided that both proposal and request is received by Ms. Laurene Eheman prior to the proposal due date and time. Pages for substitution will not be accepted or allowed. The proposal may be re-submitted in accordance with the proposal due date in order to be considered.
11. **Proposal Clarification** – The SEBC may contact any vendor in order to clarify uncertainties or eliminate confusion concerning the contents of a proposal. Clarifications will be requested in writing and the vendor’s responses will become part of the proposal.
12. **References** – The SEBC may contact any customer of the vendor, whether or not included in the vendor’s reference list, and use such information in the evaluation process. Additionally, if applicable to the scope of work in this RFP, the State of Delaware may choose to visit existing installations of comparable systems, which may or may not include vendor personnel. If the vendor is involved in such site visits, the State of Delaware will pay travel costs only for the State of Delaware personnel for these visits.
13. **Time for Acceptance of Proposal** – The bidder agrees to be bound by its proposal for a period of at least 180 days, during which time the State may request clarification or correction of the proposal for the purpose of the evaluation.
14. **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.
15. **Basis of Cost Proposal** – Your proposal must be based on your estimated cost of all expenses for the services and funding arrangements requested.
16. **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. Please fill out the *State of Delaware Non-Collusion Statement*, Appendix F, and include it in your bid package.
17. **Improper Consideration** – Bidder shall not offer (either directly or through an intermediary) any improper consideration such as, but not limited to, cash, discounts, service, the provision of travel or entertainment, or any items of value to any officer, employee, group

of employees, retirees or agent of the SEBC in an attempt to secure favorable treatment or consideration regarding the award of this proposal.

18. **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.
19. **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.
20. **Solicitation of State Employees** – Until contract award, vendors shall not, directly or indirectly, solicit any employee of the State of Delaware to leave the State's employ in order to accept employment with the vendor, its affiliates, actual or prospective contractors, or any person acting in concert with the vendor, without prior written approval of the State's contracting officer. Solicitation of State of Delaware employees by a vendor may result in rejection of the vendor's proposal.

This paragraph does not prevent the employment by a vendor of a State of Delaware employee who has initiated contact with the vendor. However, State of Delaware employees may be legally prohibited from accepting employment with the contractor or subcontractor under certain circumstances. Vendors may not knowingly employ a person who cannot legally accept employment under state or federal law. If a vendor discovers that they have done so, they must terminate that employment immediately.

21. **Consultants and Legal Counsel** – The SEBC may retain consultants or legal counsel to assist in the review and evaluation of this RFP and the vendors' responses. Bidders shall not contact the consultant or legal counsel on any matter related to this RFP.
22. **Contact with State Employees** – Direct contact with State of Delaware employees regarding this RFP other than the designated contact, Ms. Laurene Eheman, is expressly prohibited without prior consent. Vendors directly contacting State of Delaware employees risk elimination of their proposal from further consideration. Exceptions exist only for organizations currently doing business with the State who require contact in the normal course of doing that business.
23. **Organizations Ineligible to Bid** - Any individual, business, organization, corporation, consortium, partnership, joint venture, or any other entity including subcontractors currently debarred or suspended is ineligible to bid. Any entity ineligible to conduct business in the State of Delaware for any reason is ineligible to respond to the RFP.
24. **Exclusions** - The PRC reserves the right to refuse to consider any proposal from a vendor who:
 - a. Has been convicted for commission of a criminal offense as an incident to obtaining or attempting to obtain a public or private contract or subcontract, or in the performance of

the contract or subcontract;

- b. Has been convicted under State or Federal statutes of embezzlement, theft, forgery, bribery, falsification or destruction of records, receiving stolen property, or other offense indicating a lack of business integrity or business honesty that currently and seriously affects responsibility as a State contractor;
- c. Has been convicted or has had a civil judgment entered for a violation under State or Federal antitrust statutes;
- d. Has violated contract provisions such as:
 - i. Knowing failure without good cause to perform in accordance with the specifications or within the time limit provided in the contract; or
 - ii. Failure to perform or unsatisfactory performance in accordance with terms of one or more contracts;
 - iii. Has violated ethical standards set out in law or regulation; and
 - iv. Any other cause listed in regulations of the State of Delaware determined to be serious and compelling as to affect responsibility as a State contractor, including suspension or debarment by another governmental entity for a cause listed in the regulations.

III. Minimum Requirements

The following minimum requirements are mandatory. Failure to meet any of these proposal criteria may result in disqualification of the proposal submitted by your organization. Additionally, the Technology and Data Requirements in Section V are considered minimum requirements.

“Will discuss” and “will consider” are not appropriate answers.

As an introduction, please provide the firm’s name, home office address and telephone number, and the address and telephone number of additional offices, if any, that would provide the services requested under this RFP. Also, provide the name and information for the primary contact, including email address, for this RFP. Also, include your company’s website address.

1. The selected vendor must have at least five (5) years’ experience as an organization in providing the type of services to be procured through this competitive RFP process. Please confirm that you have reviewed the Scope of Services included in this RFP and that you have provided these services for other clients. The determination of the length of time an entity has provided these services will be based upon the initial date the entity established a contractual relationship to provide such services. The proposing organization must provide sufficient detail to demonstrate it has experience in working with Supplemental Benefits programs similar in size and complexity. Because more detailed questions follow, please provide only a broad outline here of the organization’s years of experience and qualifications listed in the Scope of Services.
2. The individual who will act as the SEBC’s primary contact shall be, at a minimum, a senior level manager and shall have at least five (5) years’ experience providing Supplemental Benefits account management, of which three (3) years’ experience must have been in providing Supplemental Benefits account management services to clients of similar size. Please provide a statement detailing such experience and a resume.
3. Please confirm that you will provide and administer all three coverages requested, Group Accident, Cancer, and Critical Illness or Critical Care and Recovery insurance. The requirement for Group Cancer coverage may be met with a Cancer rider to the Group Critical Illness coverage. **No other types of coverage will be considered and all three supplemental insurance types must be included in your bid.**
4. Your company must have proven ability to perform the services described in this RFP. Of your company's current clients, list three (3) or more references with an excess of 30,000 eligible lives. Additionally, provide references for three (3) terminated clients and note the date of termination and reason.

Please Note: You must provide the references at this time, not only if selected as a finalist, in order to show your ability to serve clients of a similar size. If requested, the SEBC will agree to notify you before contacting your references.

Include the following information:

- a. Client name
 - b. Client principal location
 - c. Location servicing account, if different
 - d. Client contact including name, title address, email and phone number
 - e. Total number of employees
 - f. Number of employees that access the Group Accident, Cancer, or Critical Illness services (participants)
 - g. Effective date of contract
 - h. (Date and reason for termination, if applicable)
5. Please confirm that the primary contact and/or lead personnel assigned to a transition team and account management team will be part of any interview team. Additionally, confirm that during the presentation the vendor must provide a demonstration of the on-line access for participants and any account management functions.
 6. Please confirm that your company will provide regular information concerning new products in the marketplace and will provide articles and other communications at a frequency determined by the State for inclusion in newsletters and websites.
 7. Please confirm that enrollment information will be mailed to the homes of all newly hired & newly eligible employees within fourteen (14) calendar days upon receipt of the eligibility file from the State.
 8. Please confirm that your organization will not use the names, home addresses or any other information obtained about participants of the Supplemental Benefits program for offering for sale any property or services that are not directly related to services negotiated in the RFP without the express written consent of the State.
 9. Please confirm that you will meet with the State on-site at least annually, and if required by the State on a quarterly basis, noting your company performance according to the performance guarantees in place and to review plan participation.
 10. Please confirm that your organization will provide on-site representation in northern and central Delaware for five days of benefit representatives' meetings in April each year. This also includes at least five days of Health Fairs in May at various locations in all three counties. Representation may also be required at educational meetings.
 11. Please confirm your organization will provide separate support and assistance as needed and requested to UD in connection with the May, 2015, open enrollment period. Ongoing support will be requested as needed and required.

12. Please confirm that your organization will provide communications including the production and distribution of promotional materials at no cost to the State and participants to approximately 125 human resource offices with the State of Delaware and University of Delaware concerning the open enrollment period and employee communication seminars.
13. Please confirm that your organization will provide support and assistance as needed and requested to work with the State's technical division to provide a URL and/or single sign-on capabilities.
14. Please confirm that you will provide a customer service toll-free telephone line during normal business hours.
15. Please confirm that you will provide a toll-free telephone number for Statewide Benefit Office account management personnel and HR benefit representatives.
16. Please confirm that the eligibility rules of the State (Attachment 7) do not conflict with the products that are being presented by your organization. Your organization must accept the State's eligibility rules for employees and dependents (which are highlighted in the attachment) and cannot deviate. (Please note that dependent coverage is available until age 26.)
17. Participants may only enroll during Open Enrollment in May for coverage beginning on the following July 1, the start of the State's fiscal year. New hires shall follow the eligibility rules for the Dental and Vision plans – Section 10.01 (Attachment 7). Please confirm that your organization will accept these election rule. Deviations are not permitted.
18. Please confirm that SBO's and UD's administrative staff will have on-line access to enrollment information.
19. The State of Delaware (PHRST) and the University of Delaware will provide a full eligibility file on a bi-weekly basis. Please confirm that your system will accept the file layouts, see Attachment 3, and apply all changes such as address, changes in employment status, etc. **Changes, either of a data type or addition of a data type, will not be accepted.** (File transfer requirements are in the *Technology and Data Security* section.)
20. Please confirm that your organization will perform **all** premium and plan coverage and tier enrollment reconciliations at no cost to the State and without assistance or support from the State. The necessary data to perform these reconciliations will be provided through the eligibility feeds and payroll deduction files.
21. Please confirm that employees who are terminated from active status (for example, terminated, retired, or on leave without pay) and elect to continue coverage will be set up on a direct billing basis. The State will not perform any reconciliations related to premium collection or adjustments in plan coverage and tier enrollment related to direct bill members.
22. Open Enrollment must be done via a secure vendor website. Please confirm that your organization will capture the information and send an electronic deduction file to the State

to upload into the State's payroll system. The vendor must use the current file specifications, see Attachment 3, and will only receive the employee identification number. Under no circumstances will the full nine (9) digits for social security numbers be released.

23. Data ownership resides with the vendor. Therefore, please confirm that your organization will work with the State to provide a statement on the State's Open Enrollment website that the member is leaving the State government website.
24. Active and UD employees are paid on a bi-weekly basis (26-pay schedule), however some employees are paid on a 22-pay schedule. These are typically school district and higher education employees. Therefore, deductions in June and July may be doubled, tripled, or quadrupled in a specific pay-period. Example pay schedules for active employees (PHRST system) and UD are provided in Attachments 8 and 9. A schedule of the multiple number of deductions during a specific pay period will be finalized with the awarded vendor. Please confirm that you can adjust your system to administer the payroll deduction schedules along with multiple deductions in specific pay periods.
25. Please confirm your acceptance that there is no minimum enrollment requirement for the coverages listed in the RFP.
26. Do you agree to provide year-end financial accounting showing at a minimum: premiums received, incurred claims (preferred) or paid claims, and enrollment counts by line of coverage? How soon after the close of the plan year will the financial accounting be provided? Please provide samples of these reports.
27. Please confirm that your organization can provide the reports listed in the Master Report List, Attachment 10, at no cost to the State. Are these reports available on-line? Please provide a sample of these types of reports and include samples of any reports that are available but not listed.
28. Please confirm that your organization can provide *ad hoc* reports as requested. Is there a fee for such reports? Please provide a sample of a type of *ad hoc* report that was produced for a client.
29. In Appendix E, provide group rates for a three (3) year contract period beginning July 1, 2015. The vendor must guarantee the contract period rates through June 30, 2018. The State will have the option to renew the contract annually following the initial three-year contract period. Vendors may also provide rates or renewal rate caps (which can be expressed in a percentage) for optional Years 4 and 5 to be effective on July 1, 2018 and July 1, 2019. **NOTE:** The form includes spaces for these optional years in a format for a PEPM rate. If you are offering a rate cap expressed in percentage, please revise the form to clearly state your proposal. If Years 4 and 5 are left blank, please confirm that renewal rates or rate caps are not being offered.
30. Please confirm that all fees, including any optional services you provide for the three coverages requested by the State, are included in your quote. If a fee is not included, it will be assumed there is no fee, whether or not a question reminds you to include any applicable fee.

31. Appendix D provides a plan that represents the minimum plan design for each coverage that will be offered to employees on a Guaranteed Issue basis. If you are unable to match the minimum plan design, your quote must provide for coverage that are higher than the minimum. **Bidders must also submit at least one alternate plan design for evaluation by the SEBC for each coverage.** Bidders are encouraged to submit multiple plan designs so the SEBC can choose the coverage levels.
32. If a plan design is changed in the future by the SEBC, please confirm that there will be no cost to the State to communicate all plan and premium changes to the insureds.
33. Please confirm that, as defined in the Annual Statement, your company maintains a claims loss ratio of not less than sixty percent (60%).
34. Please confirm that commission percentages, brokerage or contingent fees are not payable to any agent or broker.
35. The vendor agrees not to appoint any agent, general agent, or broker, nor authorize payment of any kind to a party not approved in writing by the State.
36. Please confirm your company's willingness to supply the State with renewal information and/or proposed contract amendments at least 180 days prior to the renewal anniversary.
37. Please confirm that an activity central to the Scope of Services cannot take place at a physical location outside of the United States. Only support activities may be performed at satellite facilities such as a foreign office or division. Subcontractors are also subject to this provision.
38. Please confirm that within the past five (5) years the firm or any officer, controlling stockholder, partner, principal, or other person substantially involved in the contracting activities of the business is not currently suspended or debarred and is not a successor, subsidiary, or affiliate of a suspended or debarred business.
39. Please confirm your company is appropriately licensed to do business in the State of Delaware and provide a copy of the license.
40. Please confirm that your organization is operating as an independent contractor and that it is liable for any and all losses, penalties, damages, expenses, attorney's fees, judgments, and/or settlements incurred by reason of injury to or death of any and all persons, or injury to any and all property, of any nature, arising out of the vendor's negligent performance under this contract, and particularly without limiting the foregoing, caused by, resulting from, or arising out of any act of omission on the part of the vendor in their negligent performance under this contract.
41. Please confirm that your organization shall maintain insurance that will protect against claims under Worker's Compensation Act and from any other claims for damages for personal injury, including death, which may arise from operations under this contract. The vendor is an independent contractor and is not an employee of the State of Delaware.

42. During the term of this contract, the vendor shall, at its own expense, carry insurance minimum limits as follows:

a.	Comprehensive General Liability	\$1,000,000 per person and \$3,000,000 per occurrence
b.	Medical or Professional Liability	\$1,000,000/\$3,000,000
c.	Misc. Errors and Omissions	\$1,000,000/\$3,000,000

The successful vendor must carry (a) and (b) and/or (c), above, depending on the type of service being delivered. If awarded the contract, the State of Delaware shall **not** be named as an additional assured.

Please provide a copy of your certificate of insurance with the appropriate types and coverage levels.

43. The effective date of the contract awarded under this RFP will be July 1, 2015. It is anticipated that the award will be made in early January, 2015. Please confirm that if you are awarded the contract no later than January 31, 2015, you would be able to successfully implement the Supplemental Benefits program for a May open enrollment period and a July 1, 2015, effective date.
44. If awarded the contract, please confirm your organization's willingness to enter into performance guarantees. Please follow the instructions in Appendix H and include the completed form in your bid package.
45. Please confirm your organization will conduct customer service surveys and report on a quarterly basis. (This is a requirement in the Performance Guarantees.) If you have a sample of a customer service survey, please provide a copy.
46. **Please confirm your organization's acceptance. For your response, if you do not accept this indemnity paragraph as written, you must provide a redline of suggested changes. Be advised that the State cannot agree to major changes.**

Vendor 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) directly arising out of (A) the negligence or other wrongful conduct of the vendor, its agents or employees, or (B) vendor's breach of any material provision of this Agreement not cured after due notice and opportunity to cure, provided as to (A) or (B) that (i) vendor shall have been notified in writing by the State of any notice of such claim; and (ii) vendor shall have the sole control of the defense of any action on such claim and all negotiations for its settlement or compromise.

47. Please confirm your organization's agreement that:
 - a. Only the State may terminate the contract for convenience.
 - b. The vendor can terminate the contract for cause with written notice to the State of no less than 180 days.
 - c. The State can terminate the contract for cause with written notice to the vendor of no less than 30 days.
48. Please confirm your organization's agreement that it is the State's right to modify the benefit design during the contract period with reasonable notice.
49. The State requires your organization to confirm that all services identified in your proposal are provided solely by your organization and identify any services that may be provided by a subcontractor. Subcontractors are subject to all the terms and conditions of the RFP. If a subcontractor(s) is involved, note in your response to this question and complete Appendix K, *Subcontractor Information Form*, included herein for each subcontractor. The company MWBE and veteran owned information is for self-identification only.
50. If your company is awarded the contract, please confirm your agreement that performing the services subject to this RFP, as set forth in 19 Del. C. § 710, you will not discriminate against any employee or applicant with respect to compensation, terms, conditions or privileges of employment because of such individual's race, marital status, genetic information, color, age, religion, sex, sexual orientation, gender identity, or national origin. The successful vendor shall comply with all federal and state laws, regulations and policies pertaining to the prevention of discriminatory employment practice. Failure to perform under this provision constitutes a material breach of contract.
51. If you are awarded the contract, please confirm that an administrative agreement (statement of work) will be drafted for the State noting all relevant program information from this RFP.
52. Please confirm your organization's acceptance: The RFP and the executed Contract between the State and the successful organization will constitute the Contract between the State and the organization. In the event there is any discrepancy between any of these contract documents, the following order of documents governs so that the former prevails over the latter: contract, State of Delaware's RFP. No other documents will be considered. These documents contain the entire agreement between the State and the organization.
53. Please confirm your organization's acceptance: The payment of an invoice by the SEBC shall not prejudice the SEBC's right to object or question any invoice or matter in relation thereto. Such payment by the SEBC 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 SEBC, based on audits, to not

constitute allowable costs. Any payment shall be reduced for overpayment, or increased for underpayment on subsequent invoices.

54. Please confirm your organization's acceptance: The SEBC reserves the right to deduct from amounts that 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 SEBC by the vendor.
55. Please confirm your organization's acceptance that any payments made by the State of Delaware will be by Automated Clearing House (ACH) as per its ACH processing procedures.
56. Please confirm that your organization will not use the State's name, either express or implied, in any of its advertising or sales materials without the State's express written consent.
57. If your company is awarded the contract, please confirm your understanding that pursuant to 29 Del. C. § 6909B and effective November 4, 2014, the State does not consider the criminal record, criminal history or credit score of an applicant for state employment during the initial application process unless otherwise required by state and/or federal law. Vendors doing business with the State are encouraged to adopt fair background check provisions. Vendors can refer to 19 Del. C. § 711(g) for applicable established provisions.
58. Please confirm that, if awarded the contract, your organization will accept the terms in the *Business Associate Agreement*, see Attachment 2. For your response, if you do not accept the terms as written, you must provide a redline of suggested changes. **Be advised that the State cannot agree to major changes.**
59. Please confirm you have filled out the *State of Delaware Non-Collusion Statement* form, Appendix F, and included it in your bid package.
60. Please confirm you have filled out the *Officer Certification Form*, Appendix I, and included it in your bid package.
61. Please confirm you have filled out the *Employing Delawareans Report*, Appendix L, and included it in your bid package.
62. Please confirm you have filled out the *Financial Ratings Form*, Appendix M, and included it in your bid package.

IV. Questionnaire

Whenever applicable, you must clearly and succinctly indicate how your standard procedures would be modified in order to accommodate any specific requirements of the State that deviate from your standard procedures. **Generic responses or stock answers that do not address State-specific requirements will be deemed unresponsive.**

If a question is repeated in multiple sections and your answer is the same, please do not refer to your answer in another section but copy it under each question.

Responses Exception Tracking, Appendix G – If you have an exception, you must copy and paste the term into the chart and provide a detailed explanation, or, check the box to acknowledge that you take no exceptions to the specifications, terms or conditions found in the *Questionnaire* section and submit it with your bid package.

A. General Questions

1. Please complete the chart below showing your organizations enrollment in the indicated supplemental insurance programs as of June 30, 2014:

Policy Type	# of Employees Covered	# of Employer Plans Inforce	# of State Government Plans Inforce
Accident			
Cancer			
Critical Illness/ Critical Care and Recovery			

2. As a method of measuring your organization's experience in the supplemental/voluntary market, please provide a full list of "employee-pay-all" benefit programs that are provided by your organization. Also include a short description of each program along with the number of groups and lives currently inforce.
3. What sales/service office would handle the general servicing of this account?

4. Indicate the location of the claims office, which will serve the State for each coverage and the average number of working days for a claim to be processed (check issued) from the date of receipt, for clean claims.

Coverage	Claims Office	Claims turnaround time
a. Accident		
b. Cancer		
c. Critical Illness/ Critical Care and Recovery		

5. How many lives and number of accounts are currently handled at each facility?
6. If different than already provided, please provide a brief biography of the senior officials responsible for the overall service and day-to-day operations of the account. If the same personnel that are stated elsewhere are utilized in these roles, please reference where the information can be found.
7. What is the time zone and standard hours for your customer service office and claim office? If different than ET, what accommodations will you make to ensure appropriate coverage?
8. If awarded a contract for services under this RFP, at your expense, will you allow the SEBC's representatives to tour both the customer service office and claim office that will service the State?
9. Please describe any additional value added services your company offers for these products and the corresponding fee. Please attach promotional or communication materials, if available.
10. Will dedicated, not designated, customer service representatives be assigned to this account? If not, please explain.
11. Are customer service representatives separate from the claim processing unit or do claim processors have customer service responsibilities?
12. What would be the standard communication procedure between the Statewide Benefits Office staff and your local service office and the claim processing office?
13. What would be the standard communication procedure between the State of Delaware agency, UD, and HR benefit representative staff and your local service office and the claim processing office?

14. Please provide copies of all paper forms used by your firm to administer the plan. Are the function of the form(s) also available on-line? For example, a claim form would be available on paper and on-line. Please confirm your understanding that any paper forms would be provided directly from the employee to the vendor.
15. In the last five (5) years has your organization been cited for privacy violations or experienced any data security breaches? If so, provide details of the incident(s). Additionally, what procedures have you put in place to address this issue(s)?
16. If you have public sector clients, please provide the following information:

Include the following information:
 - i. Client name
 - j. Client principal location
 - k. Location servicing account, if different
 - l. Client contact including name, title address, email and phone number
 - m. Total number of employees
 - n. Number of employees that access the Group Accident, Cancer, or Critical Illness services (participants)
 - o. Effective date of contract
 - p. (Date and reason for termination, if applicable)
17. Please provide a sample insurance or benefits booklet or a Certificate of Coverage prepared by your firm for each coverage solicited.
18. Please provide specimen copies of your firm's insurance policies, or other agreements, which would be used for the State of Delaware supplemental insurance plans.
19. If applicable, describe your Evidence of Insurability procedure. Do you provide an electronic Evidence of Insurability (EOI)? Please provide a copy of your EOI form.
20. If you are awarded the business, when will the insurance or benefits booklet or Certificate of Coverage be sent to employees?
21. At no cost to the State, does your organization agree to mail the Certificates of Coverage(s) to the insured's home address?
22. Provide a proposed implementation plan and timetable beginning with the award of business to effective date of coverage and include:
 - a) Steps required to implement the program
 - b) Role played by the plan sponsor/vendor
 - c) Eligibility feed and payroll deduction files

- d) Production and distribution of enrollment materials
 - e) Contacts and personnel assigned to each step of the implementation process
 - f) Establishment of on-line plan information
 - g) Confirm that Premiums include all implementation costs
 - h) On-line Open Enrollment in mid-May
23. What involvement would typically be expected from the SBO to support the implementation process? Would you agree to periodic implementation calls?
24. What involvement would typically be expected from the SBO to support the open enrollment process each year?
25. Please provide sample enrollment communication materials you have put together for another client of similar size.
26. Please provide samples of employee enrollment materials that would be used for on-line enrollment.
27. Please provide samples of on-going employee administration materials.
28. How do you typically market insurance coverage to a group this size?
29. Can communications be personalized with the State's logo or other State information at no cost to the State?
30. Generally, do you recommend the State deduct taxes from premiums on a pre-tax or post-tax basis? Why?

B. Accident Insurance Questions

31. When was your Accident product line established?
32. Please provide the following information related to your Accident product experience as of July 31, 2014:
- a) Number of Group Accident plans in effect
 - b) Enrolled Lives
 - c) Employee Enrollment Percentage (Enrolled EEs/Eligible EEs)
 - d) Inforce Annual Premium: Group Accident plans
33. What is your target client size for this product?

34. What value-added services does your organization have to separate you from other carriers offering similar products?
35. Is coverage available as On/Off the Job Accident or Off the Job Accident only? If so, please provide a quote on both options as shown in the rate grid, Appendix E.
36. Do you recommend coverage for on or off-the-job Accident Coverage, or both, and why?
37. Does your Accident program allow the insured to collect benefits for more than one covered accident/injury? If so, please explain.
38. Is there a waiting period before the claim(s) is paid? If so, please explain.
39. Is portability available to all employees and dependents? If so, please describe the process for transferring an insured from the group plan to a direct-billed plan.
40. Does coverage automatically terminate at a certain age? If so, please explain.
41. Do the policy's benefits automatically reduce at a certain age? If so, please explain.
42. Is there a waiver of premium provision? If so, please describe.
43. Please explain your preexisting condition clause, if any. Can it be eliminated from coverage?
44. Is coverage available to employees in all states? If not, please list the state(s) where coverage is not available.
45. Do you recommend the State deduct taxes from premiums on a pre-tax or post-tax basis? Why?
46. Are there any fees that are not included in your standard pricing that would be the responsibility of the insured? If so, please describe.
47. What is the maximum benefit available on a guaranteed issue basis?
48. Will existing employees be subject to evidence of insurability requirements during open enrollment periods in subsequent years if choosing to enroll in a new product or moving from one plan to a higher benefit plan? If yes, what are the evidence of insurability requirements?
49. Please explain the evidence of insurability process, if applicable.
50. Please detail the claims adjudication process. What information must the participant provide with a claim submission? What documentation is used to determine the validity of a claim submission?
51. Please describe the claims appeal process. Is it the same for all three coverages?

C. Critical Illness or Critical Care and Recovery Insurance Questions

52. When was your Critical Illness or Critical Care and Recovery product line established?
53. Please provide the following information related to your Critical Illness or Critical Care and Recovery product experience as of July 31, 2014:
 - a) Number of Group Critical Illness plans in effect
 - b) Enrolled Lives
 - c) Employee Enrollment Percentage (Enrolled EEs/Eligible EEs)
 - d) Inforce Annual Premium: Group Critical Illness/Critical Care and Recovery
54. What is your target client size for this product?
55. What value-added services does your organization have to separate you from other carriers offering similar products?
56. Define the catastrophic conditions that are covered. Provide your definition of each and the percent of benefit payable and whether conditions are covered under base policy or through a rider. Please exclude Cancer coverage from this question.
57. Does your Critical Illness/Critical Care and Recovery program allow the insured to collect benefits for more than one covered illness? If yes, what is the maximum number of instances where an insured can collect benefits for a condition that reoccurs?
58. Is there a wellness/health screening rider available? If so, please describe. Does this conflict with any wellness benefit provided under the medical plan?
(See <http://ben.omb.delaware.gov/medical/index.shtml>)
59. Is there a waiting period before the benefits are paid? If so, please explain.
60. Do you offer any other variations of Group Critical Illness/Critical Care and Recovery coverage other than lump sum benefit? If so, please provide a description and a quote on a benefit design that is appropriate.
61. Is portability available to all employees and dependents? If so, please describe the process for transferring an insured from the group plan to a direct-billed plan.
62. Does coverage automatically terminate at a certain age? If so, please explain.
63. Do the policy's benefits automatically reduce at a certain age? If so, please explain.
64. Is there a waiver of premium provision? If so, please describe.
65. Please explain your preexisting condition clause, if any. Can it be eliminated from coverage?

66. Is coverage available to employees in all states? If not, please list the state(s) where coverage is not available.
67. Do you recommend the State deduct taxes from premiums on a pre-tax or post-tax basis? Why?
68. Are there any fees that are not included in your standard pricing that would be the responsibility of the insured? If so, please describe.
69. What is the maximum benefit available on a guaranteed issue basis?
70. Will existing employees be subject to evidence of insurability requirements during open enrollment in subsequent years if choosing to enroll in a new product or moving from one plan to a higher benefit plan? If yes, what are the evidence of insurability requirements?
71. Please explain the evidence of insurability process if applicable.
72. Please detail the claims adjudication process. What information must the participant provide with a claim submission? What documentation is used to determine the validity of a claim submission?
73. Please describe the claims appeal process. Is it the same for all three coverages?

D. Cancer Insurance Questions

74. Is your Cancer insurance offered as a standalone product or a rider to an existing supplemental insurance product?
75. When was your Cancer insurance product line established?
76. Please provide the following information related to your Cancer product experience as of July 31, 2014:
 - a) Number of Group Cancer plans in effect
 - b) Enrolled Lives
 - c) Employee Enrollment Percentage (Enrolled EEs/Eligible EEs)
 - d) Inforce Annual Premium: Group Cancer plans
77. What is your target client size for this product?
78. What value-added services does your organization have to separate you from other carriers offering similar products?

79. Define the types of cancer that are covered. Provide your definition of each and the percent of benefit payable and whether conditions are covered under the base policy or through a rider.
80. Does your Cancer insurance program allow the insured to collect benefits for more than one covered type of cancer? If yes, what is the maximum number of instances where an insured can collect benefits for a condition that reoccurs?
81. Do you offer any other variations of Group Cancer coverage other than lump sum benefit? If so, please provide a description and a quote on a benefit design that is appropriate.
82. Is there a wellness/health screening rider available? If so, please explain. Does this conflict with any wellness benefit provided under the medical plan?
(See <http://ben.omb.delaware.gov/medical/index.shtml>)
83. Is there a waiting period before the benefits are paid? If so, please explain.
84. Is portability available to all employees and dependents? If so, please describe the process for transferring an insured from the group plan to a direct-billed plan.
85. Does coverage automatically terminate at a certain age? If so, please explain.
86. Do the policy's benefits automatically reduce at a certain age? If so, please explain.
87. Is there a waiver of premium provision? If so, please describe.
88. Please explain your preexisting condition clause, if any. Can it be eliminated from coverage?
89. Is coverage available to employees in all states? If not, please list the state(s) where coverage is not available.
90. Do you recommend the State deduct taxes from premiums on a pre-tax or post-tax basis? Why?
91. Are there any fees that are not included in your standard pricing that would be the responsibility of the insured?
92. What is the maximum benefit available on a guaranteed issue basis?
93. Will existing employees be subject to evidence of insurability requirements during open enrollment in subsequent years if choosing to enroll in a new product or moving from one plan to a higher benefit plan? If yes, what are the evidence of insurability requirements?
94. Please explain the evidence of insurability process if applicable.
95. Please detail the claims adjudication process. What information must the participant provide with a claim submission? What documentation is used to determine the validity of a claim submission?

96. Please describe the claims appeal process. Is this the same for all three coverages?

E. Other Coverage

97. Please provide a short description of all the alternative group coverages that your company offers. Include information for your typical group pricing structure and sample rates for groups of a similar size. If you are providing supplementary materials, please use a separate tab in your bid. The SEBC will not award these types of coverages on the effective date of this contract, July 1, 2015, but may elect to offer these programs to eligible employees in future years within the contract term. The SEBC would enter into rate and plan design negotiations at that time.

V. Technical Standards and Security Requirements

The following minimum requirements are mandatory. Failure to meet any of these proposal criteria may result in disqualification of the proposal submitted by your organization. Omission of responses and forms could result in a determination that your bid is non-responsive.

DIRECTIONS –

- A. Because your responses to this section of the RFP will be analyzed by a different department, please provide your hard copy responses in a separate section or tab. For the pdf submission, please submit a separate and complete pdf copy. (You must also scan the documents with signatures, such as the *Confidentiality* and *Subcontractor* forms, to include with your complete electronic copy.)
- B. The *Technology Exception Tracking Chart*, Appendix C, for this section is different and separate from the chart for the *Responses Exception Tracking*, Appendix G. If you have an exception, you must copy and paste the term into the chart and provide a detailed explanation, or, check the box to acknowledge that you take no exceptions in this section and submit it with your bid package.

REQUIREMENTS -

1. Data Ownership:

Please confirm your understanding that because the services requested in this RFP are fully-insured products and the data provided by the State is used for underwriting purposes, the ownership of the data resides with the vendor and therefore the vendor assumes all the responsibilities of ownership including, but not limited to, liability for inappropriate disclosure.

Response:

2. Confidentiality and Data Integrity:

The Contractor is required to agree to the requirements in the *Confidentiality and Integrity Of Data Statement*, Appendix A, and submit a signed copy in their bid response. Contractor employees, individually, may be required to sign the statement prior to beginning any work.

Response:

3. Security and Encryption:

Computer, network, and information security is of paramount concern for the State and the Department of Technology and Information. The State wants to ensure that computer/network hardware and software does not compromise the security of its IT infrastructure.

- a. The SANS Institute and the FBI have released a document describing the Top 20 Internet Security Threats. The document is available at www.sans.org/top20.htm for your review. The contractor confirms that any systems or software provided by the contractor are free of the vulnerabilities listed in that document.

Response:

- b. The awarded vendor shall maintain network security policy compliance in accordance with Secure File Transport to secure data classified as confidential or higher per the Data Classified Policy when moving non-public data regardless of the transit mechanism. The policy documents are located at:

Secure File Transport:

<http://dti.delaware.gov/pdfs/pp/SecureFileTransport.pdf>

Data Classification Policy:

<http://dti.delaware.gov/pdfs/pp/DataClassificationPolicy.pdf>

Response:

- c. All data files containing personally identifiable or otherwise confidential information non-public data (e.g. employee id, DOB, etc.) should be encrypted at rest using industry strength encryption protocols as outlined in the State's Web Application Security standard. The policy document is located at:

<http://dti.delaware.gov/pdfs/pp/WebApplicationSecurity.pdf>

If encryption at rest is not possible, please describe existing security measures that provide a similar level of protection.

Response:

4. Disposal:

Electronic information storage devices (hard drives, tapes, diskettes, compact disks, USB, multifunction peripherals, etc.) shall be disposed of in a manner compliant to industry standards. The policy document is located at:

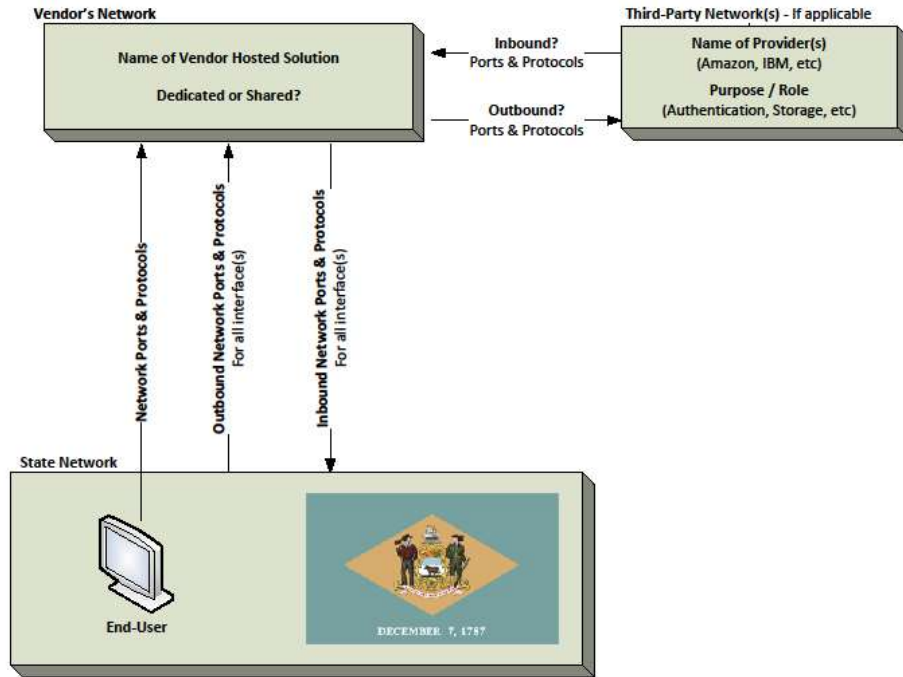
<http://dti.delaware.gov/pdfs/pp/DisposalOfElectronicEquipmentAndStorageMedia.pdf>

Response:

5. Network Diagram:

Please provide a diagram with ports that clearly documents the user's interaction with your organization's website and the State. The network diagram should follow this example:

**Network Diagram Template
For Hosted / Outsourced Solutions**



Confirm Attached:

6. Software Inventory:

A software inventory is required that lists any software that the State needs if you are awarded the contract. For example, a certain web browser (IE) or web service technology for an interface. Please use the form at Appendix B – *Software Inventory*.

Confirm Attached:

7. File Transfers:

The State does not transfer files. Please confirm your acceptance that vendors are required to use Secure File Transport Protocol (SFTP).

Response:

8. Subcontractors:

The State requires your organization to confirm that all services identified in your proposal are provided solely by your organization and identify any services that may be provided by a subcontractor. Subcontractors are subject to all the terms and conditions of the RFP. If a subcontractor(s) is involved, note in your response to this question and complete Appendix

K, *Subcontractor Information Form*, included herein for each subcontractor. The company MWBE and veteran owned information is for self-identification only.

Response:

9. Additional Data Request:

Please confirm your agreement that if you are awarded the contract and then request additional data, whether or not on a file feed or in a report, the State shall determine the cost of supplying the data or deny the request.

Response:

APPENDICES

APPENDIX A

Contractor Confidentiality (Non-Disclosure) and Integrity of Data Agreement

STATE OF DELAWARE DEPARTMENT OF TECHNOLOGY AND INFORMATION

William Penn Building
801 Silver Lake Boulevard
Dover, Delaware 19904

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, 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.

I/we, as an employee(s) of _____ or officer of my firm, when performing work for the Department of Technology and Information, understand that I/we act as an extension of DTI and therefore I/we are responsible for safeguarding the States' data and computer files as indicated above. I/we will not use, disclose, or modify State data or State computer files without the written knowledge and written authorization of DTI. Furthermore, I/we understand that I/we are to take all necessary precautions to prevent unauthorized use, disclosure, or modification of State computer files, and I/we should alert my immediate supervisor of any situation, which might result in, or create the appearance of, unauthorized use, disclosure or modification of State data.

Penalty for unauthorized use, unauthorized modification of data files, or disclosure of any confidential information may mean the loss of my position and benefits, and prosecution under applicable State or Federal law.

This Statement applies to the undersigned Contractor and to any others working under the Contractor's direction.

I, the Undersigned, hereby affirm that I have read DTI's Policy on Confidentiality (Non-Disclosure) and Integrity of Data and understood the terms of the above Confidentiality (Non-Disclosure) and Integrity of Data Agreement, and that I/we agree to abide by the terms above.

Contractor or Employee Signature: _____

Date: _____

Contractor Name: _____

APPENDIX B

SOFTWARE INVENTORY

Please list any software that the State will need to have installed on servers or user’s machines.

Example: (Internet Explorer, IE8 in Compatibility Mode, Microsoft, Yes, Yes)

Software Product Name	Version	Vendor	Required for Development?	Required for Production/Support?

Note: Feel free to create an excel document with these columns. Use additional pages as necessary.

Appendix C

TECHNOLOGY EXCEPTION TRACKING CHART

Responses must include all exceptions to the specifications, terms or conditions contained only in the *Technology Standards and Security Requirements* section. If the vendor is submitting the response without exceptions, please state so below.

- By checking this box, the vendor acknowledges that they take no exceptions to the specifications, terms or conditions found in the *Technology Standards and Security Requirements* section.

Page and ? #s	(Copied) Term	Detailed Exception	Proposed Alternative, if different

Note: Feel free to create an excel document with these columns. Use additional pages as necessary.

APPENDIX D

Plan Design Templates

See separate Excel document.

APPENDIX E

Rate Exhibit Templates

See separate Excel document.

APPENDIX F

STATE OF DELAWARE NON-COLLUSION STATEMENT

This is to certify that the undersigned Vendor has neither directly nor indirectly, entered into any agreement, participated in any collusion or otherwise taken any action in restraint of free competitive bidding in connection with this proposal, **and further certifies that it is not a sub-contractor to another Vendor who also submitted a proposal as a primary Vendor in response to this solicitation** submitted this date to the State of Delaware, Office of Management and Budget.

It is agreed by the undersigned Vendor that the signed delivery of this bid represents the Vendor's acceptance of the terms and conditions of this solicitation including all specifications and special provisions.

NOTE: Signature of the authorized representative **MUST** be of an individual who legally may enter his/her organization into a formal contract with the State of Delaware, Office of Management and Budget.

<input type="checkbox"/>	Corporation
<input type="checkbox"/>	Partnership
<input type="checkbox"/>	Individual

COMPANY NAME _____
(Check one)

NAME OF AUTHORIZED REPRESENTATIVE _____

SIGNATURE _____ TITLE _____

COMPANY ADDRESS _____

PHONE NUMBER _____ FAX NUMBER _____

EMAIL ADDRESS _____

FEDERAL E.I. NUMBER _____ STATE OF DELAWARE LICENSE NUMBER _____

COMPANY CLASSIFICATIONS:	Certification type(s)	Circle all that apply	
	CERT. NO.:	Minority Business Enterprise (MBE)	Yes
	Woman Business Enterprise (WBE)	Yes	No
	Disadvantaged Business Enterprise (DBE)	Yes	No
	Veteran Owned Business Enterprise (VOBE)	Yes	No
	Service Disabled Veteran Owned Business Enterprise (SDVOBE)	Yes	No

[The above table is for informational and statistical use only.]

PURCHASE ORDERS SHOULD BE SENT TO (COMPANY NAME): _____

ADDRESS _____

CONTACT _____

PHONE NUMBER _____ FAX NUMBER _____

EMAIL ADDRESS _____

AFFIRMATION: Within the past five years, has your firm, any affiliate, any predecessor company or entity, owner, Director, officer, partner or proprietor been the subject of a Federal, State, Local government suspension or debarment?

YES _____ NO _____ if yes, please explain _____

THIS PAGE SHALL BE SIGNED, NOTARIZED AND RETURNED FOR YOUR BID TO BE CONSIDERED

SWORN TO AND SUBSCRIBED BEFORE ME this _____ day of _____, 20 _____

Notary Public _____ My commission expires _____

City of County of State of _____

APPENDIX H

PERFORMANCE GUARANTEES

IMPORTANT: If you propose different guarantees or performance results, please use a strikeout font and insertion. Please fill out the column labeled “% of Premiums at Risk” so the total equals 5.0% of premiums which is the minimum level the State requires. The State does, however, reserve the right to negotiate both financial and non-financial performance guarantees with the selected vendor.

Terms: Vendor will perform a review of its records to determine whether each standard was met for the time period of the quarter immediately preceding the 45th day of the month following the end of a quarter (for example, September 15 for the first quarter of the plan year – July 1 to June 30). Quarterly results will be averaged on an annual basis and penalty payments, if any, will be made annually within six (6) months of the end of the plan year. In no instance will a measurement or penalties apply to any period less than a full quarter.

Guarantee	Performance Results	Definition/Calculation	% of Premiums at Risk
Implementation and On-Going Administration			
Open Enrollment Communications	100% of enrollment materials will be provided within three (3) days of need-by date for all requests received at least ten (10) days prior to need-by dates. Attendance at all enrollment meetings.	Self-Explanatory	
Certificate of Insurance	100% of certificates will be delivered within ten (10) business days of receipt of clean membership data.	Measured from the last date of Open Enrollment or new employee enrollment to the date the certificates are delivered. (Membership files received after 4:00 ET will count as the next business day.)	

Eligibility Updating	97% of electronic eligibility files will be process within two (2) business days of receipt of clean data delivered via SFTP.	Measured from the date the eligibility file is received by vendor to the date eligibility files are loaded to vendor's system. (Eligibility files received after 4:00 ET will count as the next business day.) Measured on vendor's book of business.	
Eligibility Reporting	99% of membership post-processing reports will be forwarded within one (1) business day of processing of eligibility files.	Measured from the date membership files are processed to the date post-processing reports are forwarded to client. Measured based on book of business.	
New Member Communications	100% of new member communications sent to newly eligible employees within fourteen (14) calendar days.	Measured from date of eligibility file receipt	
Payroll Files	100% of payroll files will be sent and processed from PHRST/UD each pay period as per prescribed schedule.	Measured based on prescribed schedule adherence.	
Reconciliation	100% of payroll deductions will be reconciled monthly.	Self-Explanatory	
Implementation Satisfaction	Mutually agreeable project plan created within thirty (30) days of award. Membership File: Initial eligibility file loaded within two (2) days of receipt of clean data per project plan, via SFTP, with post-processing report delivered within one (1) business day of load. (Assumes data testing completed in advance with client sign-off on results.)	Self-Explanatory	

	Accuracy of Benefit Designs loaded to system: All plan designs set up and quality checked in advance of effective date. All data elements quality checked prior to effective date. If there are any findings during the quality audit, a mutually agreeable corrective action plan will be in place prior to the effective date.		
Claim Processing			
Financial Accuracy	Vendor will pay the correct amount on clean and valid claims with at least 99.5% accuracy.	Based on a statistically significant sample of the specific client claims population. (Calculation: total \$ correctly paid in sample / total \$ in sample)	
Claim Turnaround Time – Processing	95% of clean and valid claims processed within five (5) business days	Measurement: Claim received date to the date claim is processed and ready for payment. The received date will be defined as the date all necessary information is received by the insurer.	
Claim Turnaround Time – Processing	99% of clean and valid claims processed within fifteen (15) business days following receipt of all required documentation.	Measurement: Claim received date to the date claim is processed and ready for payment. The received date will be defined as the date all necessary information is received by the insurer.	
Processing Accuracy	Percentage of claims processed accurately without payment or non-payment errors	Self-Explanatory	
Member Services			

Call Abandonment Rate	No more than 2.5% of calls received.	The Abandonment Rate represents the % of all callers who hang up prior to being answered. Calls abandoned within eight (8) seconds or less are excluded from the calculation. Calculation: all abandoned calls divided by the total numbers of calls received. Measured on Book of Business.	
Call Center – Email Responsiveness	Responding to 95% of calls/emails within 24 hours, excluding holidays.	Self-Explanatory – Measured on Book of Business.	
First Call Resolution	98.5% First Call Resolution	Calculation: Total Calls with issues resolved on the first call divided by total calls received. Measured on Book of Business.	
Telephone Response Time	95% of call responded to within 45 seconds.	Calculation: Total calls answered within forty-five (45) seconds or less divided by total calls received. Measured on Book of Business.	
Provider Relations			
Complaints / Appeals / Grievance Resolution	98% of written complaints will be acknowledged in writing within three (3) business days of mail/fax/email receipt. 98% complaint resolution in thirty (30) days.	Self-Explanatory	

Reporting			
Reporting Package	Produce a Reporting Package as mutually determined within forty-five (45) days of the end of the reporting period.	Self-Explanatory	
Information Technology			
Web Site Maintenance	Web site accessible to plan participants a minimum of 98% of the time.	Self-Explanatory Measured on Book of Business	
Account Management			
Account Mgt Meeting	Quarterly account management meetings with the State of Delaware with at least one on-site annually	Self-Explanatory	
Overall Satisfaction	Score of Strongly Agree (5), Agree (4), or Satisfactory (3) with SBO's account management team based upon the Account Management Survey, Attachment 1.	Self-Explanatory	
Surveys			
Member Survey	95% member satisfaction	Measured quarterly from Delaware's participants	
		Total	5.0%

APPENDIX I

OFFICER CERTIFICATION FORM

Please have an officer of your company review and sign this worksheet to confirm the information is valid. Please include completed form with proposal.

Officer's Statement	
Company's Legal Name	
Company's Marketing Name (if different)	
Street Address	
City	
State	
Zip	
Phone Number	
Fax Number	
Email Address	
Name of Officer Completing Statement	
Title of Officer Completing Statement	
Phone Number of Officer Completing Statement	
Email Address of Officer Completing Statement	

I certify that our response to the State of Delaware's Request for Proposal for the Supplemental Benefits Program is complete and accurate to the best of my knowledge and contains no material omissions or misstatements. I acknowledge that the State of Delaware will rely upon the information included in our response to make decisions concerning the administration of these benefits that are offered to their employees.

Officer's Signature

Date Signed

APPENDIX K

SUBCONTRACTOR INFORMATION FORM

PART I – STATEMENT BY PROPOSING VENDOR		
1. CONTRACT NO.	2. Proposing Vendor Name:	3. Mailing Address
4. SUBCONTRACTOR		
a. NAME	4c. Company OSD Classification: Certification Number: _____	
b. Mailing Address:	4d. Women Business Enterprise <input type="checkbox"/> Yes <input type="checkbox"/> No 4e. Minority Business Enterprise <input type="checkbox"/> Yes <input type="checkbox"/> No 4f. Disadvantaged Business Enterprise <input type="checkbox"/> Yes <input type="checkbox"/> No 4g. Veteran Owned Business Enterprise <input type="checkbox"/> Yes <input type="checkbox"/> No 4h. Service Disabled Veteran Owned Business Enterprise <input type="checkbox"/> Yes <input type="checkbox"/> No	
5. DESCRIPTION OF WORK BY SUBCONTRACTOR		
6a. NAME OF PERSON SIGNING	7. BY (<i>Signature</i>)	8. DATE SIGNED
6b. TITLE OF PERSON SIGNING		
PART II – ACKNOWLEDGEMENT BY SUBCONTRACTOR		
9a. NAME OF PERSON SIGNING	10. BY (<i>Signature</i>)	11. DATE SIGNED
9b. TITLE OF PERSON SIGNING		

APPENDIX L

EMPLOYING DELAWAREANS REPORT

As required by House Bill # 410 (Bond Bill) of the 146th General Assembly and under Section 30, no bid for any public works or professional services contract shall be responsive unless the prospective bidder discloses its reasonable, good-faith determination of:

1.	Number of employees that would reasonably be anticipated to be employed on this account.	
2.	Percentage of such employees who are <i>bona fide</i> legal residents of Delaware.	
3.	Total number of employees of the bidder.	
4.	Total percentage of employees who are <i>bona fide</i> residents of Delaware.	

If subcontractors are to be used:

1.	Number of employees who are residents of Delaware.	
2.	Percentage of employees who are residents of Delaware.	

APPENDIX M

FINANCIAL RATINGS

Carrier's most recent rating or filing (identify date) from the following agencies:

Vendor Ratings	Rating
A.M. Best: Rating Status	
Financial Rating (if rated)	
Date (if rated; if not rated, leave response cell blank)	
Standard & Poors: Rating Status	
Financial Rating (if rated)	
Date (if rated; if not rated, leave response cell blank)	
Fitch (formerly Duff and Phelps): Rating Status	
Financial Rating (if rated)	
Date (if rated; if not rated, leave response cell blank)	
Moody's: Rating Status	
Financial Rating (if rated)	
Date (if rated; if not rated, leave response cell blank)	

1. Has there been any change in your organization’s ratings in the last two years? If yes, please explain the nature and reason(s) for the change.
2. Are there any outstanding legal actions pending against your organization? If so, please explain the nature and current status of the action(s).
3. What fidelity and surety insurance or bond coverage does your organization carry to protect your clients? Specifically describe the type and amount of the fidelity bond insuring your employees, which would protect this plan in the event of a loss.
4. Does your organization agree to furnish a copy of all such policies for review by legal counsel if requested?
5. Do you anticipate any mergers, transfer of company ownership, sales management reorganizations, or departure of key personnel within the next three (3) years that might affect your ability to carry out your proposal if it results in a contract with the State of Delaware? If yes, please explain.
6. Is your Company affiliated with another company? If yes, please describe the relationship.