



STATE OF VERMONT
GREEN MOUNTAIN CARE BOARD

SEALED BID
REQUEST FOR PROPOSAL FOR
Actuarial Services for Major Medical Insurance Rate Review

Expected RFP Schedule Summary:

DATE ISSUED	October 7, 2013
QUESTIONS DUE	October 21, 2013
BIDDERS' CONFERENCE CALL	October 23, 2013 at 2:00pm EST
WRITTEN RESPONSES TO QUESTIONS	October 25, 2013
PROPOSALS DUE	November 15, 2013 by 4pm
DATE AND TIME OF BID OPENING	November 15, 2013 at 4pm
LOCATION OF BID OPENING	3rd Floor, 89 Main Street, Montpelier, VT, 05620
SELECTION NOTIFICATION	December 5, 2013
CONTRACT SELECTION ANNOUNCEMENT	December 5, 2013
WORK START DATE	January 1, 2014

PLEASE BE ADVISED THAT ALL NOTIFICATIONS, RELEASES, AND AMENDMENTS ASSOCIATED WITH THIS RFP WILL BE POSTED AT:

<http://bgs.vermont.gov/purchasing/bids>

CONTACT AGENT: Anna Bassford, Executive Assistant to the Board
MAILING ADDRESS: Green Mountain Care Board
89 Main Street
Montpelier, VT 05620
TELEPHONE : (802) 828-2177
E-MAIL: anna.bassford@state.vt.us

STATE OF VERMONT
Green Mountain Care Board
RFP: Actuarial Services-Major Medical

SEALED BID INSTRUCTIONS

All bids must be sealed and must be addressed to the Green Mountain Care Board, 89 Main Street, Montpelier, Vermont 05620. **BID ENVELOPES MUST BE CLEARLY MARKED 'SEALED BID' AND SHOW THE REQUISITION NUMBER AND/OR BID TITLE, OPENING DATE AND NAME OF BIDDER. ALL BID SUBMISSIONS MUST CONTAIN AN ORIGINAL AND THREE (3) COMPLETE COPIES and one electronic copy, which may be submitted on a CD or to the following email address: anna.bassford@state.vt.us.**

All bidders are hereby notified that sealed bids must be in the office of the Green Mountain Care Board (GMCB) by the bid due date and time. Bidders are cautioned that it is their responsibility to originate the sending of bids in sufficient time to insure receipt by the GMCB on or before the bid due date. Hand carried bids shall be delivered to a representative of the GMCB on or before the bid due date and stamped in by the GMCB representative to indicate the date and time of receipt. Bids not in possession of the GMCB by the due date and time will not be considered.

The GMCB may change the date and/or time of bid openings. If a change is made, the GMCB will make a reasonable effort to inform all bidders.

All bids will be opened publicly. Any interested party may attend bid openings. Bid results may be requested in writing and are available once an award has been made.

From the issue date of this RFP until a Contractor is selected and the selection is announced, bidders are prohibited from communicating with any GMCB staff regarding this procurement, except:

- Anna Bassford, Executive Assistant to the Board

The GMCB shall reserve the right to reject the proposal if this provision is violated.

FAXED BIDS: FAXED bids will NOT be accepted.

ELECTRONIC BIDS: ELECTRONIC bids are required in addition to the hard copies.

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1.0 Overview and General Information

1.1 Overview

The Green Mountain Care Board (GMCB) is soliciting Proposals from qualified vendors to provide health insurance actuarial analysis for insurance carrier rate review. Information about the GMCB's rate review process can be found here: http://gmcboard.vermont.gov/rate_review. On January 1, 2014, the rate review major medical process is changing from the current two-step process involving both the Department of Financial Regulation and the GMCB to a one-step process that will be entirely at the GMCB.

1.2 RFP Background

In January 2014, the Board will take over responsibility for insurance carrier rate review. The Board needs to contract with consulting actuaries to support review of these rate filings. This memo requests the release of an RFP for actuarial consulting services.

The GMCB seeks a contractor with whom to work on developing a more efficient, effective and integrated rate review process for this new set of products. Our aim is a review process that is not piecemeal, eliminates redundancy and improves transparency. A successful contractor will combine actuarial skill and policy analysis, understanding the complex nature of major medical insurance product review in Vermont. The GMCB's task is to improve health while lowering cost.

2.0 Schedule of Events

2.1 Questions and Answers

Any Vendor requiring clarification of any section of this RFP or wishing to comment or take exception to any requirements or other portion of this RFP must submit specific questions in writing no later than October 21, 2013. Questions may be e-mailed to: Anna.bassford@state.vt.us or sent through the mail to: **Anna Bassford, Executive Assistant to the Board, Green Mountain Care Board, 89 Main Street, Montpelier, VT 05620**. At the close of the question period a copy of all questions or comments and the State's responses will be posted on the State's web site <http://bgs.vermont.gov/purchasing/bids> and on the GMCB website. Every effort will be made to have these available as soon after the question period ends, contingent on the number and complexity of the questions.

There will be a **bid conference call on October 23, 2013 at 2:00pm EST**. The conference call number is: 1-866-951-1151 and the participant number is: 4554014.

3.0 Scope of Work

3.1 Deliverables

The work requires a broad range of actuarial and business expertise. The performance of these duties requires sensitivity to, and familiarity with, the Vermont insurance market, general financial standards, actuarial requirements, and standards and guidelines of the National Association of Insurance Commissioners (NAIC) and Vermont law.

1. Actuarial review of health rate filings.
 - a. Actuarial review of small group, large group and individual health rate filings, including:
 - i. The preparation of written reports commenting upon the actuarial methods and rate changes requested by the insurer's filings;
 - ii. Verbal or written explanations of reasons behind any critical comments;
 - iii. Summaries of issues raised by the filing and possible resolutions;
 - iv. Attendance and testimony at public hearings
 - b. Attend State meetings in Montpelier as requested.
 - c. Assist the State in analyzing legislation, writing regulations and bulletins, and attend and testify at public or legislative hearings as requested.
 - d. Respond by telephone to questions raised by the GMCB concerning actuarial matters, insurer filings and the Vermont health insurance market.
 - e. Examine the cost effect of legislation, proposed legislation, or potential legislation on the Vermont health insurance market.
 - f. Assist the State in health care reform analysis and implementation.
 - g. Assist the State with rate enhancement initiatives as proposed in Vermont's Rate Review Enhancement Project including but not limited to: a) conducting rate reviews of large group rates and minor line policies such as student blanket; b) development of rate filing standards and collecting data from third party administrators and c) verifying claims experience and analyzing public program migration.
 - h. Assist the State with the development of standards to be used for carrier rate filings.
 - i. Perform a review of claims experience in order to validate or change the estimated rate increments used by carriers to account for changes and benefits required by federal health care reform, including:

- i. The preparation of written reports commenting on the estimated rate increments used by carriers to account for the changes and benefits required by federal health care reform.
 - ii. Verbal or written explanations of reasons behind any critical comments.
 - iii. Summary of issues raised by the review with conclusions and recommendations.
- j. Perform a migration analysis in order to validate or change the estimated claims costs assumed by carriers for Catamount Health insureds. The preparation of a written report commenting on the estimated claims costs assumed by carriers for Catamount Health insureds. Verbal or written explanations of reasons behind any critical comments. Summary of issues raised by the migration analysis with conclusions and recommendations.
- k. Assist the State with targeted examinations to validate or change assumptions used by carriers in rate filings.
- l. Other work as requested by the State.

Timeline for the work:

The work will commence on January 1, 2014. Vermont's insurance carriers are required to file insurance rate changes for prior approval on quarterly, semi-annual and annual bases depending on the product. The GMCB will work with the successful bidder to develop a specific timeline for rate filings. All rates must be approved, disapproved or modified within 90 days of submission per Vermont statute.

4.0 METHOD OF AWARD

Awards will be made in the best interest of the State of Vermont. The State may award one or more contracts and reserves the right to make additional awards to other compliant Vendors at any time during the first year of the contract if such award is deemed to be in the best interest of the State.

Evaluation Criteria

Proposals that meet the specifications of this RFP, and that are received in this office by the appointed deadline, will be evaluated by a review committee composed of GMCB staff.

Evaluation Factors

- Understanding of Work
- Approach and Methodology

- Licenses or certifications
- Proposed Staff Education, Experience and References
- Wage requirements – hourly labor cost
- Availability and Flexibility - Work schedule restrictions (part-time, full-time, maximum days per week, maximum hours per week months per year, etc.)
- Presentation: Proposed staff experience and references, communication and organizational skills and other pertinent topics.

Procedural Instructions:

If the procedural instructions are not followed, the proposal shall be considered non-responsive. Non-responsive proposals will be eliminated from further evaluation.

5.0 INSTRUCTIONS FOR BID PREPARATION

5.1

The bid is the GMCB's primary vehicle for obtaining essential information upon which contract award decisions are based. Instructions contained in the RFP must be met in order to qualify for consideration for award. Bids that do not meet or comply with all instructions may be considered non-responsive and may be discarded. **Mere reiterations of RFP-stated services are discouraged as they do not provide insight into the bidder's understanding of the required tasks and responsibilities, nor the uniqueness of the bidder's performance capabilities.**

5.2 Bid Submission delivery methods:

- U.S. MAIL: Vendors are cautioned that it is their responsibility to originate the mailing of bids in sufficient time to ensure bids are received and time stamped by the Office of Purchasing and Contracting prior to the time of the bid opening.
- EXPRESS DELIVERY: If bids are being sent via an express delivery service, be certain that the RFP designation is clearly shown on the outside of the delivery envelope or box. Express delivery packages will not be considered received by the State until the express delivery package has been received and time stamped by the Office of Purchasing & Contracting.
- HAND DELIVERY: Hand carried bids shall be delivered to a representative of the Office of Purchasing & Contracting prior to the bid opening.
- ELECTRONIC: Electronic bids will be accepted in addition to the hard copy bids.
- FAX BIDS: FAXED bids will not be accepted.

5.3 Specific RFP Response

STATE OF VERMONT

Green Mountain Care Board

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Vendors must describe their experience for completing similar work as outlined in Section 3- Scope of Work as well as describe their qualifications for meeting the Professional Service Requirements in Section 4. Additionally, Vendors must provide information specific to the personnel (including any subcontractors) assigned to accomplish the work called for in this RFP. Vendors must provide a narrative description of the personnel who will actually work on the contract and provide their title and resume.

References: Provide the names, addresses, and phone numbers of at least three companies or State Agencies that the individual you are proposing has performed similar work within the last 3 years. You must include contact names who can talk knowledgeably about performance and deliverables. The State reserves the right to contact any references provided by the Vendor. The State invites Vendors to provide letters of reference from previous clients.

Technical Bid: This section must describe the bidder's approach and plans for accomplishing the work outlined in the Scope of Work and Contractor Responsibilities section of this RFP. These plans and approaches must be described in sufficient detail to permit the GMCB to fully evaluate them. Further, the bidder must describe the effort and skills necessary to complete the project. The section must contain at least the following information:

A brief introduction outlining the bidder's overall technical approach to complete the requirements. The narrative must demonstrate to the GMCB an understanding of the process that is to be implemented, and persuade the GMCB that the bidder understands the nature of the required work, and the level of effort required.

A description of how the work will be accomplished. Simple statements that a task will be completed, or a reiteration of the RFP are not helpful. **Section 4** of this RFP (**Scope of Work**) shows the interface between the GMCB's responsibilities and the Contractor's responsibilities. Using Section 4 as a guide, the bidder must describe how it will fulfill these responsibilities.

A summary of the problems that the bidder might reasonably expect and its solution to those anticipated problems must be provided.

Enough information must be provided so that the GMCB is assured that the Contractor will be prepared to establish fully effective and efficient operations on the contract's effective start date.

The bidder must supply detailed information concerning any subcontractors proposed to be used during the performance of the responsibilities under the contract.

Organizational Experience: This section of the bid must contain pertinent information relating to the bidder's organization, personnel, and experience, including references together with a contact name and telephone number that will substantiate the bidder's qualifications and performance record. The bid must contain at least the following:

Location of the bidder's headquarters and offices.

If applicable, the bidder must provide the following information about itself and any parent corporation and all subsidiaries and affiliates: (1) an organizational chart by ownership of all affiliated entities; (2) the names and addresses of owners/partners/shareholders of each entity; and (3) the names and addresses of members of the governing board of each entity.

The bid must include a description of the bidder's background and experience in healthcare, and general understanding of the health care system and health insurance in Vermont. Documentation that clearly shows the bidder's experience in performing similar projects must be included. Bidders must include a list of references that reflect this experience.

The bidder must offer such documentation as it believes sufficient to show proof of the bidder's financial capacity to undertake the responsibilities required under this contract.

The bidder must be free of actual or apparent conflict of interest.

The bidder shall procure and maintain professional liability insurance for any and all services performed under the contract, with minimum coverage of \$1,000,000 per occurrence.

Cost Bid: The bidder should offer a cost proposal, distinct from the technical proposal, to provide **one hourly rate for each staff class identified in the proposal.** A blended rate, whereby a proposal identifies one hourly rate for all categories of services, is not acceptable. The GMCB will also not accept a range of hourly compensation for the same staff level or function. Any contract written will require receipts for all expenses other than vehicle mileage or will use per diem rates specified in the "General Service Administration (GSA) Per Diem 2000 study" for lodging, meals and incidentals. Vehicle mileage will be reimbursed at a rate determined at the time the contract is executed. The Contractor must bill the GMCB for work performed at least once a month.

Cost bids must be related to the functions and responsibilities outlined in Section 4.

6.0 BID SUBMISSION

6.1 DUE DATE: The closing date for the receipt of bids is **November 15, 2013 at 4:00 p.m.**

The bid opening will be held at 89 Main Street, Montpelier, VT (3rd floor) at the date and time listed on page one and is open to the public.

All bids shall be submitted in a sealed package and must be clearly marked as follows:

Actuarial Services-Major Medical

6.2 Confidentiality:

All submittals will be subject to the State's Access to Public Records Law, 1 VSA§ 315 et seq. Subsequent to award of this RFP, all or part of any submittal will be released to any person or firm who requests it. Vendors shall specify in their cover letter if they desire that any portion of their submittal be treated as proprietary and not releasable as public information. **A redacted copy should be included for portions of submittal that is not proprietary.**

6.3 Submission Checklist

Hard *Copies* (3)
Original Unbound *Master* (1)
1 CD or emailed electronic copy of the bid
Cover Letter
Experience & Qualifications
References
Cost Proposal
Standard State Provisions for Contracts and Grants
Offshore/outsource form
Certificate of Compliance
Workers' Compensation; State Contracts Compliance Requirement; Self Reporting
Workers' Compensation; State Contracts Compliance Requirement; Subcontractor
Reporting

6.4 Attachments:

Attachment A: Certificate of Compliance
Attachment B: Offshore Outsourcing Questionnaire
Attachment C: Standard State Provisions for Contracts and Grants (Nov 7, 2012)
Workers' Compensation; State Contracts Compliance Requirement; Self Reporting
Workers' Compensation; State Contracts Compliance Requirement; Subcontractor
Reporting
Attachment D: Sample Contract
Attachment E: Other Contract Provisions
Attachment F: Organizational Chart

7.0 General Terms and Conditions

7.1 Statement of Rights

The State of Vermont reserves the right to obtain clarification or additional information necessary to properly evaluate a proposal. Vendors may be asked to give a verbal presentation of their proposal after submission. Failure of Vendor to respond to a request for additional information or clarification could result in rejection of that Vendor's proposal. To secure a project that is deemed to be in the best interest of the State, the State reserves the right to accept or reject any and all bids, in whole or in part, with or without cause, and to waive technicalities in submissions. The State also reserves the right to make purchases outside of the awarded Contracts where it is deemed in the best interest of the State.

7.2 Non-Disclosure Agreement

Contractors will be required to sign a non-disclosure agreement in a form acceptable to the State if there is not already one on file.

7.3 Location of Work

As a general rule, project work will be done offsite. The Contractor will be required to work on-site on occasion to Montpelier, VT, where space will be provided, however travel to other State facilities may be needed and the vendor will be responsible for such travel using its own mode of transportation. Occasional exceptions to this rule may be established by mutual agreement between the Contractor and the State.

Where applicable, the State will provide a project facility with desks, telephone, LAN connections, and printers. If specific laptop computers or other mobile peripheral devices are required by the Contractor then the Contractor must provide its own equipment and will be given the appropriate support by the State. Contractors will be provided support by the State in setting up any accounts or connections required (i.e. State email system, network connectivity, network printing etc.) and vendors will have access to State phones for use in project related business calls. The State will not pay Contractors' cell phone bills.

7.4 CONTRACT TERMS: The selected bidder(s) will sign a contract with the GMCB to provide the services named in the bid, at the price listed. A copy of the standard State contract is attached. PLEASE NOTE THAT THE STATE WILL NOT ACCEPT THE VENDOR'S TERMS AND CONDITIONS IN LIEU OF THE STANDARD STATE CONTRACT PROVISIONS. Acknowledgment of Terms

A statement from the Vendor and its legal counsel acknowledging all Customary State Contract Provisions and Purchasing and Contract Administration Terms and Conditions with any exceptions or additional provisions noted. (These will be considered when making an award).

The GMCB may cancel upon discovery that a bidder is in violation of any portion of the agreement, including an inability by the bidder to provide the services, and/or support offered in their bid. Contracts may be amended by mutual agreement of the parties. The contract may be cancelled by the GMCB by giving written notice at least 30 days in advance. The Contractor may cancel the contract by giving 120 days written notice in advance. If, during the term of the contract, the Contractor cannot provide the required services using the personnel identified in the bid, the Contractor will notify the GMCB and provide assurances that the substitute personnel will in no way diminish the capacity of the Contractor to perform.

7.5 Work Product

All Work Product shall belong exclusively to the State, with the State having the sole and exclusive right to apply for, obtain, register, hold and renew, in its own name and/or for its own benefit, all patents and copyrights, and all applications and registrations, renewals and continuations thereof and/or any and all other appropriate protection. To the extent exclusive title and/or complete and exclusive ownership rights in and to any Work Product may not originally vest in the State by operation of Laws or otherwise as contemplated hereunder, Contractor shall immediately upon request, unconditionally and irrevocably assign, transfer and convey to the State all right, title and interest therein.

“Work Product” means any tangible or intangible work product, creation, material, item or deliverable, documentation, information and/or other items created by Contractor, either solely or jointly with others, including by Contractor staffing that are specifically commissioned by the State under a Contract or other written agreement, and which are developed, conceived of, prepared, procured, generated or produced by Contractor. Work Product specifically excludes any tangible or intangible work product, creation, material, item or deliverable, documentation, information, deliverables and/or other items which were proprietary to the Contractor prior to the date of contracting with the State. Work Product may include ideas, inventions, improvements, discoveries, methodologies or processes, or writings, designs, models, drawings, photographs, reports, formulas, algorithms, patterns, devices, compilations, databases, computer programs, specifications, operating instructions, procedures manuals, or other documentation, whether or not protectable under Title 17 of the U.S. Code and whether or not patentable or otherwise protectable under Title 35 of the U.S. Code, that are developed, conceived of, prepared, arise, procured, generated or produced in connection with a Contract with the State, whether as individual items or a combination of components and whether or not the Services or the intended Work Product itself are or is completed or the same are or is reduced to practice during the Term.

7.6 Confidentiality of State Information

Contractor agrees to keep confidential all information received and collected by Contractor, or to which the Contractor may have access to or come in contact with in connection with a project. The Contractor agrees not to publish, reproduce, or otherwise divulge any such State information in whole or in part, in any manner or form or authorize or permit others to do so. Contractor will take reasonable measures as are necessary to restrict access to State Information in the Contractor’s possession to those employees on his/her staff who must have the information on a “need to know” basis. The Contractor shall promptly notify the State of any request or demand by any court, governmental agency or other person asserting a demand or request for State information to which the Contractor or any third party hosting service of the Contractor may have access, so that the State may seek an appropriate protective order. In the Contract, the Contractor shall represent and warrant that it has implemented and it shall maintain during the term of any agreement the highest industry standard administrative, technical, and physical safeguards and controls consistent with NIST *Special Publication 800-53* and *Federal Information Processing Standards Publication 200* and designed to (i) ensure the security and confidentiality of

State Information; (ii) protect against any anticipated security threats or hazards to the security or integrity of the State Information; and (iii) protect against unauthorized access to or use of State Information. Such measures include at a minimum, as applicable: (1) access controls on information systems, including controls to authenticate and permit access to State Information only to authorized individuals and controls to prevent the Contractor employees from providing State Information to unauthorized individuals who may seek to obtain this information (whether through fraudulent means or otherwise); (2) industry-standard firewall protection; (3) encryption of electronic State Information while in transit from the Contractor networks to external networks; (4) measures to store in a secure fashion all State Information which shall include multiple levels of authentication; (5) dual control procedures, segregation of duties, and pre-employment criminal background checks for employees with responsibilities for or access to State Information; (6) measures to ensure that the State Information shall not be altered or corrupted without the prior written consent of the State; (7) measures to protect against destruction, loss or damage of State Information due to potential environmental hazards, such as fire and water damage; (8) staff training to implement the information security measures; and (9) monitoring of the security of any portions of the Contractor systems that are used in the provision of the services against intrusion on a twenty-four (24) hour a day basis.

7.7 Performance Measures

In accordance with current State of Vermont policy and procedures, the Contract may include Contractor performance measures. The specific performance measures will be determined during the Contract negotiation process.

7.8 Taxes

Most State purchases are not subject to federal or state sales or excise taxes and must be invoiced tax free. An exemption certificate will be furnished upon request covering taxable items. The Contractor agrees to pay all Vermont taxes which may be due as a result of this order. If taxes are to be applied to the purchase it will be so noted in the response.

7.9 Amendments

No changes, modifications, or amendments in the terms and conditions of a Contract shall be effective unless reduced to writing, numbered, and signed by the duly authorized representative of the State and Contractor.

7.10 Non Collusion

The State of Vermont is conscious of and concerned about collusion. It should therefore be understood by all that in signing bid and contract documents they agree that the prices quoted have been arrived at without collusion and that no prior information concerning these prices has been received from or given to a competitive company. If there is sufficient evidence to warrant investigation of the bid/contract process by the Office of the Attorney General, all Vendors should understand that this paragraph might be used as a basis for litigation.

7.11 Insurance

In addition to the insurance coverages required in Attachment C, ***Standard State Provisions for Contracts and Grants***, the Contractor shall carry Professional Liability insurance and data breach insurance in minimum coverage amounts of \$1,000,000 per occurrence.

7.12 Business Registration

To be awarded a contract by the State of Vermont a Vendor must be (except an individual doing business in his/her own name) registered with the Vermont Secretary of State's office <http://www.sec.state.vt.us/tutor/dobiz/forms/fcregist.htm> and must obtain a Contractor's Business Account Number issued by the Vermont Department of Taxes <http://www.state.vt.us/tax/pdf.word.excel/forms/business/s-1&instr.pdf>

7.13 Contract Negotiation

Upon completion of the evaluation process, the State may select one or more Vendors with which to negotiate a contract, based on the evaluation findings and other criteria deemed relevant for ensuring that the decision made is in the best interest of the State of Vermont. In the event the State is successful in negotiating with the Vendor, the State will issue a notice of award. In the event State is not successful in negotiating a contract with a selected Vendor, the State reserves the option of negotiating with another Vendor.

7.14 Worker's Compensation; State Contracts Compliance Requirement

The Department of Buildings and General Services in accordance with Act 54, Section 32 of the Acts of 2009 and for total projects costs exceeding \$250,000.00, requires Vendors comply with the following provisions and requirements.

- (a) (1) Vendor is required to self report detailed information including information relating to past violations, convictions, suspensions, and any other information related to past performance and likely compliance with proper coding and classification of employees requested by the applicable agency.
- The Vendor is required to report information on any violations that occurred in the previous 12 months.
- (a) (2) Vendor is required to provide a list of subcontractors on the job along with lists of subcontractor's subcontractors and by whom those subcontractors are insured for workers' compensation purposes. Include additional pages if necessary. This is not a requirement for subcontractor's providing supplies only and no labor to the overall contract or project.

In order for a Vendor's response to be considered valid, Vendors must complete and submit the following two (2) forms at time of bid:

Workers' Compensation; State Contracts Compliance Requirement; Self Reporting

Workers' Compensation; State Contracts Compliance Requirement; Subcontractor Reporting

7.15 Certificate of Compliance

This form must be completed and submitted as part of the response for the proposal to be considered valid.

7.16 Offshore Outsourcing Questionnaire

This form must be completed and submitted as part of the proposal to be considered valid.

7.17 Price Guarantee

Contractor is required to maintain its price for a fixed period of time. Provide an hourly rate for future work should an extension of the Contractor's services be requested.

7.18 Terms and Conditions for Technology Contracts

The State will reserve the right to terminate a Contract upon discovery that a Contractor is in violation of any portion of the Contract.

Vendors planning to submit a bid are advised of the following:

1. All contracts are subject to review and approval by the Chief Information Officer, the Office of the Attorney General and the Secretary of Administration.
2. The Vendor should guarantee that its rate offerings, over the term of the Contract, are comparable to other customers of similar size and requirements. If offerings are rendered to a comparable customer which improve the pricing agreed to in the Contract, the Vendor agrees to apply those same discounts and offerings to the State of Vermont.
3. The State of Vermont has no legal authority to indemnify a Vendor, nor limit the liability of the Vendor from third party claims against the Vendor. These 2 conditions are not negotiable. Vendors who are not able to legally enter into a Contract under those conditions should not submit a bid.

Required Project Policies, Guidelines and Methodologies

The Contractor shall be required to comply with all applicable laws, regulations, policies, standards, fingerprint supported background checks, and guidelines affecting State of Vermont IT projects, which may be created or changed periodically. It is the responsibility of the Contractor to insure adherence and to remain abreast of new or revised Laws, regulations, policies, standards and guidelines affecting project execution. These may include, but are not limited to:

- Health Insurance Portability and Accountability Act (HIPAA)
- The State's Enterprise Architecture Program
- The State Information Technology Security Policy and Standards
- The State Digital Imaging Guidelines

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- The State File Formats Policy and Guidelines
- The State's Record Management Best Practice

The above policies and/or guidelines can all be found here: http://dii.vermont.gov/Policy_Central

Attachment A: Certificate of Compliance

This form must be completed in its entirety and submitted as part of the response for the proposal to be considered valid.

TAXES: Pursuant to 32 V.S.A. § 3113, Vendor hereby certifies, under the pains and penalties of perjury, that the company/individual is in good standing with respect to, or in full compliance with a plan to pay, any and all taxes due to the State of Vermont as of the date this statement is made. A person is in good standing if no taxes are due, if the liability for any tax that may be due is on appeal, or if the person is in compliance with a payment plan approved by the Commissioner of Taxes.

INSURANCE: Vendor certifies that the company/individual is in compliance with, or is prepared to comply with, the insurance requirements as detailed in Section 7 of Attachment C: Standard State Contract Provisions. Certificates of insurance must be provided prior to issuance of a contract and/or purchase order. If the certificate(s) of insurance is/are not received by the Office of Purchasing & Contracting within five (5) days of notification of award, the State of Vermont reserves the right to select another vendor. Please reference the RFP when submitting the certificate of insurance.

CONTRACT TERMS: The undersigned hereby acknowledges and agrees to Attachment C: Standard State Contract Provisions.

TERMS OF SALE: The undersigned agrees to furnish the products or services listed at the prices quoted. The Terms of Sales are Net 30 days from receipt of service or invoice, whichever is later. Percentage discounts may be offered for prompt payments of invoices; however such discounts must be in effect for a period of 30 days or more in order to be considered in making awards.

Form of Payment: Would you accept the Visa Purchasing Card as a form of payment? Yes No

Insurance Certificate(s): Attached _____ will provide upon notification of award _____

Delivery Offered: _____ days after notice of award Terms of Sale: _____
(If Discount)

Quotation Valid for: _____ days Date: _____

Name of Company: _____ Contact Name: _____

Address: _____ Fax Number: _____

_____ E-mail: _____

By: _____
Signature (Bid Not Valid Unless Signed)

Name: _____
(Type or Print)

Worker's Compensation; State Contracts Compliance Requirement

RFP/PROJECT:

DATE:

WORKERS' COMPENSATION; STATE CONTRACTS COMPLIANCE REQUIREMENT

Self Reporting Form 1 of 2

This form must be completed in its entirety and submitted as part of the response for the proposal to be considered valid.

The Department of Buildings and General Services in accordance with Act 54, Section 32 of the Acts of 2009 and for total projects costs exceeding \$250,000.00, requires Vendors comply with the following provisions and requirements.

Vendor is required to self report the following information relating to past violations, convictions, suspensions, and any other information related to past performance relative to coding and classification for worker's compensation. The state is requiring information on any violations that occurred in the previous 12 months.

Summary of Detailed Information	Date of Notification	Outcome

WORKERS' COMPENSATION STATE CONTRACTS COMPLIANCE REQUIREMENT: Vendor hereby certifies that the company/individual is in compliance with the requirements as detailed in Act 54, Section 32 of the Acts of 2009.

Date: _____

Name of Company: _____

Contact Name: _____

Address: _____

Title: _____

Phone Number: _____

E-mail: _____

Fax Number: _____

By: _____

Name: _____

Signature (Bid Not Valid Unless Signed)*

(Type or Print)

*Form must be signed by individual authorized to sign on the Vendor's behalf.

RFP/PROJECT:
DATE:

WORKERS' COMPENSATION; STATE CONTRACTS COMPLIANCE REQUIREMENT

Subcontractor Reporting Form 2 of 2

This form must be completed in its entirety and submitted as part of the response for the proposal to be considered valid.

The Department of Buildings and General Services in accordance with Act 54, Section 32 of the Acts of 2009 and for total projects costs exceeding \$250,000.00 requires bidders to comply with the following provisions and requirements.

Bidder is required to provide a list of subcontractors on the job along with lists of subcontractor's subcontractors and by whom those subcontractors are insured for workers' compensation purposes. Include additional pages if necessary. This is not a requirement for subcontractor's providing supplies only and no labor to the overall contract or project.

Subcontractor	Insured By		Subcontractor's Sub	Insured By

Date: _____

Name of Company: _____

Contact Name: _____

Address: _____

Title: _____

Phone Number: _____

E-mail: _____

Fax Number: _____

By: _____

Signature (Bid Not Valid Unless Signed)*

Name: _____

(Type or Print)

*Form must be signed by individual authorized to sign on the bidder's behalf.

Attachment B: Offshore Outsourcing Questionnaire

Vendors must indicate whether or not any services are or will be outsourced under the terms of any agreement with the State of Vermont. Indicate N/A if not applicable. This is required by the State of Vermont but cannot be used as an evaluation criterion under Federal Law.

Services:

Proposed Service to be Outsourced	Bid Total or Contract Estimate	Represents what % of total Contract Dollars	Outsourced Dollars	Outsourced Work Location (Country)	Subcontractor

If any or all of the services are or will be outsourced offshore, Vendors are required to provide a cost estimate of what the cost would be to provide the same services onshore and/or in Vermont.

Proposed Service to be Outsourced	Bid Total or Contract Estimate if provided Onshore	Bid Total or Contract Estimate if provided in Vermont	Cost Impact	Onshore Work Location	Subcontractor

Name of Bidder:

Signature of Bidder:

Date:

ATTACHMENT C: STANDARD STATE PROVISIONS FOR CONTRACTS AND GRANTS

- 1. Entire Agreement:** This Agreement, whether in the form of a Contract, State Funded Grant, or Federally Funded Grant, represents the entire agreement between the parties on the subject matter. All prior agreements, representations, statements, negotiations, and understandings shall have no effect.
- 2. Applicable Law:** This Agreement will be governed by the laws of the State of Vermont.
- 3. Definitions:** For purposes of this Attachment, "Party" shall mean the Contractor, Grantee or Subrecipient, with whom the State of Vermont is executing this Agreement and consistent with the form of the Agreement.
- 4. Appropriations:** If this Agreement extends into more than one fiscal year of the State (July 1 to June 30), and if appropriations are insufficient to support this Agreement, the State may cancel at the end of the fiscal year, or otherwise upon the expiration of existing appropriation authority. In the case that this Agreement is a Grant that is funded in whole or in part by federal funds, and in the event federal funds become unavailable or reduced, the State may suspend or cancel this Grant immediately, and the State shall have no obligation to pay Subrecipient from State revenues.
- 5. No Employee Benefits For Party:** The Party understands that the State will not provide any individual retirement benefits, group life insurance, group health and dental insurance, vacation or sick leave, workers compensation or other benefits or services available to State employees, nor will the state withhold any state or federal taxes except as required under applicable tax laws, which shall be determined in advance of execution of the Agreement. The Party understands that all tax returns required by the Internal Revenue Code and the State of Vermont, including but not limited to income, withholding, sales and use, and rooms and meals, must be filed by the Party, and information as to Agreement income will be provided by the State of Vermont to the Internal Revenue Service and the Vermont Department of Taxes.
- 6. Independence, Liability:** The Party will act in an independent capacity and not as officers or employees of the State.
The Party shall defend the State and its officers and employees against all claims or suits arising in whole or in part from any act or omission of the Party or of any agent of the Party. The State shall notify the Party in the event of any such claim or suit, and the Party shall immediately retain counsel and otherwise provide a complete defense against the entire claim or suit.
After a final judgment or settlement the Party may request recoupment of specific defense costs and may file suit in Washington Superior Court requesting recoupment. The Party shall be entitled to recoup costs only upon a showing that such costs were entirely unrelated to the defense of any claim arising from an act or omission of the Party.
The Party shall indemnify the State and its officers and employees in the event that the State, its officers or employees become legally obligated to pay any damages or losses arising from any act or omission of the Party.
- 7. Insurance:** Before commencing work on this Agreement the Party must provide certificates of insurance to show that the following minimum coverages are in effect. It is the responsibility of the Party to maintain current certificates of insurance on file with the state through the term of the Agreement. No warranty is made that the coverages and limits listed

herein are adequate to cover and protect the interests of the Party for the Party's operations. These are solely minimums that have been established to protect the interests of the State.

Workers Compensation: With respect to all operations performed, the Party shall carry workers' compensation insurance in accordance with the laws of the State of Vermont.

General Liability and Property Damage: With respect to all operations performed under the contract, the Party shall carry general liability insurance having all major divisions of coverage including, but not limited to:

Premises - Operations

Products and Completed Operations

Personal Injury Liability

Contractual Liability

The policy shall be on an occurrence form and limits shall not be less than:

\$1,000,000 Per Occurrence

\$1,000,000 General Aggregate

\$1,000,000 Products/Completed Operations Aggregate

\$ 50,000 Fire/ Legal/Liability

Party shall name the State of Vermont and its officers and employees as additional insureds for liability arising out of this Agreement.

Automotive Liability: The Party shall carry automotive liability insurance covering all motor vehicles, including hired and non-owned coverage, used in connection with the Agreement. Limits of coverage shall not be less than: \$1,000,000 combined single limit.

Party shall name the State of Vermont and its officers and employees as additional insureds for liability arising out of this Agreement.

8. Reliance by the State on Representations: All payments by the State under this Agreement will be made in reliance upon the accuracy of all prior representations by the Party, including but not limited to bills, invoices, progress reports and other proofs of work.

9. Requirement to Have a Single Audit: In the case that this Agreement is a Grant that is funded in whole or in part by federal funds, the Subrecipient will complete the Subrecipient Annual Report annually within 45 days after its fiscal year end, informing the State of Vermont whether or not a single audit is required for the prior fiscal year. If a single audit is required, the Subrecipient will submit a copy of the audit report to the granting Party within 9 months. If a single audit is not required, only the Subrecipient Annual Report is required.

A single audit is required if the subrecipient expends \$500,000 or more in federal assistance during its fiscal year and must be conducted in accordance with OMB Circular A-133. The Subrecipient Annual Report is required to be submitted within 45 days, whether or not a single audit is required.

10. Records Available for Audit: The Party will maintain all books, documents, payroll papers, accounting records and other evidence pertaining to costs incurred under this agreement and make them available at reasonable times during the period of the Agreement and for three years thereafter for inspection by any authorized representatives of the State or Federal Government. If any litigation, claim, or audit is started before the expiration of the three year period, the records shall be retained until all litigation, claims or audit findings

involving the records have been resolved. The State, by any authorized representative, shall have the right at all reasonable times to inspect or otherwise evaluate the work performed or being performed under this Agreement.

11. Fair Employment Practices and Americans with Disabilities Act: Party agrees to comply with the requirement of Title 21V.S.A. Chapter 5, Subchapter 6, relating to fair employment practices, to the full extent applicable. Party shall also ensure, to the full extent required by the Americans with Disabilities Act of 1990, as amended, that qualified individuals with disabilities receive equitable access to the services, programs, and activities provided by the Party under this Agreement. Party further agrees to include this provision in all subcontracts.

12. Set Off: The State may set off any sums which the Party owes the State against any sums due the Party under this Agreement; provided, however, that any set off of amounts due the State of Vermont as taxes shall be in accordance with the procedures more specifically provided hereinafter.

13. Taxes Due to the State: a. Party understands and acknowledges responsibility, if applicable, for compliance with State tax laws, including income tax withholding for employees performing services within the State, payment of use tax on property used within the State, corporate and/or personal income tax on income earned within the State.

b. Party certifies under the pains and penalties of perjury that, as of the date the Agreement is signed, the Party is in good standing with respect to, or in full compliance with, a plan to pay any and all taxes due the State of Vermont.

c. Party understands that final payment under this Agreement may be withheld if the Commissioner of Taxes determines that the Party is not in good standing with respect to or in full compliance with a plan to pay any and all taxes due to the State of Vermont.

d. Party also understands the State may set off taxes (and related penalties, interest and fees) due to the State of Vermont, but only if the Party has failed to make an appeal within the time allowed by law, or an appeal has been taken and finally determined and the Party has no further legal recourse to contest the amounts due.

14. Child Support: (Applicable if the Party is a natural person, not a corporation or partnership.) Party states that, as of the date the Agreement is signed, he/she: a. is not under any obligation to pay child support; or b. is under such an obligation and is in good standing with respect to that obligation; or c. has agreed to a payment plan with the Vermont Office of Child Support Services and is in full compliance with that plan.

Party makes this statement with regard to support owed to any and all children residing in Vermont. In addition, if the Party is a resident of Vermont, Party makes this statement with regard to support owed to any and all children residing in any other state or territory of the United States.

15. Sub-Agreements: Party shall not assign, subcontract or subgrant the performance of his Agreement or any portion thereof to any other Party without the prior written approval of

the State. Party also agrees to include in all subcontract or subgrant agreements a tax certification in accordance with paragraph 13 above.

16. No Gifts or Gratuities: Party shall not give title or possession of any thing of substantial value (including property, currency, travel and/or education programs) to any officer or employee of the State during the term of this Agreement.

17. Copies: All written reports prepared under this Agreement will be printed using both sides of the paper.

18. Certification Regarding Debarment: Party certifies under pains and penalties of perjury that, as of the date that this Agreement is signed, neither Party nor Party's principals (officers, directors, owners, or partners) are presently debarred, suspended, proposed for debarment, declared ineligible or excluded from participation in federal programs, or programs supported in whole or in part by federal funds.

Party further certifies under pains and penalties of perjury that, as of the date that this Agreement is signed, Party is not presently debarred, suspended, nor named on the State's debarment list at:

<http://bgs.vermont.gov/purchasing/debarment>

19. Certification Regarding Use of State Funds: In the case that Party is an employer and this Agreement is a State Funded Grant in excess of \$1,001, Party certifies that none of these State funds will be used to interfere with or restrain the exercise of Party's employee's rights with respect to unionization.

(End of Standard Provisions)

ATTACHMENT D
Sample Contract

STATE OF VERMONT
STANDARD CONTRACT FOR SERVICES

Contract #:

1. **Parties.** This is a contract for services between the **State of Vermont, Green Mountain Care Board** (hereafter called "**State**"), and _____, (hereafter called "**Contractor**") with principal place of business at _____. Contractor's form of business organization is _____. It is the Contractor's responsibility to contact the Vermont Department of Taxes to determine if, by law, the Contractor is required to have a Vermont Department of Taxes Business Account number.

2. **Subject Matter.** The subject matter of this contract is development of a data analytic plan. Detailed services to be provided by the Contractor are described in Attachment A.

3. **Maximum Amount.** In consideration of the services to be performed by Contractor, the State agrees to pay Contractor, in accordance with the payment provisions specified in Attachment B, a sum not to exceed \$ _____. The State does not guarantee the assignment of any minimum number of hours or any other work under the contract.

4. **Contract Term.** The period of Contractor's performance shall begin on _____ and end on _____.

5. **Prior Approvals.** If approval by the Attorney General's Office, Secretary of Administration or the CIO/Commissioner DII is required (under current law, bulletins, and interpretations), neither this contract nor any amendment to it is binding until it has been approved by any or all such persons.

- Approval by the Attorney General's Office is required.
- Approval by the Secretary of Administration is not required.
- Approval by the CIO/Commissioner DII is not required.

6. **Amendment.** No changes, modifications, or amendments in the terms and conditions of this contract shall be effective unless reduced to writing, numbered and signed by the duly authorized representative of the State and Contractor.

7. **Cancellation.** This contract may be canceled by the State by giving written notice at least 30 days in advance. The Contractor may cancel this contract by giving 120 days written notice in advance.

8. **Attachments.** This contract consists of _____ pages including the following attachments which are incorporated herein:

- Attachment A - Specifications of Work to be Performed
- Attachment B - Payment Provisions
- Attachment C – Standard State Contract Provisions
- Attachment D - Other Provisions.

WE THE UNDERSIGNED PARTIES AGREE TO BE BOUND BY THIS CONTRACT.

By the State of Vermont:
Date: _____

Signature: _____

Name:

By the Contractor:
Date: _____

Signature: _____

Name:
Company:

PAYMENT PROVISIONS

1. The maximum amount payable under this contract for service and expenses shall not exceed \$ _____. The State does not guarantee the assignment of any minimum number of hours or other work under this contract. The hourly rates for assigned staff are as follows:
2. Payments for subcontractors will only be made upon approval (See Attachment C, #15).
3. The State shall reimburse Contractor for travel expenses utilizing the most current General Services Administration Per Diem Study for lodging, meals and incidentals. Expenses will not be reimbursed without prior written approval from the State.
4. Contractor will submit an invoice on a monthly basis to the State for services provided and expenses incurred during the previous month. Invoice must include unique invoice number, dates of service, itemized hours being invoiced, a list of allowable expenses incurred and the address for remittance of payment. A billing for mileage shall include the points of origin and destination and the number of miles traveled. Only actual charges will be paid.
8. Invoices shall be submitted to:

**Janet Richard
Green Mountain Care Board
89 Main Street
Montpelier, VT 05620**

ATTACHMENT E OTHER CONTRACT PROVISIONS

1. Confidentiality

Contractor agrees to keep information related to the State and all agencies and companies related to this contract confidential and agrees not to use any information obtained in relation to the services performed under this contract for any purpose other than as authorized by the State. Contractor agrees not to publish, reproduce, or otherwise divulge such information in whole or in part, in any manner or form or authorize or permit others to do so. Contractor will take reasonable measures as are necessary to restrict access to confidential information in the Contractor's possession to those employees who must have the information to perform their job. Contractor agrees to immediately notify, in writing, the State's authorized representative in the event Contractor determines or has reason to suspect a breach of this requirement.

2. Obligations Regarding Protected Information

Contractor shall assure compliance by the State and Contractor of any and all obligations the State or Contractor may have under HIPAA and any other applicable state or federal law regarding protected health, personal, or otherwise confidential information.

3. Security

Contractor shall maintain security and confidentiality policies and procedures consistent with industry standards with regard to the information obtained from regulated entities. Contractor shall have recovery procedures in place to handle replacement of data in the event of a disaster.

4. Conflicts of Interest

If the State determines that a conflict of interest, as defined by the State, exists between a regulated entity and a member or members of the Contractor's staff, the Contractor shall substitute similarly qualified individuals for the conflicted members. If the State determines that a conflict of interest, as determined by the State, exists between Contractor and a regulated entity, the State may immediately remove that assignment from the Contractor, or may invoke its right to terminate this contract pursuant to paragraph 7 on page 1 of this contract. The State reserves the right to make the ultimate determination as to whether a conflict of interest exists.

5. Protection of Personal Information

Contractor agrees to establish and maintain policies and procedures designed to ensure compliance with 9 V.S.A. Chapter 62 (Protection of Personal Information) with respect to data collected in connection with Contractor's activities pursuant to the Contract.

ATTACHMENT F
ORGANIZATIONAL CHART (as of June 14, 2013)

