



State of Delaware
Office of Management & Budget
Statewide Benefits Office

STATE EMPLOYEE BENEFITS COMMITTEE

**Request for Proposal for the
State of Delaware's Vision Insurance Benefit Program**

May 26, 2015

Intent to Bid Deadline – Friday, June 15, 2015, noon ET

**Mandatory Pre-Bid Meeting (Conference Call) –
Wednesday, June 17, 2015, 1:30 p.m. ET**

Proposals Due – Tuesday, July 07, 2015, by noon ET

OMB15001 – VisionIns

Table of Contents

I. Introduction

A. Background and Overview	4
B. Proposal Objectives	6
C. Scope of Services	6
D. Timetable/Deadlines	7
E. Evaluation Process	8
F. Confidentiality of Documents	11

II. Terms and Conditions

A. Proposal Response Requirements	13
B. General Terms and Conditions	14
C. Submission of Proposal	18

III. Minimum Requirements

23

IV. Questionnaire

A. General Questions	33
B. Claims Processing	34
C. Member Services	34
D. Network Structure/Access	35
E. Plan Design / Coverage Issues	36
F. Implementation	37
G. HIPAA Compliance	37
H. Owned Retail Location Services	38

V. Technical Standards and Security Requirements.....

39

Appendices

Appendix A: Claim Cost Examples	(on disc)
Appendix B: Plan Design Template	45
Appendix C: Rate Quote	51
Appendix D: State of Delaware Non-Collusion Statement	52
Appendix E: Responses Exceptions Tracking	53
Appendix F: Performance Guarantees	54

Appendix G: Officer Certification Form	59
Appendix H: RFP Terms and Conditions Exception Tracking	60
Appendix I: Subcontractor Information Form	61
Appendix J: Employing Delawareans Report	62
Appendix K: Financial Ratings	63
Appendix L: Technology Exception Tracking Chart	64
Appendix M: Software Inventory	65
Appendix N: Non-Public Data Owned by the State of Delaware - Mandatory Terms and Conditions	66
Appendix O: Data Confidentiality Agreement	71

Attachments

1. Master Report Schedule for All Groups
2. Account Management Survey
3. File Layouts for PHRST (State) and Pension Office
4. Vendor Usage and 2nd Tier Spending Reports
5. PHRST 26-Pay Cycle Deduction Schedule
6. Eligibility Rules
7. Business Associate Agreement
8. On Disc:
 - Historical enrollment and paid claims
 - Historical utilization
 - Enrolled and eligible census data
 - Vision counts by zip code **(to be completed)**
 - Vision provider disruption file **(to be completed)**

I. Introduction

On behalf of the State of Delaware, the State Employee Benefits Committee (SEBC) is seeking proposals to continue providing a Vision Insurance program to approximately 55,000 active employees and pensioners of the State of Delaware and their dependents.

For complete information about the benefit, please go to <http://ben.omb.delaware.gov/vision/default.shtml>

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, 2016
Open Enrollment:	May, 2016
Intent to Bid Due¹:	Monday, June 15, 2015, by noon ET
Mandatory Pre-Bid Meeting (Conference Call)²	Wed June 17, 2015, 1:30 p.m. ET
Follow-up Questions Due:	Friday, June 19, 2015, by noon ET
Proposal Submissions Due:	Tuesday, July 7, 2015, 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

¹ IMPORTANT: Your bid will not be accepted if the State of Delaware does not receive an email or written confirmation of an Intent to Bid. See Section II.B.3 for details.

² IMPORTANT: Your bid will not be accepted if your organization does not participate in the Mandatory Pre-Bid Meeting (Conference Call). See Section II.B.5 for details.

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

As of March, 2015, the number of enrolled and eligible members are as follows:

Tier	Active/ Employees	Pensioners	COBRA	Total
Subscriber Only	5,494	4,421	18	9,933
Subscriber + Spouse	2,956	4,084	4	7,044
Subscriber + Child(ren)	2,755	324	1	3,080
Subscriber + Family	3,766	402	3	4,171
Grand Total Enrolled	14,971	9,231	26	24,228
Total Eligible	25,471	25,623		51,094

In this RFP, a pensioner is defined as both non-Medicare retirees and Medicare eligible retirees. Approximately 10,000 school district employees along with the University of Delaware employees are offered a vision benefit through their school district and are not eligible to participate in the State’s vision plan. However, effective at the start of each fiscal year, July 1, a school district(s) may drop their coverage and those employees can elect to participate in the State’s plan.

A signed non-disclosure agreement is required by the Intent to Bid deadline of Monday, June 15, 2015, by noon ET. Census, claims/utilization, and provider network files will only be provided to those bidders after a confirmation of intent to bid and a signed non-disclosure agreement is received. NOTE: Brokers cannot execute the non-disclosure agreement on behalf of their client. Please see Section II.B.3 in the *General Terms and Conditions* for more detail.

The Mandatory Pre-Bid Meeting will be a webinar conference call to discuss bid submission requirements for the hard copies and electronic copies. Additionally, we will review the technology requirements. All other topics will be addressed in the written Question and Answer process. **IMPORTANT:** Your bid will not be accepted if your organization does not participate in the Mandatory Pre-Bid Meeting. See Section II.B.5 in the *General Terms and Conditions* for more detail.

Bidders are required to include a plan that provides insurance that meets or exceeds the minimum plan design in Appendix B. Bidders may 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 and pensioners. Once it has been determined that a bidder has met the Minimum Requirements and has been selected as a finalist, additional plan designs will be evaluated.

Interested vendors are encouraged to review the program's details at:
<http://ben.omb.delaware.gov/vision/default.shtml>

B. Proposal Objectives

The SEBC desires to contract with an organization specializing in providing a vision insurance benefit program 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 voluntary vision benefits;
- 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 members³:

- a. Voluntary Vision Benefit Program – Please see Appendix B for the minimum (current) benefit plan design. Diabetic services and vision therapy services are not required to be a part of the plan design.
- b. Reputation and historical experience in the vision insurance benefit market.
- c. Superior program implementation support.
- d. Provide excellent account management to the Statewide Benefits Office with timely reporting and ease of accessibility to the account manager.
- e. Support the State with communication to all eligible employees about the vision insurance program with posters, flyers, newsletters, brochures and other types of media along with occasional direct mailings to eligible employees.
- f. Ease of access by participants to a secure web portal for enrollment and plan information.
- g. Capability to accept electronic transfer of employee eligibility information.

³ This is a general list of services. Details are set forth in the minimum qualifications and questionnaire sections.

- h. Accepting eligibility and deduction files in existing file layouts.
- i. Excellent customer service to eligible employees and pensioners.
- j. Processing and payments of claims in a timely manner.
- k. Offer an adequate vision provider and retail vendor network to eligible participants.

D. Timetable/Deadlines

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

Event	Target
RFP Released	Tues 05/26/15
Intent to Bid Deadline ⁴	Mon 06/15/15, noon ET
Mandatory Pre-Bid Meeting (Conference Call) ⁵	Wed 06/17/15, 1:30 p.m. ET
Follow-up Questions due to SBO from Confirmed Bidders – noon ET	Fri 06/19/15
Responses to Questions to Confirmed Vendors	By Fri 06/26/15
Deadline for Bids	Tues 07/07/15, noon ET
Notification of Finalists - Invitation to Interview	Week of 08/10/15
Finalist Interviews ⁶	Tuesday, 09/01/15
Contract Award	September, 2015
Open Enrollment	May, 2016
Plan Effective Date	Fri 07/01/16

⁴ IMPORTANT: Your bid will not be accepted if the State of Delaware does not receive an email or written confirmation of an Intent to Bid. See Section II.B.1 for details.

⁵ The Mandatory Pre-Bid Meeting will be a webinar conference call to discuss bid submission requirements for the hard copies and electronic copies. Additionally, we will review the technology requirements. All other topics will be addressed in the written Question and Answer process. IMPORTANT: Your bid will not be accepted if your organization does not participate in the Mandatory Pre-Bid Meeting. See Section II.B.5 for details.

⁶ 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 discussion regarding customer service and account management on-line functions. Because the finalist notifications may go out as late as a week or two beforehand, SAVE THE DATE of Tuesday, September 1, 2015.

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 SEBC will not respond to a question in the question and answer process that asks whether or not a bid would be disqualified if the vendor does not meet a specific minimum requirement. The bid must be submitted and then analyzed in its entirety.

The proposing firm's ability to meet the Technology and Data Requirements in Section V 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 the contract to one vendor.

Evaluation Criteria

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

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 design. 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. Best and Final Rates will not be requested after your bid submission. Please provide your best and final rates with your initial proposal.
Organization's Ability and Experience - 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. Qualifications and experience of the organization's personnel to provide excellent customer service to the participants and account management services.
Network – 20%	Adequate vision provider (optometrist, optician, and ophthalmologist) and retail vendor network provided.
Administrative Services - 20%	Demonstrated ease of access to account management personnel and the ability to be responsive and solve problems for members and the Statewide Benefits account team. Ability to provide reports and all account management services within required timeframes.

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. Whether or not the vendor is the incumbent, the *Data Confidentiality Agreement*, Appendix O, is required of the awarded vendor before data exchanges can take place for implementation prior to the Open Enrollment period. The *Technology Mandatory Terms and Conditions* document, Appendix N, will be an attachment to the *Data Confidentiality Agreement* and, therefore, the same data technology requirements that are in effect for the contract will also be in effect during implementation and prior to the effective date of the contract, July 1, 2016. **The Data Confidentiality Agreement must be signed by your organization and any subcontractor(s) used for technology services within five (5) business days of the recommendation for an award by the Proposal Review Committee to the SEBC.** If the document is not signed within five (5) business days, the recommendation will be withdrawn and the PRC will recommend their second choice to the SEBC for an award at the next regularly scheduled SEBC meeting.

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 typically are treated as confidential only until the contract to the awarded vendor has been executed and cannot be included as proprietary information.

The State of Delaware wishes to create a business-friendly environment and procurement process. As such, the State respects the vendor community's desire to protect its intellectual property, trade secrets, and confidential business information. Proposals must contain sufficient information to be evaluated. If a vendor feels that they cannot submit their proposal without including confidential business information, they must adhere to the following procedure or their proposal may be deemed non-responsive, may not be recommended for selection, and any applicable protection for the vendor's confidential business information may be lost.

In order to allow the State to assess its ability to protect a vendor's confidential business information, vendors will be permitted to designate appropriate portions of their proposal as confidential business 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. The State shall independently determine the validity of any vendor designation as set forth in this section. Any vendor submitting a proposal or using the procedures discussed herein expressly accepts the State's absolute right and duty to independently assess the legal and factual validity of any information designated as confidential business information. Accordingly, vendors assume the risk that confidential business information included within a proposal may enter the public domain.

Please see Section II.C., *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 Monday, June 15, 2015, no later than noon ET. Upon receipt, a Word document of the RFP will be provided. **Your bid will not be accepted if the State of Delaware does not receive an email or written confirmation of an intent to bid.** Include the following information: company name and address, the name, title, and email address of the primary contact along with the same information for a secondary contact.
2. **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.
3. **Non-Disclosure Agreement** - A signed non-disclosure agreement is required by the Intent to Bid deadline of Monday, June 15, 2015, by noon ET. Census, claims/utilization, and provider network files are collectively referred to as Attachment 8 throughout the RFP. These documents will only be provided to those bidders after a confirmation of an intent to bid and a signed non-disclosure agreement is received. These documents. NOTE: Brokers cannot execute the non-disclosure agreement on behalf of their client. After signature, scan all the pages and e-mail to Ms. Laurene Eheman at laurene.eheman@state.de.us. The data files will be sent via UPS overnight mail and instructions to access the data file will be included in the reply email confirmation.
4. **Definitions** – The following terms are used interchangeably throughout this RFP:
 - a. bidder, vendor, contractor, organization, service provider
 - b. SEBC, State of Delaware
 - c. proposal, bid, vendor’s submission
5. **Mandatory Pre-Bid Meeting** – A webinar will take place on Wednesday, June 17, 2015, at 1:30 p.m. ET. The purpose is to discuss the bid submission requirements of the organization and formatting of hard copies and electronic copies. We will also discuss the technology requirements. Your organization’s primary contact for the RFP or their designee must participate. Two other representatives are highly encouraged to participate – the administrative person who will be compiling the hard and electronic copies, and, the person who will be responding to the requirements in the *Technical Standards and Security Requirements* section. **Your bid will not be accepted if your organization does not participate in the webinar.** Questions regarding other topics will not be entertained and must be submitted in the Questions process as described in Section II.B.7.

6. **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 H. 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 of 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.

7. **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 statements⁷ 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, June 19, 2015, by noon ET.** So that we can be sure to respond within the context of the question, if you are referring to a specific question or term, you must copy the question or information and reference the section, question number, and/or page number. The SBO will then put all questions received and the responses into one document and send it to all vendors who confirmed their intention to bid.

Contract/Rate Guarantee Periods

The term of the contract will be for three (3) years beginning July 1, 2016. The vendor must guarantee the rates through June 30, 2019. Vendors will be asked if they are willing to provide rate caps for two (2) additional optional one-year periods that may be exercised at the discretion

⁷ Statements made by the State during the Mandatory Pre-Bid Meeting regarding the requirements for proposal submission (hard and electronic copies) and responses to the Technical Standards and Security Requirement section that are not in the RFP may be compiled and issued as an Addendum.

of the SEBC effective July 1, 2019 and July 1, 2020. 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 F.

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 State's primary goals in administering all its contracts is to keep accurate records regarding actual value/usage. This information is essential in order to update the contents of a contract and to establish proper bonding levels if they are required. The integrity of future contracts revolves around the State's ability to convey accurate and realistic information to all interested parties. For benefit programs, only the administrative fees are reported.

A complete and accurate Usage Report (for illustrative purposes, Attachment 4) 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. The SBO will submit this report on your behalf, and because this is an employee pay-all program and there no fees paid by the State, the report will state "zero".

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 4.

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. You will be asked for this information and the SBO will submit this report on your behalf.

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 four (4) 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. Loockerman Street, Suite 320
Dover, DE 19904
Phone: (302) 739-8331

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.⁸ 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:

⁸ 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.

For all transactions, the following conditions must be met:

- individual section policies are followed;
- verbal price quotes are obtained;
- State Contracts must be utilized;
- purchases over \$3,000 have a corresponding purchase order prior to the charge and fragmentation of purchases is prohibited.

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

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

2. Coordinator/Back-Up Coordinator – Designation, Roles and Responsibilities
The Coordinator or Back-Up Coordinator will be responsible for maintaining a file which shows all applications, signed affidavits, and policies and procedures. Any issue that arises with the employee 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 comply with the state and federal legislation, regulations, policies and procedures.

[REDACTED] and attached to a weekly log (Esh280 C). 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 designer.

Reconciler - The Reconciler is responsible for applying the shared information in the First State Financial system. The Reconciler is also responsible for ensuring that the purchases comply with the state and federal legislation, regulations, policies and procedures.

Approval - [REDACTED]

3. Request for an Application
All requests need to be addressed to the employee's supervisor for approval. The supervisor then 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 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	4	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 Tuesday, July 7, 2015**. 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 G, 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 Ehemann 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 D, 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

IMPORTANT: 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. If your organization is the current vendor, please reply with a full explanation to every question since the review committee may not be familiar with the current contract or your services.

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. Include 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 vision insurance benefit 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 vision insurance benefit account management, of which three (3) years’ experience must have been in providing vision insurance benefit account management services to clients of similar size. Please provide a statement detailing such experience and a resume.
3. Of your company's current clients, using the list of information below, provide three (3) or more references with an excess of 50,000 eligible lives and 20,000 enrolled lives or participants. One of the three must be a public sector client of any size of eligible lives or participants. Additionally, provide references for three (3) terminated clients and note the date of termination and reason.

Your company must have proven ability to perform the services described in this RFP, therefore, you must provide the references at this time in order to show your ability to serve clients of a similar size. If requested in your bid response, the SEBC will agree to notify you before contacting your references during the initial bid analysis process. Then, if selected as a finalist, you will be asked to arrange for your current client references to contact Ms. Laurene Eheman. Specific instructions will be provided at that time.

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 participate in the vision insurance benefit
 - g. Effective date of contract
 - h. (Date and reason for termination, if applicable)
4. 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 will provide a demonstration of on-line information and any account management functions.
 5. 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.
 6. Please confirm that enrollment information will be mailed to the homes of all newly hired and newly eligible employees within fourteen (14) calendar days upon receipt of the eligibility file from the State.
 7. Please confirm that your organization will not use the names, home addresses or any other information obtained about participants of the vision insurance benefit 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.
 8. 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.
 9. Please confirm that your organization will provide on-site representation throughout Delaware for two days of benefit representatives' meetings in April each year as well as approximately five days of Health Fairs in May at various locations in all three counties.
 10. 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 concerning the open enrollment period.
 11. Please confirm that you will provide a customer service toll-free telephone line during normal business hours.

12. Please confirm that you will provide a toll-free telephone number for Statewide Benefit Office account management personnel and HR benefit representatives.
13. 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 must follow the eligibility rules for the vision plans – Section 10.01 (Attachment 6). Your organization must accept the State's eligibility rules for employees, pensioners and their dependents (which are highlighted in the attachment) and cannot deviate. (Please note that dependent coverage is available until age 26.)
14. Please confirm that your system is able to handle multiple coverage termination rules depending on the type of Qualifying Event (QE). The State requires that coverage terminates at the end of the month for all QEs except:
 - a. Coverage terminates the day after the effective date of a divorce; and
 - b. Coverage for the ex-spouse of a retiree covered by a Medicare supplement plan will terminate on the last day of the month in which the divorce is final.
15. Please confirm that the same tiered rates will be one set of rates that will apply to eligible active employees, pensioners and COBRA participants.
16. Please confirm that your company will accept active employee premiums through bi-weekly pre-tax payroll deductions.
17. Please confirm that your company will accept pensioner premiums through automatic payroll deduction from their monthly pension benefit.
18. Please confirm that your company will accept a *separate* monthly check from the State of Delaware for premiums paid by Long Term Disability beneficiaries and retirees who are not receiving a pension check.
19. Please confirm that your organization accepts the following concerning premium payment. Premiums will be paid to your organization via monthly payroll deductions, within thirty (30) days of the end of the month.
20. The vendor agrees to abide by the State's lagged payroll billing and payment process. The monthly payroll deductions will be paid within thirty (30) days of the end of that month. If an employee misses a payment under a non-payroll payment agreement, no payment will be made by the State to the vendor. The vendor agrees to provide credit for retroactive terminations for up to ninety (90) days.
21. The State shall have no obligation to pay premiums or fees to the vendor for the performance of services of this employee-pay-all benefit. It is expressly understood that the work defined in the appendices to this Agreement must be completed by the vendor and it shall be the vendor's responsibility to ensure that hours and tasks are properly budgeted so that all services are completed.

22. Minimum (Current) Plan Design, Claim Cost Examples, and Rate Quote:

- a. Appendix B provides a plan that represents the current plan design offered to employees. If you are unable to match this minimum plan design, you must provide for coverage that is equivalent or higher than current benefit. The diabetic care and vision therapy services are not required to be part of the plan design, however we are requesting quotes including these services. Please complete Appendix B and include it in your bid package.
- b. To correspond with your response in Appendix B, please fill out Appendix A, *Claim Cost Examples* (on disc).
- c. For your rate quote on this plan design, use Appendix C, *Rate Quote*. Census and claims/utilization data are provided as Attachment 8 on the disc. Provide one set of rates per tier which will apply to employees and pensioners for a three (3) year contract period beginning July 1, 2016. You must guarantee the contract period rates through June 30, 2019. The State will have the option to renew the contract annually following the initial three-year contract period. Vendors must also provide renewal rate caps expressed in a percentage for optional Years 4 and 5 to be effective on July 1, 2019 and July 1, 2010. If Years 4 and 5 are left blank, please confirm that renewal rate caps are not being offered.
- d. Label this hard copy set as “Minimum Plan Design” with your company name.
- e. On the electronic copies, make sure the file name is changed to state the plan design. For example: “Minimum Plan Design”, “Minimum Plan Design Claim Cost Examples”, and “Minimum Plan Design Rate Quote”.
- f. **Best and Final Rates will not be requested. Please provide your best and final rates with your initial proposal.**

23. Alternative Plan Design(s), Claim Cost Examples, and Rate Quote:

Bidders may also submit alternate plan designs for evaluation by the SEBC for each coverage. Bidders are encouraged to submit at least one alternate plan design so the SEBC can choose the coverage levels. The diabetic care and vision therapy services are not required to be part of the plan design, however we are requesting quotes including those services.

Similarly, using Appendices A, B, and C, provide your alternative levels of coverage, claim cost examples, and rate quotes. Clearly label the additional set(s) of hard copies and the electronic copies as suggested above.

Best and Final Rates will not be requested after your bid submission. Please provide your best and final rates with your initial proposal.

24. On a monthly basis and at no cost to the State, after implementation, the vendor agrees to provide the State's disease management vendor and/or data mining vendor with claims

data. The Contractor may, at the direction of the State, be required to provide claims data to other parties and/or business partners of the State, including, but not limited to, the State's healthcare consultant, actuary, and data mining vendor, as determined necessary for the administration of the State's Group Health Insurance Program. Such requests shall be fulfilled at no cost to the State. State acknowledges that the release of claims data must be done in compliance with HIPAA Privacy rules and regulations.

25. Please confirm your acceptance that there is no minimum enrollment requirement for the coverages listed in the RFP.
26. If awarded the contract, you agree to recruit the top five (5) providers currently utilized by the current active employees and the top five (5) providers currently utilized by the retirees if they are not currently in the network for your organization.
27. Please confirm that services will extend nationwide to all eligible employees and retirees.
28. Please confirm that all optometrists and opticians who are employed by your organization carry professional liability insurance. In-network optometrists and ophthalmologists are required to carry professional liability insurance of at least \$2 million aggregate and \$1 million per occurrence. In-network opticians are required to carry professional liability insurance \$1 million aggregate and \$1 million per occurrence.
29. Please confirm that your organization will run a geo-access analysis and provider disruption on an annual basis to compare the prior year's information with the current year's census, Attachment 8. If the results of the geo access and provider disruption indicate a negative 10% net change or more, the State reserves the right to renegotiate the rates.
30. If your organization is not the incumbent and is awarded the contract, please confirm that participants enrolled in the program through June 30, 2016, will be eligible for benefits that are covered once a year. In other words, if a participant used the frames and lenses benefits on June 30, the same participant could use the same benefit with your company on July 1.
31. Do you guarantee that all insureds (including COBRA participants) that would have continued to be covered on the plan effective date if there had been no change in vendors will be covered by your policy on the plan effective date?
32. Please confirm that your organization will perform **all** premium and plan coverage and tier enrollment reconciliations at no cost to the State. The necessary data to perform these reconciliations will be provided through the eligibility feeds and payroll deduction files.
33. Open Enrollment must be done via the eBenefits module in PeopleSoft for active employees. For State pensioners, the Office of Pensions will enter enrollment and changes using a paper enrollment form into a PeopleSoft system. All enrollment and changes during open enrollment and throughout the year will be transmitted to the selected vendor via a weekly file process. The selected vendor will receive weekly, two separate enrollment files, one for the active employee population and one for the pensioner population. The vendor must use the current file specifications, see Attachment 3, and will only receive the employee/pensioner identification number on the enrollment files. Under

no circumstances will the full nine (9) digits for social security numbers be released. Please confirm your acceptance.

34. 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.
35. Active 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) are provided in Attachment 5. 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 accept the payroll deductions of multiple deductions in specific pay periods with no benefit deductions as noted in the summer months.
36. Please confirm that your organization can provide the reports listed in the *Master Report Schedule for All Groups*, Attachment 1, at no cost to the State. If so, please indicate if these reports are available on-line? Please provide a sample of these types of reports and include samples of any reports that are available but not listed.
37. Please confirm that your organization can provide *ad hoc* reports as requested. Is there a fee for such reports? If so, please indicate on Appendix C, *Rate Quote*. Please provide a sample of a type of *ad hoc* report that was produced for a client.
38. Please confirm that all fees or costs to administer the program are included in your premiums quoted on the *Rate Quote* form, Appendix C. Because this is an employee-pay-all plan, **the State will not pay for any costs** to communicate or administer the program. Some examples, but certainly not all, would be start-up or implementation costs, booklet drafting or printing, postage, attendance at on-site meetings and health fairs, etc.
39. 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.
40. Please confirm that commission percentages, brokerage or contingent fees are not payable to any agent or broker.
41. 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.
42. 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.
43. 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.

44. 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.
45. Please confirm your company is appropriately licensed to do business in the State of Delaware and provide a copy of the license.
46. 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.
47. Please confirm that your organization is operating as an independent contractor and 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.
48. 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 per occurrence and \$3,000,000 aggregate
c.	Misc. Errors and Omissions	\$1,000,000 per occurrence and \$3,000,000 aggregate

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.

49. The effective date of the contract awarded under this RFP will be July 1, 2016. It is anticipated that the award will be made in September, 2015. Please confirm that if you are awarded the contract no later than November 30, 2015, you would be able to successfully implement the vision insurance benefit program for a May open enrollment period and a July 1, 2016, effective date.

50. If awarded the contract, please confirm your organization's willingness to enter into performance guarantees. Please follow the instructions in Appendix F and include the completed *Performance Guarantees* form in your bid package. You must 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.
51. 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.
52. **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.

53. 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.
54. 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.
55. 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 I, *Subcontractor Information Form*, included herein for each subcontractor. The company MWBE and veteran owned information is for self-identification only.
56. 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.

57. 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.
58. 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.
59. 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.
60. 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.
61. 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.
62. 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.
63. Please confirm your acceptance that in the event of any dispute under the contract, you consent to jurisdiction and venue is in the State of Delaware and that the laws of the State of Delaware shall apply to the contract except where Federal law has precedence.

64. Please confirm your acceptance that the State of Delaware reserves the right to pre-approve any news or broadcast advertising releases concerning this solicitation, the resulting contract, if awarded, the work performed, or any reference to the State of Delaware with regard to any project or contract performance. Any such news or advertising releases pertaining to this solicitation or resulting contract shall require the prior express written permission of the State of Delaware.
65. Please confirm that, if awarded the contract, your organization will accept the terms in the *Business Associate Agreement*, see Attachment 7. For your response, if you do not believe that the terms apply to this service, a fully-insured product, please provide your reasons. 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.**
66. Please confirm you have filled out the *State of Delaware Non-Collusion Statement* form, Appendix D, and included it in your bid package.
67. Please confirm you have filled out the *Officer Certification Form*, Appendix G, and included it in your bid package.
68. Please confirm you have filled out the *Employing Delawareans Report*, Appendix J, and included it in your bid package. (The number of Delawareans employed by your organization are not taken into consideration during the evaluation or scoring of your bid.)
69. Please confirm you have filled out the *Financial Ratings Form*, Appendix K, and included it in your bid package.

IV. Questionnaire

Instructions:

- A. 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.
- B. Generic responses or stock answers that do not address State-specific requirements will be deemed unresponsive. “Will discuss” and “will consider” are not appropriate answers.
- C. 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.
- D. If your organization is the current vendor, please reply without a full explanation to every question since the review committee may not be familiar with the current contract or your services.
- E. Responses Exception Tracking, Appendix E – 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 organization’s vision benefit enrollment as of January 1, 2015:

# of Employees Covered	# of Employer Plans Inforce	# and List of State Government Plans Inforce	# of Public Sector Plans Inforce Other than State Govt

2. In the past twelve (12) months, has your organization closed any network services areas? If yes, please list the areas.
3. Is your firm anticipating expansion, restructuring or reorganization in the near future? If so, please explain.

4. Has your organization acquired, been acquired by, or merged with another organization in the past 24 months? If so, please explain.

B. Claims Processing

5. What is the location of the claim office that would service this group? If there is more than one location, please list all locations. Will locations vary by network and non-network claim submission?
6. Will dedicated or designated member service representatives be assigned to the State? Are member service representatives separated from the claim-processing unit or do claim processors have member service responsibilities? Do member service reps have on-line access to up-to-date claim processing information? Do member service reps have authority to approve claims?
7. In the last calendar year:
 - a. How many claims has your organization processed?
 - b. What percentage of your claims were for in-network services?
 - c. What percentage of your in-network claims were automatically adjudicated?
8. What is your average in-network claims backlog in days? Out-of network?
9. What is your in-network claims processing turn-around time? Out-of network?
10. Please submit a sample of all forms that would be used in the administration of the vision plans (*e.g.*, claim form, completed EOB, ID cards).

C. Member Services

11. What standard communications materials can you provide to the State at no cost? Can materials be customized, for example – adding the State’s logo, at no cost? Provide a sample of communications material available to members with regard to plan design, discount programs, network providers, etc.
12. Which of the following member functions do you provide via the internet?
 - a) Eligibility Status/Changes (yes/no)
 - b) Provider Directory (yes/no)
 - c) Provider Profiles (yes/no)
 - d) Plan Design Details (yes/no)
 - e) Claims Status (yes/no)
 - f) Other (list):

13. Will SBO's administrative staff have on-line access to enrollment information?
14. Please describe all internet and mobile application tools available to members.
15. Are bilingual services available; either on the website or customer service telephone line?
16. Please describe in detail your company's quality assurance programs.
17. Please describe in detail your company's procedures for handling complaints by providers and complaints and grievances by members.

D. Network Structure / Access

18. Do you own retail vision service locations? If so, please provide a list of all your owned retail locations in the State of Delaware.
19. Please complete disruption analysis for the vision providers (optometrists, opticians, physicians, etc.) and retail locations. The corresponding files are on the disc referred to as Attachment 8. In addition, please provide a list of your network vision providers and retail locations not noted in the disruption report.
20. Describe how participants select network providers. Do you provide member support services for selecting and/or locating network providers and for answering provider credential questions that members may have?
21. Please describe your vision care network in areas where there are State employees, see the reports in Attachment 8. In your response, please describe the type of vision care network (i.e., chain opticians only, independent opticians only, mixed chain opticians/independents, other (specify)). **Provide number and percentages by type.**
22. What are the standard hours of your network providers including night and weekend hours, if applicable?
23. Are there any vision services or specialties that are not available in your network in any of the areas in which there are State employees? If so, what are they? What provisions are made for patients requiring these services?
24. Based on employee and pensioner zip codes found in the reports in Attachment 8, please run a report (such as a GeoAccess report) based on:
 - a) All employees and all network optometrists.
 - b) All employees and all network ophthalmologists.
 - c) Also provide the results requested by county.

The parameters of the report must be based on access to two (2) optometrists within a five (5) mile radius and to one (2) ophthalmologist within a five (5) mile radius. Please include these

analyses as a separate section in your proposal. ***Do not limit your analysis of employees to only those located in the network service area.***

25. Please specify the number of licensed optometrists, ophthalmologists and provider locations in each of the locations shown in the following table. Please indicate unique providers (i.e. per NPI) - do not count individual providers twice. (See the report in Attachment 8)

Zip Code	Optometrists		Ophthalmologists		Provider Locations	
	Private	Chain	Private	Chain	Private	Chain
197**						
198**						
199**						

26. How do your providers recognize a patient as a participant in your vision program (e.g. voucher, ID card, electronic connection to your eligibility database, etc.)? Please explain.
27. Do members need to present an ID card to either in-network or out-of-network providers or both?
28. Can members access an ID card on-line?
29. Are EOBs available on-line or mailed? Can the member choose which method they prefer?
30. Describe the general credentialing process and minimum criteria necessary to be selected as a network provider. If the process differs by type of provider, please indicate and describe separately.
31. How does your organization measure the quality of care provided by the providers in your network?

E. Plan Design / Coverage Issues

32. Do members pay up-front and submit claims for reimbursement or are members responsible for only plan co-pays?
33. Do providers accept a Visa card as payment through a Flexible Spending Account (FSA)?
34. If a paper claim submission is required, what is the turn-around time for a member's claim to be processed (date of receipt to date check is issued)?
35. Are there any time limits for submitting claims?
36. Do you (or any of your providers) require a benefit differential between in-network and out-of-network benefits?
37. Check which services are covered in an exam and list any additional services that are included:

Exam Includes	Check if Yes
Case history	
Recording corrected and uncorrected visual	
Internal exam	
External exam	
Pupillary reflexes	
Binocular vision	
Objective refraction	
Subjective refraction	
Test for glaucoma	
Slit lamp exam (Biomicroscopy)	
Dilation	
Dilated fundus examination	
Color vision	
Depth perception	
Other	

38. Provide information on discount arrangements you can offer members (professional fees, materials, value-added features). What value-add services that can be extended without cost to the State?
39. Does your organization offer any discounts on eye care solutions such as saline, lubricants, drops, etc.?
40. Do network discounts still apply to claims after a State employee has exhausted the State's vision benefits?

F. Implementation

41. Please provide a detailed implementation schedule, assuming an Open Enrollment of May, 2016, and a July 1, 2016 effective date.

G. HIPAA Compliance

42. Is your organization compliant with the HIPAA requirements for disclosing individual health information electronically?
43. Describe your policy and procedures for ensuring that recipients of individual health information, which your organization has disclosed electronically, will maintain its confidentiality.

44. Will you agree to a contract provision that certifies your organization operates, and will continue to operate for the term of the contract, in conformity with HIPAA?

H. Owned Retail Location Services

45. What services are covered with respect to the dispensing of frames and lenses?

46. Are frames and lenses ordered or fitted on site? If frames and lenses are ordered, what is the average waiting period between placement of order and delivery of frames and lenses?

47. What assurances exist that a wide frame selection exists at your retail locations?

48. What is your replacement policy for frames and lenses?

49. How long are frames and lenses guaranteed?

50. What services are covered with respect to dispensing contact lenses?

51. Are contact lenses ordered or fitted on site? If contact lenses are ordered, what is the average waiting period between placement of order and delivery of lenses?

52. What is your replacement policy for contact lenses?

53. How long are contact lenses guaranteed?

54. Are the labs that manufacture the materials owned by your organization? If not, list the labs and manufacturers that will be providing materials.

55. What mail order services are available/provided? Please describe.

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 *Subcontractor* form(s), to include with your complete electronic copy.)
- B. The *Technology Exception Tracking Chart*, Appendix L, for this section is different and separate from the chart for the *Responses Exception Tracking*, Appendix E. 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. Exceptions of the terms in Appendix N, *Non-Public Data Owned by the State of Delaware - State of Delaware Cloud and/or Offsite Hosting Mandatory Terms and Conditions*, must be included with your response on that form.

REQUIREMENTS -

1. File Layouts:
The State of Delaware (PHRST) 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. Termination of an employee's or pensioner's coverage and their dependents, if any, must be processed by comparing the latest eligibility file to the preceding eligibility file. **Changes, either of a data type or addition of a data type, will not be accepted.** The vendor must use the current file specifications and will only receive the employee identification number. Under no circumstances will the full nine (9) digits for social security numbers be released.

Response:

2. Indemnity:
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, including any claims or expenses with respect to the resolution of any **data security breaches/ or incidents**, 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.

Response:

3. Security and Encryption:

Computer, network, and information security is of paramount concern for the State and the Department of Technology and Information.

- a. Threats - 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. Please complete Appendix N, *Non-Public Data Owned by the State of Delaware - State of Delaware Cloud and/or Offsite Hosting Mandatory Terms and Conditions*, and include it in your bid package. **If you have any response other than "accepted" or "confirmed" with an explanation**, your response is considered an exception that will be evaluated by the SEBC. Provide a detailed explanation **on this form only**, Appendix N, and include a citation, if applicable (for example, Delaware Department of Insurance or a federal law). This document will be an attachment to Appendix O, *Data Confidentiality Agreement*, that applies to data exchange during implementation and before the contract effective date of July 1, 2016. It will also be an exhibit to the contract.

Response:

c. Data Confidentiality Agreement –

Part 1: The *Data Confidentiality Agreement*, Appendix O, is required of the awarded vendor before data exchanges can take place for implementation prior to the Open Enrollment period. The *Technology Mandatory Terms and Conditions* document, Appendix N, will be an attachment to the *Data Confidentiality Agreement* and, therefore, **the same data technology requirements that are in effect for the contract will also be in effect during implementation and prior to the effective date of the contract, July 1, 2016**. If your organization has suggested changes to the *Data Confidentiality Agreement*, please provide a red-lined document with explanations. **Be advised, however, that the State cannot agree to major changes.**

Part 1 Response:

Part 2: After the finalist interview, if your organization is selected by the Proposal Review Committee (PRC) as their recommendation to the SEBC for the contract award, the Department of Technology and Information (DTI) must approve the technology section of your bid submission. **Within five (5) business days of the approval by DTI, the *Data Confidentiality Agreement* must be signed by your organization and any subcontractor(s) used for technology services. If the document is not signed within five (5) business days, the PRC recommendation to award the contract will be withdrawn. Alternatively, if the contract is awarded by the SEBC before the DTI review process is complete, the award will be contingent upon DTI's approval and the signature of the *Data Confidentiality Agreement* within five (5) business days.**

Part 2 Response:

d. Additional security measures are required by the State of Delaware for the transmission of its data. Please refer to the following policies and respond:

i. **The requirement of at least ten (10) characters in a password is non-negotiable.**

The policy document is located at:

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

Response:

ii. If Delaware data will be transmitted via email or accessible on a mobile devices, the following requirements apply:

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

Response:

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

Response:

4. 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 M – *Software Inventory*.

Confirm Attached:

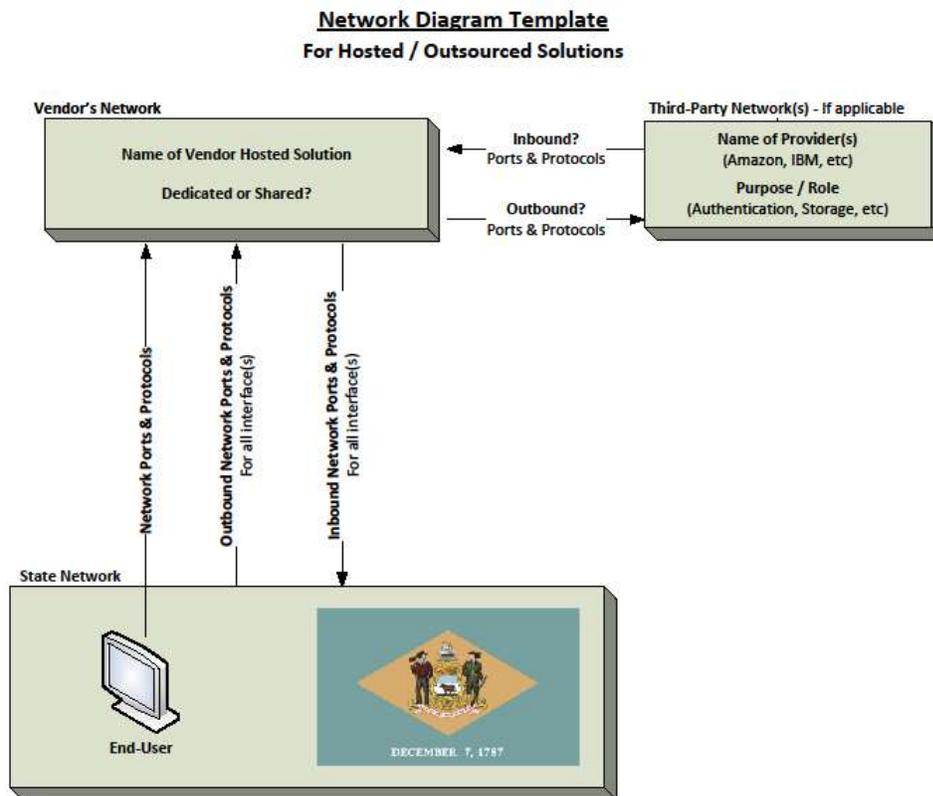
5. Additional Data Requests:

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 and may deny the request.

Response:

6. 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 the following example:



Confirm Attached:

APPENDICES

APPENDIX A

CLAIM COST EXAMPLES

See the excel spreadsheet on the disc and refer to the instructions in the corresponding questions in the *Minimum Requirements* section.

APPENDIX B

PLAN DESIGN TEMPLATE

NOTE: On the last page of this Appendix B, please note proposed exclusions and limitations that differ from the current and minimum plan for the general vision benefit, diabetic vision services, and vision therapy. **The *alternative level* requested in the table below is for the cost only.** Detail your proposed exclusions or limitations on the last page of this section.

See the corresponding questions in the Minimum Requirements section for the instructions to propose alternate plan designs and their corresponding claim cost examples and rates.

	Current Benefit Member In-Network Cost	Match current benefit (Y or N)? If no, propose alternative cost.	Current Benefit Out-of-Network Reimbursement*	Match current benefit (Y or N)? If no, propose alternative cost.
Exam Dilation as necessary Refraction	\$10 co-pay \$0 \$0		Up to \$35	
Diabetic Services (Available for Type 1 and 2 Diabetics) Medical Follow Up Exam (CPT codes 99211-99215) Retinal Imaging (CPT code 92250) Extended Ophthalmoscopy (CPT code 92225 and 92226) Gonioscopy (CPT code 92020) Scanning Laser (CPT code 92135)	\$0 co-pay \$0 co-pay \$0 co-pay \$0 co-pay \$0 co-pay		\$77 \$50 \$15 \$15 \$33	
Vision Therapy Services Vision Therapy Evaluation Vision Therapy Service	\$0 co-pay 25% co-pay for up to 10 therapy sessions per benefit year		\$46 25% co-pay for up to 10 therapy sessions per benefit year	
Exam Options – Contact Lenses Standard Fit and Follow-Up Premium Fit and Follow-Up	Up to \$55 10% off retail price		None None	
Frames**	\$0 copay, 20% off balance over \$160		Up to \$45	
Standard Plastic Lenses Single Vision Bifocal Trifocal Lenticular Standard Progressive Premium Progressive Lens Tier 1 Tier 2	\$20 copay \$20 copay \$20 copay \$20 copay \$85 \$105 \$115		Up to \$25 Up to \$40 Up to \$55 Up to \$55 Up to \$40 Up to \$40 Up to \$40	

	Current Benefit Member In-Network Cost	Match current benefit (Y or N)? If no, propose alternative cost.	Current Benefit Out-of-Network Reimbursement*	Match current benefit (Y or N)? If no, propose alternative cost.
Tier 3 Tier 4	\$130 \$85 plus (80% of charge less \$120 allowance)		Up to \$40 Up to \$40	
Standard Lens Options UV coating Tint (solid and gradient) Standard scratch resistance Standard polycarbonate - Adults Standard polycarbonate – Kids Under 19 Standard anti-reflective coating Premium Anti-reflective coating (scheduled) Tier 1 Tier 2 Tier 3 Photochromic/Transitions Plastic Polarized Other add-ons and services	\$15 \$15 \$0 \$40 \$0 \$45 \$57 \$68 80% of charge \$75 20% off retail price 20% off retail price		None None \$5 None \$5 None None None None None None	
Contact Lenses*** Conventional Disposable Medically necessary	\$0 copay, 15% off balance over \$160 \$0 copay, 100% of balance over \$160 \$0 (paid in full by plan)		Up to \$105 Up to \$105 Up to \$200	
Lasik or PRK from US Laser Network	15% off retail price 5% off promotional price		None	
Frequency - based on <i>Date of Last Service</i> Exam Diabetic Services Vision Therapy Evaluation Vision Therapy (no P/A needed) Lenses <i>or</i> Contact Lenses Frames	Once every 12 months Once every 6 months Once every 12 months Up to 10 visits every 12 months Once every 12 months Once every 12 months		Once every 12 months Once every 6 months Once every 12 months Up to 10 visits every 12 months Once every 12 months Once every 12 months	

- * Participant is responsible to pay the out-of-network provider in full at time of service and then submit an out-of-network claim form for reimbursement. Participant will be reimbursed up to the amount shown on the chart.
- ** Frame allowance provides no remaining balance for future use within the same Benefit Frequency.
- *** For prescription contact lenses for only one eye, the Vision Care plan will pay one-half of the amount payable for contact lenses for both eyes. Contact Lens allowance is a declining balance. Any remaining balance may be used within the same benefit frequency. Where the Insured Person previously used an In-Network Provider, the remaining balance must be used with the same or any other In-Network Provider. Where the Insured Person previously used an Out-of-Network Provider, the remaining balance must be used with the same or any other Out-of -Network Provider.

GENERAL VISION BENEFIT EXCLUSIONS AND LIMITATIONS

Benefits are not provided for services or materials arising from:

1. Subnormal vision aids and any associated supplemental testing; Aniseikonic lenses;
2. Medical, pathological and/or surgical treatment of the eye, eyes or supporting structures;
3. Any eye or Vision Examination, or any corrective eyewear required by a Policyholder as a condition of employment; safety eyewear;
4. Services provided as a result of any Workers' Compensation law, or similar legislation, or required by any governmental agency or program whether federal, state or subdivision thereof;
5. Non-Prescription lenses;
6. Two pair of glasses in lieu of bifocals;
7. Services or materials provided by any other group benefit plan providing vision care;
8. Services rendered after the date an Insured Person ceases to be covered under the Policy, except when Vision Materials ordered before coverage ended are delivered, and the services rendered to the Insured Person are within 31 days from the date of such order;
9. Lost or broken lenses, frames, glasses, or contact lenses will not be replaced except in the next Benefit Frequency when Vision Materials would next become available;
10. Services, supplies, prescription medication or treatment for diabetes, except as specifically included under the Diabetic Eye Care Benefit; and
11. Any Vision Therapy provided for Nystagmus, Traumatic Brain Injury, Learning Disability, Dyslexia or any other condition not specifically included under the Vision Therapy Benefit.
12. Discount benefits may not be combined with any discount, promotional offering, or other group benefit plans.
13. Certain brand name vision materials in which the manufacturers imposes a no-discount practice.

DIABETIC SERVICES CPT CODE DEFINITIONS

Exam Services

99211 – Office or other outpatient visit for the evaluation and management of an established patient, that may not require the presence of a physician. Usually presenting problems are minimal.

99212 – Office or other outpatient visit for the evaluation and management of an established patient, which requires at least 2 of these 3 components: 1) A problem focused history 2) A problem focused examination 3) Straightforward decision making. Usually the problem(s) are self-limited or minor.

99213 – Office or other outpatient visit for the evaluation and management of an established patient, which requires at least 2 of these 3 components: 1) An expanded problem focused history 2) An expanded problem focused examination 3) Medical decision making of low complexity. Usually the problem(s) are of low to moderate severity.

99214 – Office or other outpatient visit for the evaluation and management of an established patient, which requires at least 2 of these 3 components: 1) A detailed history 2) A detailed examination 3) Medical decision making of moderate complexity.

99215 – Office or other outpatient visit for the evaluation and management of an established patient, which requires at least 2 of these 3 components: 1) A comprehensive history 2) A comprehensive examination 3) Medical decision making of high complexity.

Other Services

92225 – **Ophthalmoscopy, extended**, with retinal drawing (eg. For retinal detachment, melanoma), with interpretation and report. Frequency for providing these services depends upon the medical necessity in each patient and this, of course, relates to the diagnosis. **A serious retinal condition must exist, or be suspected, based on routine ophthalmoscopy, which requires further detailed study.**

In all instances extended ophthalmoscopy must be medically necessary. It must add information not available from the standard evaluation services and/or information that will demonstrably affect the treatment plan. It is not medically necessary, for example, to confirm information already available by other means.

92226 – subsequent to 92225

92250 – **Fundus photography** with interpretation and report . Fundus photography is a process using special optical imaging equipment e.g., cameras to photograph structures of the eye. To document a disease process or follow the progress of a disease, photographs may be necessary. Photographs may also be necessary to plan treatment for a disease process.

92135 – Scanning computerized ophthalmic diagnostic imaging, posterior segment, (eg. scanning laser) with interpretation and report, unilateral.

92020 – **Gonioscopy** (separate procedure) Gonioscopy is an eye examination to look at the front part of your eye (anterior chamber) between the cornea and the iris.

Diabetic Services Exclusions and Limitations

The Diabetic Benefit covers diabetic eye care evaluation services only. The following services and benefits are excluded:

1. Costs associated with securing frames, lenses, or any other materials.
2. Orthoptics or vision training and any associated supplemental testing.
3. Surgical procedures, including laser or any other form of refractive surgery, and any pre or post-operative services.
4. Pathological treatment of any type for any condition.
5. Any eye examination required by an employer as a condition of employment.
6. Insulin or any medications or supplies of any type.
7. Services and/or materials not included in this benefit.

VISION THERAPY DEFINITIONS

Exam Services

Sensorimotor examination with multiple measurements of ocular derivation, with interpretation and report.

Vision Therapy Sessions

Orthoptic and/or pleoptic training, with continual medical direction and evaluation.

Vision Therapy Exclusions and Limitations

The Vision Therapy Benefit covers vision therapy eye care evaluation services only. The following services and benefits are excluded:

1. Subnormal vision aids, and any associated supplemental testing; Aniseikonic lenses.
2. Costs associated with securing frames, lenses, or any other materials.
3. Surgical procedures, including laser or any other form of refractive surgery, and any pre or post-operative services.
4. Pathological treatment of any type for any condition.
5. Any eye examination or evaluation required by an employer as a condition of employment.
6. Services, materials, supplies, prescription medication or treatment except as specifically included in this benefit.
7. Any vision therapy session provided for Nystagmus, Traumatic Brain Injury, Learning Disability, Dyslexia or any other condition not specifically included as a Covered Condition in this benefit.

(continued on next page)

APPENDIX C

Rate Quote

****PROVIDE ONE SET OF RATES PER TIER FOR ELIGIBLE EMPLOYEES AND PENSIONERS****

Rate Exhibit I: Vision Benefits including Diabetic and Vision Therapy Services

Tier	Enrollment	Years 1, 2 and 3 (07/01/16 – 06/30/19) Monthly Rates	Optional Year 4 (07/01/19 - 06/30/20) Rate Increase Cap %	Optional Year 5 (07/01/20 – 06/30/21) Rate Increase Cap %
Subscriber	10,000			
Subscriber + Spouse	7,000			
Subscriber + Child(ren)	3,000			
Family	4,000			
Annual Total	24,000			

Rate Exhibit II: Vision Benefits excluding Diabetic and Vision Therapy Services

Tier	Enrollment	Years 1, 2 and 3 (07/01/16 – 06/30/19) Monthly Rates	Optional Year 4 (07/01/19 - 06/30/20) Rate Increase Cap %	Optional Year 5 (07/01/20 – 06/30/21) Rate Increase Cap %
Subscriber	10,000			
Subscriber + Spouse	7,000			
Subscriber + Child(ren)	3,000			
Family	4,000			
Annual Total	24,000			

Note: *Subscriber* includes both employees and pensioners.

1. Because this is an employee-pay-all plan, **the State will not pay for any costs** to administer the program. Some examples, but certainly not all, would be start-up or implementation costs, booklet drafting or printing, postage, attendance at on-site meetings and health fairs, etc. Please confirm that the rates that you quote include all services and supplies in the implementation and administration of the vision plan.

Response:

2. **Confirm your understanding that best and final rates will not be requested after your bid submission.**

Response:

3. Cost for *ad hoc* reports, if requested.

Response:

APPENDIX D

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 F

PERFORMANCE GUARANTEES

INSTRUCTIONS: If you propose alternative guarantees, performance results, or definitions, please use a strikeout font and insertion. **You must 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			
Implementation	<p>Implementation project plan: Mutually agreeable project plan created within 30 days of award.</p> <p>Membership File: Initial membership file loaded within two (2) business 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.)</p> <p>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 (member benefits, networks, billing rates, provider reimbursements, data mapping) prior to effective date. If there</p>	Self-Explanatory	(N/A to incumbent)

Guarantee	Performance Results	Definition/Calculation	% of Premiums at Risk
	are any findings during the quality audit, a mutually agreeable corrective action plan will be in place prior to the effective date.		
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 Health Fairs and Benefit Representative meetings.	Self-Explanatory	
Member ID Cards	100% of Member ID cards will be mailed within 10 business days of receipt of clean membership data (excludes cards requiring translation).	Measured from the date the membership file is received by Vendor to the date ID Cards delivered to USPS. (Membership files after 4:00pm ET will count as the next business day.)	
Eligibility Updating	97% of electronic eligibility files will be processed within two (2) business days of receipt of clean data delivered via SFTP (Paper, email delivery, other = 3 days)	Measured from the date the eligibility file is received by Vendor to the date eligibility files are loaded to Vendor's system (Files after 4:00pm ET will count as the next business day.) **Measured based 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.	

Guarantee	Performance Results	Definition/Calculation	% of Premiums at Risk
		**Measured based on Vendor's Book of Business.	
Eligibility Accuracy	Vendor will load clean eligibility data with at least 99% accuracy.	Based on quality audit of 5% of all electronic file loads each month. **Measured based on Vendor's Book of Business.	
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	97% of Clean and Valid Claims processed within five (5) business days	Measurement: Claim Received Date to date claim processed and ready for payment. (This includes both In-Network and Out-of-Network claims)	
Claim Turnaround Time - Processing	99.5% of Clean and Valid Claims processed within fifteen (15) business days	Measurement: Claim Received Date to date claim processed and ready for payment. (This includes both In-Network and Out-of-Network claims)	
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	

Guarantee	Performance Results	Definition/Calculation	% of Premiums at Risk
		abandoned within eight (8) seconds or less are excluded from calculation). Calculation equals all abandoned calls divided by the total numbers of calls received. **Measured based on Vendor's Book of Business.	
Provider Locator System Availability	Available 99% of the time during normal hours of operation	Self-Explanatory **Measured based on Vendor Book of Business.	
Call Center - Email Responsiveness	Responding to 95% of emails within 24 hours, excluding holidays	Self-Explanatory **Measured based on Vendor's 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 based on Vendor Book of Business.	
Telephone Response Time	95% of calls responded to within 45 seconds	Calculation: Total calls answered within 45 seconds or less divided by total calls received	
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			

Guarantee	Performance Results	Definition/Calculation	% of Premiums at Risk
Reporting Package	Produce timely reports per the <i>Master Report Schedule for All Groups</i> , Attachment 1.	Self-Explanatory	
Information Technology			
Web Site Maintenance	Web site accessible to plan participants a minimum of 98% of the time.	Self-Explanatory **Measured based on Vendor's Book of Business.	
Account Management			
Account Mgt Meeting	Quarterly account management meetings with the State of Delaware with at least one (1) on-site annually.	Self-Explanatory	
Overall Satisfaction	Overall Average Rating of Strongly Agree (5), Agree (4), or Somewhat Agree (3) of SBO's quarterly account management team based upon the <i>Account Management Survey</i> , Attachment 2.	Self-Explanatory	
Surveys			
Member Survey	95% member satisfaction	Measured quarterly from Delaware's participants with a frequency of mailing to be mutually determined.	
		Total	5.00%

APPENDIX G

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 Vision Insurance Benefit 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 I

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 J

EMPLOYING DELAWAREANS REPORT⁹

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.	

⁹ The number of Delawareans employed by your organization are not taken into consideration during the evaluation or scoring of your bid.

APPENDIX K

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.

Appendix N

Non-Public Data Owned by the State of Delaware State of Delaware Cloud and/or Offsite Hosting Mandatory Terms and Conditions

1. **Data Ownership:** The State of Delaware shall own all right, title and interest in its data that is related to the services provided by this contract.¹⁰ The Service Provider shall not access State of Delaware User accounts, or State of Delaware Data, except (i) in the course of data center operations, (ii) in response to service or technical issues, (iii) as required by the express terms of this contract, or (iv) at State of Delaware's written request.

Response:

2. **Data Protection:** Protection of personal privacy and sensitive data shall be an integral part of the business activities of the Service Provider to ensure that there is no inappropriate or unauthorized use of State of Delaware information at any time. To this end, the Service Provider shall safeguard the confidentiality, integrity, and availability of State information and comply with the following conditions:
 - a) All information obtained by the Service Provider under this contract shall become and remain property of the State of Delaware.
 - b) At no time shall any data or processes which either belongs to or are intended for the use of State of Delaware or its officers, agents, or employees, be copied, disclosed, or retained by the Service Provider or any party related to the Service Provider for subsequent use in any transaction that does not include the State of Delaware.

Response:

3. **Data Location:** The Service Provider shall not store or transfer non-public State of Delaware data outside of the United States. This includes backup data and Disaster Recovery locations. The Service Provider will permit its personnel and contractors to access State of Delaware data remotely only as required to provide technical support.¹¹

¹⁰ If, due to the nature of your product, the ownership of the data transfers to your organization when the data is under your control, please so state and provide an explanation and, if applicable, a citation for a regulation or law.

¹¹ The awarded vendor will be required to comply with the Offshore IT Staffing Policy: <http://dti.delaware.gov/pdfs/pp/OffshoreITStaffingPolicy.pdf>. The primary contractor must reside in the United States, be licensed for business in Delaware, and shall be liable for any noncompliance by any subcontractor. It is explicitly forbidden for the primary contractor or subcontractor staff to "share" access privileges. Describe your organization's relationship with any offshore staff, either as employees of your company or that of any subcontractor. State the scope (number and location) of the personnel, their role, and the process of data exchange, including a description of the data security measures.

Response:

4. **Encryption:**
- a) **Data in Transit:** The Service Provider shall encrypt all non-public data in transit regardless of the transit mechanism. The policy documents are located at: <http://dti.delaware.gov/pdfs/pp/SecureFileTransport.pdf> and <http://dti.delaware.gov/pdfs/pp/DataClassificationPolicy.pdf>
- b) **Encryption at Rest:** For engagements where the Service Provider stores sensitive personally identifiable or otherwise confidential information, this data shall be encrypted at rest. The policy document is located at: <http://dti.delaware.gov/pdfs/pp/WebApplicationSecurity.pdf>. Examples are social security number, date of birth, driver's license number, financial data, federal/state tax information, and hashed passwords. The Service Provider's encryption shall be consistent with validated cryptography standards as specified in National Institute of Standards and Technology FIPS140-2, Security Requirements. The key location and other key management details will be discussed and negotiated by both parties. When the Service Provider cannot offer encryption at rest, they must maintain, for the duration of the contract, cyber security liability insurance coverage for any loss resulting from a data breach in accordance with the Cloud and Offsite Hosting Policy, <http://dti.delaware.gov/pdfs/pp/CloudandOffsiteHostingPolicy.pdf>. Additionally, where encryption of data at rest is not possible, the vendor must describe existing security measures that provide a similar level of protection.

Response:

5. **Breach Notification and Recovery:** Delaware Code requires public breach notification when citizens' personally identifiable information is lost or stolen. (Reference: 6 Del. C. § 12B-102. <http://delcode.delaware.gov/title6/c012b/index.shtml>) Additionally, unauthorized access or disclosure of non-public data is considered to be a breach. The Service Provider will provide notification without unreasonable delay and all communication shall be coordinated with the State of Delaware. When the Service Provider or their sub-contractors are liable for the loss, the Service Provider shall bear all costs associated with the investigation, response and recovery from the breach including but not limited to credit monitoring services with a term of at least three (3) years, mailing costs, website, and toll free telephone call center services. The State of Delaware shall not agree to any limitation on liability that relieves a Contractor from its own negligence or to the extent that it creates an obligation on the part of the State to hold a Contractor harmless.

Response:

6. **Notification of Legal Requests:** The Service Provider shall contact the State of Delaware upon receipt of any electronic discovery, litigation holds, discovery searches, and expert testimonies related to, or which in any way might reasonably require access to the data of the State. The Service Provider shall not respond to subpoenas, service of process, and other

legal requests related to the State of Delaware without first notifying the State unless prohibited by law from providing such notice.

Response:

7. **Termination and Suspension of Service:** In the event of termination of the contract, the Service Provider shall implement an orderly return of State of Delaware data in CSV or XML or another mutually agreeable format. The Service Provider shall guarantee the subsequent secure disposal of State of Delaware data.
- a) **Suspension of Services:** During any period of suspension or contract negotiation or disputes, the Service Provider shall not take any action to intentionally erase any State of Delaware data.
 - b) **Termination of any Services or Agreement in Entirety:** In the event of termination of any services or agreement in entirety, the Service Provider shall not take any action to intentionally erase any State of Delaware data for a period of ninety (90) days after the effective date of the termination. After such 90 day period, the Service Provider shall have no obligation to maintain or provide any State of Delaware data and shall thereafter, unless legally prohibited, dispose of all State of Delaware data in its systems or otherwise in its possession or under its control as specified in section 7d) below. Within this ninety (90) day timeframe, vendor will continue to secure and back up State of Delaware data covered under the contract.
 - c) **Post-Termination Assistance:** The State of Delaware shall be entitled to any post-termination assistance generally made available with respect to the Services unless a unique data retrieval arrangement has been established as part of the Service Level Agreement.
 - d) **Secure Data Disposal:** When requested by the State of Delaware, the provider shall destroy all requested data in all of its forms, for example: disk, CD/DVD, backup tape, and paper. Data shall be permanently deleted and shall not be recoverable according to National Institute of Standards and Technology. The policy document is located at:
<http://dti.delaware.gov/pdfs/pp/DisposalOfElectronicEquipmentAndStorageMedia.pdf>

Response:

8. **Background Checks:** The Service Provider shall conduct criminal background checks and not utilize any staff, including sub-contractors, to fulfill the obligations of the contract who has been convicted of any crime of dishonesty, including but not limited to criminal fraud, or otherwise convicted of any felony or any misdemeanor offense for which incarceration for a minimum of one (1) year is an authorized penalty. The Service Provider shall promote and maintain an awareness of the importance of securing the State's information among the Service Provider's employees and agents.

Response:

9. **Data Dictionary:** Prior to go-live,¹² the Service Provider shall provide a data dictionary in accordance with the State of Delaware Data Modeling Standard at <http://dti.delaware.gov/pdfs/pp/DataModelingStandard.pdf>

Response:

10. **Security Logs and Reports:** The Service Provider shall allow the State of Delaware access to system security logs that affect this engagement, its data and or processes. This includes the ability for the State of Delaware to request a report of the records that a specific user accessed over a specified period of time.

Response:

11. **Contract Audit:** The Service Provider shall allow the State of Delaware to audit conformance including contract terms, system security and data centers as appropriate. The State of Delaware may perform this audit or contract with a third party at its discretion at the State's expense. Such reviews shall be conducted with at least thirty (30) days advance written notice and shall not unreasonably interfere with the Service Provider's business.

Response:

12. **Sub-Contractor Disclosure:** The Service Provider shall identify all of its strategic business partners related to services provided under this contract, including but not limited to, all subcontractors or other entities or individuals who may be a party to a joint venture or similar agreement with the Service Provider, who will be involved in any application development and/or operations.¹³

¹² In this instance, "go live" means that if your organization is awarded the contract, for Delaware data only, upon approval by the State, and before the first data exchange. If your organization wishes to claim this information as proprietary and confidential, follow the directions in Section I.F., *Confidentiality of Documents*.

¹³ 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 I, *Subcontractor Information Form*, included herein for each subcontractor.

Response:

13. **Operational Metrics:** The Service Provider and the State of Delaware shall reach agreement on operational metrics and document said metrics in the Service Level Agreement.¹⁴

Examples include but are not limited to:

- a) Advance notice and change control for major upgrades and system changes
- b) System availability/uptime guarantee/agreed-upon maintenance downtime
- c) Recovery Time Objective/Recovery Point Objective
- d) Security Vulnerability Scanning

Response:

By signing this agreement, the Service Provider agrees to abide by all of the above Terms and Conditions.

Service Provider Name/Address (print): _____

Authorizing Official's Title (print): _____

Authorizing Official's Signature: _____

Date: _____

¹⁴ For this product, the terms would be in the contract's statement of work or performance guarantees.

APPENDIX O

DATA CONFIDENTIALITY AGREEMENT

Data Exchange for Enrollment Purposes for Vision Insurance Benefit Program

This Data Confidentiality Agreement (“Agreement”) is undertaken and effective on the date of the State Employee Benefit Committee (SEBC”) award on _____ pursuant to the parties’ performance of a certain contract (“Contract”) effective July 1, 2016, by and between the State of Delaware (“State”) by and through the Office of Management and Budget (“OMB”) on its own behalf and on behalf of the group health plan it sponsors for employees, retirees, and other covered persons, collectively referred to hereafter as “Covered Persons”, and _____ (“Contractor”) with offices at _____, (“Parties”).

WHEREAS, the State issued a Request for Proposal (“RFP”) for the Vision Insurance Benefit Program on May 26, 2015;

WHEREAS, the State Employee Benefit Committee’s (“SEBC”) representatives on the Proposal Review Committee (“PRC”) have voted to recommend the award of the Contract to the SEBC for the Contractor to administer the program as provided in the RFP;

WHEREAS, in order to implement the election of this benefit by the Covered Persons, the State and Contractor must exchange eligibility and payroll deduction files prior to the effective date of the Contract;

WHEREAS, Contractor desires to provide such data technology services to the State on the terms set forth in the Request for Proposal and as stated below;

WHEREAS, the information exchanged by the Parties is classified as Personally Identifiable Information (PII) and is information that, if divulged, could compromise or endanger the people or assets of the State and is data that is specifically protected by law; and

WHEREAS, the State and Contractor represent and warrant that each party has full right, power and authority to enter into and perform under this Agreement;

FOR AND IN CONSIDERATION OF the premises and mutual agreements herein, the State and Contractor agree as follows:

1. The RFP provides for a data extract by and through Payroll Human Resources Statewide Technology (“PHRST”) and the Pension Office to be provided to the Contractor to be used for enrollment by the Covered Persons via the Contractor’s secure website.
2. The RFP requires the Contractor to create and transmit to PHRST and the Pension Office separate payroll deduction files.

3. The RFP requires that the Contractor accept the eligibility files and transmit the payroll deduction in specified formats.
4. In order to facilitate a Covered Person's voluntary election of the benefit and processing of the first payroll deduction on or after the effective date of the Contract, the data is to be used for the following purposes and is not to be used for any other purpose.
 - a. To populate the Contractor's test environment;
 - b. To populate the Contractor's system so that the Covered Persons may voluntarily elect the benefit via the Contractor's secure website during the Open Enrollment term in May, 2016; and
 - c. To create and transmit payroll and pension deduction files before July 1, 2016, for the payroll and pension deduction schedule applicable on July 1, 2016 or thereafter.
5. The eligibility files generated by PHRST and the Pension Office will be placed in a sub-folder on the State's SFTP server. The Contractor is responsible to obtain the file from the server.
6. The payroll and pension deduction files generated by the Contractor will be placed in a sub-folder on the State's SFTP server. PHRST and the Pension Office are responsible to obtain their respective file from the server.
7. No clause of this Agreement shall be considered a waiver of any portion of the terms set forth in the RFP for which a Contract has been awarded to the Contractor. The terms of the document entitled *Non-Public Data Owned by the State of Delaware – Mandatory Terms and Conditions*, which is part of the RFP and a copy of which is attached hereto for reference, shall apply to the eligibility and payroll deduction files to be exchanged prior to the effective date of the Contract.

This Agreement was drafted with the joint participation of the undersigned Parties and shall be construed neither against nor in favor of either, but rather in accordance with the fair meaning thereof.

IN WITNESS THEREOF, the Parties hereto have caused this Agreement to be in effect as of the latest date and year below written.

**STATE OF DELAWARE
OFFICE OF MANAGEMENT AND BUDGET**

CONTRACTOR

Signature
Brenda L. Lakeman
Director of HR Mgt and Benefits Administration

Signature
Printed Name: _____
Title: _____

Date

Date