



Solicitation Cover Page

1. Solicitation #: 0900000290

2. Solicitation Issue Date: 11/02/2017

3. Brief Description of Requirement:

EGID requests proposals from qualified Consultants to provide actuarial consulting services including, but not limited to, reserve calculations, rate adequacy and premium setting, annual valuation and experience reports, benefit and plan design consulting, legislative fiscal impacts, analysis, other post-employment benefit calculations and other special projects created pursuant to 74 O.S. (2011) ) § 1312 (1) and (2).

4. Response Due Date<sup>1</sup>: 11/27/2017

Time: 3:00 PM CST/CDT

5. Issued By and RETURN SEALED BID TO<sup>2</sup>:

U.S. Postal Delivery Address: 5005 N. Lincoln Blvd, Ste. 300

Oklahoma City, OK 73105

Common Carrier Delivery Address: 5005 N. Lincoln Blvd, Ste. 300

Oklahoma City, OK 73105

Electronic Submission Address: N/A

6. Solicitation Type (type "X" at one below):

- Invitation to Bid
Request for Proposal
Request for Quote

7. Contracting Officer:

Name: Dana Brittenham
Phone: 405-522-1037
Email: dana.brittenham@omes.ok.gov

1 Amendments to solicitation may change the Response Due Date (read GENERAL PROVISIONS, section 3, "Solicitation Amendments")

2 If "U.S. Postal Delivery" differs from "Carrier Delivery", use "Carrier Delivery" for courier or personal deliveries



## Responding Bidder Information

*"Certification for Competitive Bid and Contract" **MUST** be submitted along with the response to the Solicitation.*

1. **RE: Solicitation #** 0900000290

2. **Bidder General Information:**

FEI / SSN : \_\_\_\_\_ Supplier ID: \_\_\_\_\_

Company Name: \_\_\_\_\_

3. **Bidder Contact Information:**

Address: \_\_\_\_\_

City: \_\_\_\_\_ State: \_\_\_\_\_ Zip Code: \_\_\_\_\_

Contact Name: \_\_\_\_\_

Contact Title: \_\_\_\_\_

Phone #: \_\_\_\_\_ Fax #: \_\_\_\_\_

Email: \_\_\_\_\_ Website: \_\_\_\_\_

4. **Oklahoma Sales Tax Permit<sup>1</sup>:**

YES – Permit #: \_\_\_\_\_

NO – Exempt pursuant to Oklahoma Laws or Rules – Attach an explanation of exemption

5. **Registration with the Oklahoma Secretary of State:**

YES - Filing Number: \_\_\_\_\_

NO - Prior to the contract award, the successful bidder will be required to register with the Secretary of State or must attach a signed statement that provides specific details supporting the exemption the supplier is claiming ([www.sos.ok.gov](http://www.sos.ok.gov) or 405-521-3911).

6. **Workers' Compensation Insurance Coverage:**

Bidder is required to provide with the bid a certificate of insurance showing proof of compliance with the Oklahoma Workers' Compensation Act.

YES – Include with the bid a certificate of insurance.

NO – Exempt from the Workers' Compensation Act pursuant to 85A O.S. § 2(18)(b)(1-11) – Attach a written, signed, and dated statement on letterhead stating the reason for the exempt status.<sup>2</sup>

<sup>1</sup> For frequently asked questions concerning Oklahoma Sales Tax Permit, see <https://www.ok.gov/tax/Businesses/index.html>

<sup>2</sup> For frequently asked questions concerning workers' compensation insurance, see <https://www.ok.gov/wcc/Insurance/index.html>

**7. Disabled Veteran Business Enterprise Act**

- YES – I am a service-disabled veteran business as defined in 74 O.S. §85.44E. Include with the bid response 1) certification of service-disabled veteran status as verified by the appropriate federal agency, and 2) verification of not less than 51% ownership by one or more service-disabled veterans, and 3) verification of the control of the management and daily business operations by one or more service-disabled veterans.
- NO – Do not meet the criteria as a service-disabled veteran business.

Authorized Signature	Date
Printed Name	Title



**Certification for Competitive Bid and/or Contract (Non-Collusion Certification)**

**NOTE:** A certification shall be included with any competitive bid and/or contract exceeding \$5,000.00 submitted to the State for goods or services.

Agency Name: Employees Group Insurance Division Agency Number: 09000

Solicitation or Purchase Order #: 0900000290

Supplier Legal Name: \_\_\_\_\_

**SECTION I [74 O.S. § 85.22]:**

A. For purposes of competitive bid,

1. I am the duly authorized agent of the above named bidder submitting the competitive bid herewith, for the purpose of certifying the facts pertaining to the existence of collusion among bidders and between bidders and state officials or employees, as well as facts pertaining to the giving or offering of things of value to government personnel in return for special consideration in the letting of any contract pursuant to said bid;
2. I am fully aware of the facts and circumstances surrounding the making of the bid to which this statement is attached and have been personally and directly involved in the proceedings leading to the submission of such bid; and
3. Neither the bidder nor anyone subject to the bidder's direction or control has been a party:
  - a. to any collusion among bidders in restraint of freedom of competition by agreement to bid at a fixed price or to refrain from bidding,
  - b. to any collusion with any state official or employee as to quantity, quality or price in the prospective contract, or as to any other terms of such prospective contract, nor
  - c. in any discussions between bidders and any state official concerning exchange of money or other thing of value for special consideration in the letting of a contract, nor
  - d. to any collusion with any state agency or political subdivision official or employee as to create a sole-source acquisition in contradiction to Section 85.45j.1. of this title.

B. I certify, if awarded the contract, whether competitively bid or not, neither the contractor nor anyone subject to the contractor's direction or control has paid, given or donated or agreed to pay, give or donate to any officer or employee of the State of Oklahoma any money or other thing of value, either directly or indirectly, in procuring this contract herein.

**SECTION II [74 O.S. § 85.42]:**

For the purpose of a contract for services, the supplier also certifies that no person who has been involved in any manner in the development of this contract while employed by the State of Oklahoma shall be employed by the supplier to fulfill any of the services provided for under said contract.

The undersigned, duly authorized agent for the above named supplier, by signing below acknowledges this certification statement is executed for the purposes of:

the competitive bid attached herewith and contract, if awarded to said supplier;

**OR**

the contract attached herewith, which was not competitively bid and awarded by the agency pursuant to applicable Oklahoma statutes.

\_\_\_\_\_  
Supplier Authorized Signature

\_\_\_\_\_  
Certified This Date

\_\_\_\_\_  
Printed Name

\_\_\_\_\_  
Title

\_\_\_\_\_  
Phone Number

\_\_\_\_\_  
Email

\_\_\_\_\_  
Fax Number

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## **A. GENERAL PROVISIONS**

### **A.1. Definitions**

As used herein, the following terms shall have the following meaning unless the context clearly indicates otherwise:

- A.1.1. "Acquisition" means items, products, materials, supplies, services, and equipment a state agency acquires by purchase, lease purchase, lease with option to purchase, or rental pursuant to the Oklahoma Central Purchasing Act;
- A.1.2. "Addendum" means a written restatement of or modification to a Contract Document executed by the Supplier and State.
- A.1.3. "Bid" means an offer in the form of a bid, proposal, or quote a bidder submits in response to a solicitation;
- A.1.4. "Bidder" means an individual or business entity that submits a bid in response to a solicitation;
- A.1.5. "Solicitation" means a request or invitation by the State Purchasing Director or a state agency for a supplier to submit a priced offer to sell acquisitions to the state. A solicitation may be an invitation to bid, request for proposal, or a request for quotation; and
- A.1.6. "Supplier" or "vendor" means an individual or business entity that sells or desires to sell acquisitions to state agencies.

### **A.2. Bid Submission**

- A.2.1. Submitted bids shall be in strict conformity with the instructions to bidders and shall be submitted with a completed Responding Bidder Information, OMES-FORM-CP-076, and any other forms required by the solicitation.
- A.2.2. Bids shall be submitted to the Central Purchasing Division in a single envelope, package, or container and shall be sealed, unless otherwise detailed in the solicitation. The name and address of the bidder shall be inserted in the upper left corner of the single envelope, package, or container. SOLICITATION NUMBER AND SOLICITATION RESPONSE DUE DATE AND TIME MUST APPEAR ON THE FACE OF THE SINGLE ENVELOPE, PACKAGE, OR CONTAINER.
- A.2.3. The required certification statement, "Certification for Competitive Bid and/or Contract (Non-Collusion Certification)", OMES-FORM-CP-004, must be made out in the name of the bidder and must be properly executed by an authorized person, with full knowledge and acceptance of all its provisions.
- A.2.4. All bids shall be legible and completed in ink or with electronic printer or other similar office equipment. Any corrections to bids shall be identified and initialed in ink by the bidder. Penciled bids and penciled corrections shall NOT be accepted and will be rejected as non-responsive. In addition to a hard copy submittal, the bidder will also be required to submit an electronic copy. Electronic responses must be submitted in the identical format contained in the solicitation (for example Microsoft Word, Microsoft Excel, but not Adobe PDF). In the event the hard copy of the price worksheets and electronic copy of the price worksheets do not agree, the electronic copy will prevail.
- A.2.5. All bids submitted shall be subject to the Oklahoma Central Purchasing Act, Central Purchasing Rules, and other statutory regulations as applicable, these General Provisions, any Special Provisions, solicitation specifications, required certification statement, and all other terms and conditions listed or attached herein—all of which are made part of this solicitation.

### **A.3. Solicitation Amendments**

- A.3.1. If an "Amendment of Solicitation", OMES-FORM-CP-011, is issued, the bidder shall acknowledge receipt of any/all amendment(s) to solicitations by signing and returning the solicitation amendment(s). Amendment acknowledgement(s) may be submitted with the bid or may be forwarded separately. If forwarded separately, amendment acknowledgement(s) must contain the solicitation number and response due date and time on the front of the envelope. The Central

Purchasing Division must receive the amendment acknowledgement(s) by the response due date and time specified for receipt of bids for the bid to be deemed responsive. Failure to acknowledge solicitation amendments may be grounds for rejection.

- A.3.2. No oral statement of any person shall modify or otherwise affect the terms, conditions, or specifications stated in the solicitation. All amendments to the solicitation shall be made in writing by the Central Purchasing Division.
- A.3.3. It is the bidder's responsibility to check the OMES/Central Purchasing Division website frequently for any possible amendments that may be issued. The Central Purchasing Division is not responsible for a bidder's failure to download any amendment documents required to complete a solicitation.

#### **A.4. Bid Change**

If the bidder needs to change a bid prior to the solicitation response due date, a new bid shall be submitted to the Central Purchasing Division with the following statement "This bid supersedes the bid previously submitted" in a single envelope, package, or container and shall be sealed, unless otherwise detailed in the solicitation. The name and address of the bidder shall be inserted in the upper left corner of the single envelope, package, or container. SOLICITATION NUMBER AND SOLICITATION RESPONSE DUE DATE AND TIME MUST APPEAR ON THE FACE OF THE SINGLE ENVELOPE, PACKAGE, OR CONTAINER.

#### **A.5. Certification Regarding Debarment, Suspension, and Other Responsibility Matters**

By submitting a response to this solicitation:

- A.5.1. The prospective primary participant and any subcontractor certifies to the best of their knowledge and belief, that they and their principals or participants:
  - A.5.1.1. Are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded by any Federal, State or local department or agency;
  - A.5.1.2. Have not within a three-year period preceding this proposal been convicted of or pled guilty or had a civil judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (Federal, State or local) contract; or for violation of Federal or State antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property;
  - A.5.1.3. Are not presently indicted for or otherwise criminally or civilly charged by a governmental entity (Federal, State, or local) with commission of any of the offenses enumerated in paragraph A.5.1.2. of this certification; and
  - A.5.1.4. Have not within a three-year period preceding this application/proposal had one or more public (Federal, State, or local) contracts terminated for cause or default.
- A.5.2. Where the prospective primary participant is unable to certify to any of the statements in this certification, such prospective participant shall attach an explanation to its solicitation response.

#### **A.6. Bid Opening**

Sealed bids shall be opened by the Central Purchasing Division at 5005 N. Lincoln Blvd. Suite 300, Oklahoma City, Oklahoma, 73105 at the time and date specified in the solicitation as Response Due Date and Time.

#### **A.7. Open Bid / Open Record**

Pursuant to the Oklahoma Public Open Records Act, a public bid opening does not make the bid(s) immediately accessible to the public. The procurement or contracting agency shall keep the bid(s) confidential, and provide prompt and reasonable access to the records only after a contract is awarded or the solicitation is cancelled. This practice protects the integrity of the competitive bid process and prevents excessive disruption to the procurement process. The interest of achieving the best value for the State of Oklahoma outweighs the interest of vendors immediately knowing the contents of competitor's bids. [51 O.S. § 24A.5(5)]

Additionally, financial or proprietary information submitted by a bidder may be designated by the Purchasing Director as confidential and the procurement entity may reject all requests to disclose information designated as confidential pursuant to 62 O.S. (2012) § 34.11.1(H)(2) and 74 O.S. (2011) § 85.10. Bidders claiming any portion of their bid as proprietary or confidential must specifically identify what documents or portions of documents they

consider confidential and identify applicable law supporting their claim of confidentiality. The State Purchasing Director shall make the final decision as to whether the documentation or information is confidential pursuant to 74 O.S. § 85.10. Otherwise, documents and information a bidder submits as part of or in connection with a bid are public records and subject to disclosure after contract award or the solicitation is cancelled.

#### **A.8. Late Bids**

Bids received by the Central Purchasing Division after the response due date and time shall be deemed non-responsive and shall NOT be considered for any resultant award.

#### **A.9. Legal Contract**

- A.9.1. Submitted bids are rendered as a legal offer and any bid, when accepted by the Central Purchasing Division, shall constitute a contract.
- A.9.2. The Contract resulting from this solicitation may consist of the following documents in the following order of precedence:
  - A.9.2.1. Any Addendum to the Contract;
  - A.9.2.2. Purchase order, as amended by Change Order (if applicable);
  - A.9.2.3. Solicitation, as amended (if applicable); and
  - A.9.2.4. Successful bid (including required certifications), to the extent the bid does not conflict with the requirements of the solicitation or applicable law.
- A.9.3. Any contract(s) awarded pursuant to the solicitation shall be legibly written or typed.

#### **A.10. Pricing**

- A.10.1. Bids shall remain firm for a minimum of sixty (60) days from the solicitation closing date.
- A.10.2. Bidders guarantee unit prices to be correct.
- A.10.3. In accordance with 74 O.S. §85.40, ALL travel expenses to be incurred by the supplier in performance of the Contract shall be included in the total bid price/contract amount.

#### **A.11. Manufacturers' Name and Approved Equivalents**

Unless otherwise specified in the solicitation, manufacturers' names, brand names, information and/or catalog numbers listed in a specification are for information and not intended to limit competition. Bidder may offer any brand for which they are an authorized representative, and which meets or exceeds the specification for any item(s). However, if bids are based on equivalent products, indicate on the bid form the manufacturer's name and number. Bidder shall submit sketches, descriptive literature, and/or complete specifications with their bid. Reference to literature submitted with a previous bid will not satisfy this provision. The bidder shall also explain in detail the reason(s) why the proposed equivalent will meet the specifications and not be considered an exception thereto. Bids that do not comply with these requirements are subject to rejection.

#### **A.12. Clarification of Solicitation**

- A.12.1. Clarification pertaining to the contents of this solicitation shall be directed in writing to the Central Purchasing Contracting Officer specified in the solicitation, and must be prior to the closing date of the solicitation.
- A.12.2. If a bidder fails to notify the State of an error, ambiguity, conflict, discrepancy, omission or other error in the SOLICITATION, known to the bidder, or that reasonably should have been known by the bidder, the bidder shall submit a bid at its own risk; and if awarded the contract, the bidder shall not be entitled to additional compensation, relief, or time, by reason of the error or its later correction. If a bidder takes exception to any requirement or specification contained in the SOLICITATION, these exceptions must be clearly and prominently stated in their response.
- A.12.3. Bidders who believe proposal requirements or specifications are unnecessarily restrictive or limit competition may submit a written request for administrative review

to the contracting officer listed on the solicitation. This request must be made prior to the closing date of the solicitation.

### **A.13 Negotiations**

- A.13.1. In accordance with Title 74 §85.5, the State of Oklahoma reserves the right to negotiate with one, selected, all or none of the vendors responding to this solicitation to obtain the best value for the State. Negotiations could entail discussions on products, services, pricing, contract terminology or any other issue that may mitigate the State's risks. The State shall consider all issues negotiable and not artificially constrained by internal corporate policies. Negotiation may be with one or more vendors, for any and all items in the vendor's offer.
- A.13.2. Firms that contend that they lack flexibility because of their corporate policy on a particular negotiation item shall face a significant disadvantage and may not be considered. If such negotiations are conducted, the following conditions shall apply:
- A.13.3. Negotiations may be conducted in person, in writing, or by telephone.
- A.13.4. Negotiations shall only be conducted with potentially acceptable offers. The State reserves the right to limit negotiations to those offers that received the highest rankings during the initial evaluation phase.
- A.13.5. Terms, conditions, prices, methodology, or other features of the bidders offer may be subject to negotiations and subsequent revision. As part of the negotiations, the bidder may be required to submit supporting financial, pricing, and other data in order to allow a detailed evaluation of the feasibility, reasonableness, and acceptability of the offer.
- A.13.6. The requirements of the Request for Proposal shall not be negotiable and shall remain unchanged unless the State determines that a change in such requirements is in the best interest of the State Of Oklahoma.

### **A.14. Rejection of Bid**

The State reserves the right to reject any bids that do not comply with the requirements and specifications of the solicitation. A bid may be rejected when the bidder imposes terms or conditions that would modify requirements of the solicitation or limit the bidder's liability to the State. Other possible reasons for rejection of bids are listed in OAC 260:115-7-32.

### **A.15. Award of Contract**

- A.15.1. The State Purchasing Director may award the Contract to more than one bidder by awarding the Contract(s) by item or groups of items, or may award the Contract on an ALL OR NONE basis, whichever is deemed by the State Purchasing Director to be in the best interest of the State of Oklahoma.
- A.15.2. Contract awards will be made to the lowest and best bidder(s) unless the solicitation specifies that best value criteria is being used.
- A.15.3. In order to receive an award or payments from the State of Oklahoma, suppliers must be registered. The vendor registration process can be completed electronically through the OMES website at the following link: <https://www.ok.gov/dcs/vendors/index.php>.

### **A.16. Contract Modification**

- A.16.1. The Contract is issued under the authority of the State Purchasing Director who signs the Contract. The Contract may be modified only through a written Addendum, signed by the State Purchasing Director and the supplier.
- A.16.2. Any change to the Contract, including but not limited to the addition of work or materials, the revision of payment terms, or the substitution of work or materials, directed by a person who is not specifically authorized by the Central Purchasing Division in writing, or made unilaterally by the supplier, is a breach of the Contract. Unless otherwise specified by applicable law or rules, such changes, including unauthorized written Addendums, shall be void and without effect, and the supplier shall not be entitled to any claim under this Contract based on those changes. No oral statement of any person shall modify or otherwise affect the terms, conditions, or specifications stated in the resultant Contract.

#### **A.17. Delivery, Inspection and Acceptance**

- A.17.1. Unless otherwise specified in the solicitation or awarding documents, all deliveries shall be F.O.B. Destination. The supplier(s) awarded the Contract shall prepay all packaging, handling, shipping and delivery charges and firm prices quoted in the bid shall include all such charges. All products and/or services to be delivered pursuant to the Contract shall be subject to final inspection and acceptance by the State at destination. "Destination" shall mean delivered to the receiving dock or other point specified in the purchase order. The State assumes no responsibility for goods until accepted by the State at the receiving point in good condition. Title and risk of loss or damage to all items shall be the responsibility of the supplier until accepted by the receiving agency. The supplier(s) awarded the Contract shall be responsible for filing, processing, and collecting any and all damage claims accruing prior to acceptance.
- A.17.2. Supplier(s) awarded the Contract shall be required to deliver products and services as bid on or before the required date. Deviations, substitutions or changes in products and services shall not be made unless expressly authorized in writing by the Central Purchasing Division.

#### **A.18. Invoicing and Payment**

- A.18.1. Upon submission of an accurate and proper invoice, the invoice shall be paid in arrears after products have been delivered or services provided and in accordance with applicable law. Invoices shall contain the purchase order number, a description of the products delivered or services provided, and the dates of such delivery or provision of services. An invoice is considered proper if sent to the proper recipient and goods or services have been received.
- A.18.2. State Acquisitions are exempt from sales taxes and federal excise taxes.
- A.18.3. Pursuant to 74 O.S. §85.44(B), invoices will be paid in arrears after products have been delivered or services provided.
- A.18.4. Payment terms will be net 45. Interest on late payments made by the State of Oklahoma is governed by 62 O.S. § 34.72.
- A.18.5. Additional terms which provide discounts for earlier payment may be evaluated when making an award. Any such additional terms shall be no less than ten (10) days increasing in five (5) day increments up to thirty (30) days. The date from which the discount time is calculated shall be the date of a proper invoice.

#### **A.19. Tax Exemption**

State agency acquisitions are exempt from sales taxes and federal excise taxes. Bidders shall not include these taxes in price quotes.

#### **A.20. Audit and Records Clause**

- A.20.1. As used in this clause, "records" includes books, documents, accounting procedures and practices, and other data, regardless of type and regardless of whether such items are in written form, in the form of computer data, or in any other form. In accepting any Contract with the State, the successful bidder(s) agree any pertinent State or Federal agency will have the right to examine and audit all records relevant to execution and performance of the resultant Contract.
- A.20.2. The successful supplier(s) awarded the Contract(s) is required to retain records relative to the Contract for the duration of the Contract and for a period of seven (7) years following completion and/or termination of the Contract. If an audit, litigation, or other action involving such records is started before the end of the seven (7) year period, the records are required to be maintained for two (2) years from the date that all issues arising out of the action are resolved, or until the end of the seven (7) year retention period, whichever is later.

#### **A.21. Non-Appropriation Clause**

The terms of any Contract resulting from the solicitation and any Purchase Order issued for multiple years under the Contract are contingent upon sufficient appropriations being made by the Legislature or other appropriate government entity. Notwithstanding any language to the contrary in the solicitation, purchase order, or any other Contract document, the procuring agency may terminate its obligations under the Contract if sufficient appropriations are not made by the Legislature or other appropriate governing entity to pay amounts due for

multiple year agreements. The Requesting (procuring) Agency's decisions as to whether sufficient appropriations are available shall be accepted by the supplier and shall be final and binding.

#### **A.22. Choice of Law**

Any claims, disputes, or litigation relating to the solicitation, or the execution, interpretation, performance, or enforcement of the Contract shall be governed by the laws of the State of Oklahoma.

#### **A.23. Choice of Venue**

Venue for any action, claim, dispute or litigation relating in any way to the Contract shall be in Oklahoma County, Oklahoma.

#### **A.24. Termination for Cause**

- A.24.1. The supplier may terminate the Contract for default or other just cause with a 30-day written request and upon written approval from the Central Purchasing Division. The State may terminate the Contract for default or any other just cause upon a 30-day written notification to the supplier.
- A.24.2. The State may terminate the Contract immediately, without a 30-day written notice to the supplier, when violations are found to be an impediment to the function of an agency and detrimental to its cause, when conditions preclude the 30-day notice, or when the State Purchasing Director determines that an administrative error occurred prior to Contract performance.
- A.24.3. If the Contract is terminated, the State shall be liable only for payment for products and/or services delivered and accepted.

#### **A.25. Termination for Convenience**

- A.25.1. The State may terminate the Contract, in whole or in part, for convenience if the State Purchasing Director determines that termination is in the State's best interest. The State Purchasing Director shall terminate the Contract by delivering to the supplier a Notice of Termination for Convenience specifying the terms and effective date of Contract termination. The Contract termination date shall be a minimum of 60 days from the date the Notice of Termination for Convenience is issued by the State Purchasing Director.
- A.25.2. If the Contract is terminated, the State shall be liable only for products and/or services delivered and accepted, and for costs and expenses (exclusive of profit) reasonably incurred prior to the date upon which the Notice of Termination for Convenience was received by the supplier.

#### **A.26. Insurance**

The successful supplier(s) awarded the Contract shall obtain and retain insurance, including workers' compensation, automobile insurance, medical malpractice, and general liability, as applicable, or as required by State or Federal law, prior to commencement of any work in connection with the Contract. The supplier awarded the Contract shall timely renew the policies to be carried pursuant to this section throughout the term of the Contract and shall provide the Central Purchasing Division and the procuring agency with evidence of such insurance and renewals.

#### **A.27. Employment Relationship**

The Contract does not create an employment relationship. Individuals performing services required by this Contract are not employees of the State of Oklahoma or the procuring agency. The supplier's employees shall not be considered employees of the State of Oklahoma nor of the procuring agency for any purpose, and accordingly shall not be eligible for rights or benefits accruing to state employees.

#### **A.28. Compliance with the Oklahoma Taxpayer and Citizen Protection Act of 2007**

By submitting a bid for services, the bidder certifies that they, and any proposed subcontractors, are in compliance with 25 O.S.

§1313 and participate in the Status Verification System. The Status Verification System is defined in 25 O.S. §1312 and includes but is not limited to the free Employment Verification Program (E-Verify) through the Department of Homeland Security and available at [www.dhs.gov/E-Verify](http://www.dhs.gov/E-Verify).

**A.29. Compliance with Applicable Laws**

The products and services supplied under the Contract shall comply with all applicable Federal, State, and local laws, and the supplier shall maintain all applicable licenses and permit requirements.

**A.30. Special Provisions**

Special Provisions set forth in SECTION B apply with the same force and effect as these General Provisions. However, conflicts or inconsistencies shall be resolved in favor of the Special Provisions.

## **B. SPECIAL PROVISIONS**

### **B.1. Definitions**

As used herein, the following terms shall have the following meaning unless the context clearly indicates otherwise:

- B.1.1.** "Confidential Information" includes the records and resulting data generated from the confidential information of all EGID members, retirees, and beneficiaries in any plan administered by EGID and all other related information that is subject to protection from disclosure pursuant to Oklahoma or federal law.
- B.1.2.** "DOC" means the Oklahoma Department of Corrections
- B.1.3.** "DRS" means the Oklahoma Department of Rehabilitation Services
- B.1.4.** "EGID" means Employees Group Insurance Division
- B.1.5.** "EOB" means Explanation of Benefits
- B.1.6.** "HCM" means the internal Health Care Management of Employees Group Insurance Division
- B.1.7.** "OMES/CP" means the Office of Management and Enterprise Services, Central Purchasing
- B.1.8.** "PHI" means Private Health Information
- B.1.9.** "RFP" means Request for Proposal.
- B.1.10.** "TPA" Means Third Party Administrator

### **B.2. Contract Term, Renewal and Extension Option**

- B.2.1.** Pursuant to The Central Purchasing Act, EGID intends to competitively bid the contract which is awarded for a one-year (1-year) period effective January 1, 2018.
- B.2.2.** The Contract includes a provision to renew for four (4) additional one-year (1-year) renewals within the sole discretion of EGID, for the terms beginning January 1, 2019.
- B.2.3.** The State, at its sole option, may choose to exercise an extension for ninety (90) days beyond the final renewal option period, at the Contract pricing rate. If this option is exercised, the State shall notify the Supplier in writing prior to contract end date. The State, at its sole option, may choose to exercise subsequent ninety (90) day extensions, by mutual consent and at the Contract pricing rate, to facilitate the finalization of related terms and conditions of a new award or as needed for transition to a new Supplier.

### **B.3. Contract Type**

- B.3.1.** This is a firm fixed price contract for indefinite delivery and indefinite quantity for the supplies/services specified.

### **B.4. Pricing**

- B.4.1.** Bids shall remain firm for a minimum of one hundred twenty (120) days after the Closing Date and Time.
  - B.4.1.1.** This supersedes Section A.10.1.
- B.4.2.** All costs incurred by the Bidders for Bid preparation and participation in this competitive procurement shall be the sole responsibility of the Bidder. The State of Oklahoma shall not reimburse any Bidder for any such costs.

### **B.5. Acceptance of Offer**

- B.5.1.** The submission of a proposal shall constitute a binding offer to perform those services described within the proposal.
- B.5.2.** By submitting a proposal, the ACTUARIAL CONSULTANT agrees not to make any claims for, or have any right to, damages because of any misunderstanding or misrepresentation of the specifications or because of any misinformation or lack of information.

### **B.6. Termination**

- B.6.1.** The Supplier shall give EGID at least three hundred sixty five (365) days written notice prior to termination. The Supplier shall also provide at least three hundred sixty five (365) days written notice prior to non-renewal. This paragraph contradicts and supersedes General Provisions at A.24.1 and A.25.
- B.6.2.** EGID and OMES/CP may terminate this contract for cause upon giving the supplier thirty (30) days written notice. Termination for cause is defined as the failure of the Supplier to maintain the quality of its services provided for by this contract to the satisfaction of EGID. EGID and OMES/CP may terminate this contract without cause upon giving the supplier one hundred eighty (180) days written notice. This paragraph supersedes General Provisions Section A.24.1 and A.24.2.

## **B.7. Compliance with Applicable Laws**

- B.7.1.** In connection with its performance of obligations under the terms of this Contract, the Bidder certifies compliance with and, if awarded the Contract pursuant to this Solicitation, shall continue to comply with all applicable federal, state, and local laws, rules, regulations, ordinances and orders, as amended, including but not limited to the following:
- B.7.1.1.** Drug-Free Workplace Act of 1988 and as implemented at 45 C.F.R. part 76, Subpart F;
  - B.7.1.2.** If the payments pursuant to the Contract are expected to exceed \$100,000.00, Section 306 of the Clean Air Act, Section 508 of the Clean Water Act, Executive Order 11738, and Environmental Protection Agency Regulations which prohibit the use under nonexempt Federal contract, grant or loans of facilities included on the EPA List of Violating Facilities;
  - B.7.1.3.** Prospective participant requirements set forth at 45 C.F.R. part 76 in connection with debarment, suspension and other responsibility matters;
  - B.7.1.4.** 1964 Civil Rights Act, Title IX of the Education Amendment of 1972, Section 504 of the Rehabilitation Act of 1973 and Executive Orders 11246 and 11375, Americans with Disabilities Act of 1990;
  - B.7.1.5.** For Persons entering into a grant or cooperative agreement over \$100,000.00 (as defined at 45 C.F.R. §93.105 and 93.110), Anti-Lobbying Law set forth at 31 U.S.C. §1325 and as implemented at 45 C.F.R. part 93;
  - B.7.1.6.** Obtaining certified independent audits conducted in accordance with Government Auditing Standards and Office of Management and Budget Circular A-133 with approval and work paper examination rights of the applicable procuring entity; and
- B.7.2.** The Supplier shall inform its employees, agents and proposed subcontractors who perform services for the State under this Contract of the Supplier's obligations hereunder and shall require compliance accordingly. At the request of the State, Supplier shall promptly provide adequate evidence that such persons are its employees, agents or approved subcontractors and have been informed of their obligations hereunder.

## **B.8. Gratuities**

The rights of Supplier under the terms of this Contract may be immediately terminated, in whole or in part, by written notice if it is determined that the Supplier, its employee, agent or another representative offered or gave a gratuity (e.g., an entertainment or gift) to any State employee directly involved in this Contract. In addition, a Supplier determined to be guilty of such a violation may be suspended or debarred.

## **B.9. Preclusion from Resulting Contracts**

Any Bidder that has provided any consulting services or technical assistance that resulted in any specifications or concepts in this Solicitation, either directly or indirectly, is precluded from being awarded the Contract and from securing a sub-contractor that has provided such services.

## **B.10. Mutual Responsibilities**

The State and Supplier agree that:

- B.10.1.** Neither party grants the other the right to use any trademarks, trade names, or other designations in any promotion or publication without express written consent by the other party.
- B.10.2.** This is a non-exclusive Contract and each party is free to enter into similar agreements with others.
- B.10.3.** Each party grants the other only the licenses and rights specified in the Contract document and all other rights and interests are expressly reserved.
- B.10.4.** Except as otherwise set forth herein, where approval, acceptance, consent, or similar action by either party is required under this Contract, such action shall not be unreasonably delayed or withheld

## **B.11. Background Checks and Verifications**

At the sole discretion of the State, employees of the Supplier and any subcontractor of the Supplier may be subject to background checks. If background check information is requested, it will be funded by the EGID and the Supplier must submit, or cause to be submitted, the required information in a timely manner and the Supplier's access to facilities, data and information may be withheld prior to completion of background verification acceptable to the State, State Entity or Interlocal Entity.

## **B.12. Electronic and Information Technology Accessibility (EITA) Standards**

- B.12.1.** All electronic and information technology procurements, agreements, and contracts shall comply with Oklahoma Information Technology Accessibility Standards issued by the Oklahoma Electronic Information Standards found at [https://www.ok.gov/cio/Procurement/Policy\\_and\\_Procedure/Policy\\_and\\_Procedure\\_-\\_EITA\\_Clause.html](https://www.ok.gov/cio/Procurement/Policy_and_Procedure/Policy_and_Procedure_-_EITA_Clause.html). The State of Oklahoma Information Technology Accessibility Standards are based on the standards developed to implement Federal Section 508 of the Rehabilitation Act. Compliance with these standards is required for all software application systems utilized by agencies of the State of Oklahoma.

- B.12.2. For Information Technology or Communications Products, Systems and Applications not requiring development and/or customization.** The contractor shall provide a description of conformance with the applicable Oklahoma Information Technology Accessibility Standards for the proposed product, system, or application by means of either a Voluntary Product Accessibility Template (VPAT) or other comparable document, upon request.
- B.12.3.** The supplier shall indemnify and hold harmless the State of Oklahoma and any Oklahoma governmental entity purchasing the product, system or application developed and/or customized by the supplier from any claim arising out of the supplier's failure to comply with the aforementioned requirements in this Section.

### **B.13. Performance Security**

- B.13.1.** The supplier must provide to EGID within thirty (30) days after contract execution, the original of a blanket, no deductible performance bond in the amount of Three Million Dollars (\$3,000,000). In lieu of the performance bond, the supplier shall provide an irrevocable letter of credit in the amount of Three Million Dollars (\$3,000,000) for breach of performance. If the supplier is a subsidiary of another corporation, the parent corporation must additionally guarantee and indemnify the performance of the subsidiary. This bond and/or irrevocable letters of credit should be issued from a reliable surety company or national bank.
- B.13.2.** Additionally, the Supplier shall contemporaneously furnish a Certificate of Insurance from a national insurer, certifying that liability coverage is in effect and that EGID is a sole beneficiary or named insured. A certificate of insurance must be in force during the contract and be provided upon renewal.

### **B.14. Confidentiality and Health Insurance Portability and Accountability Act (HIPAA) Requirements**

The supplier agrees that it maintains internal practices, policies, books and records, including policies and procedures relating to the use and disclosure of EGID confidential and protected health information and will provide EGID a summary description of those policies and procedures upon request. All EGID member information concerning this solicitation is the sole property of the State of Oklahoma and shall remain confidential. It shall not be used by the supplier nor transmitted to others for any reason whatsoever, except as shall be required to administer and implement the Solicitation Specifications described in this solicitation or with prior written approval from EGID.

### **B.15. Safeguards**

The supplier shall use appropriate safeguards and train its workforce according to ACTUARIAL CONSULTANT procedures as necessary to prevent the use or disclosure of Protected Information; and ensure the integrity and availability of electronic protected information that the supplier creates, receives, maintains or transmits. The supplier shall implement administrative, technical and physical safeguards that are reasonable and appropriate to the size and complexity of the ACTUARIAL CONSULTANT's operations and the nature and scope of its activities. [45 CFR § 164.504(e)] [45 CFR § 164.306(a)] The supplier shall provide to OMES/CP and EGID the specifics of its safeguarding program.

### **B.16. Right to Audit**

EGID, or its designated representatives, shall be authorized to examine all records, data and systems of the supplier which are directly related to the performance of this contract. All records and data, without regard to form or media, shall be available during normal business hours upon forty-eight (48) hours' notice. Included in this right to audit shall be the following provisions:

- B.16.1.** EGID, or its designated representative, is authorized to visit the supplier's premises and have full access to all records and data including paper documents, electronic documents, policies and procedures, benefit document, imaged and magnetically-stored data which relate to this contract.
- B.16.2.** EGID, or its designated representative, is authorized to perform claims review and/or a review of the operational procedures and adjudication process. An operational review includes a review of the policies and procedures, work flow, staffing and training, system capabilities and edits, and disaster recovery plans.
- B.16.3.** The supplier shall assist EGID by promptly providing requested records and data and reasonable access to the supplier's personnel.
- B.16.4.** The findings of the audits performed by EGID or its designated representative shall be conclusive. The supplier shall cooperate with EGID and implement the recommendations of the audit findings.

### **B.17. Patents and Copyrights**

- B.17.1.** Without exception, the products prices shall include all royalties or costs owed by the Supplier to any third party arising from the use of a patent or copyright.
- B.17.2.** If a third party claims that any portion of the products provided by Supplier under the terms of this Contract infringes that party's patent or copyright, the Supplier shall defend the State against the claim at the Supplier's expense and pay all related costs, damages, and attorneys' fees incurred by, or assessed to, the State, provided the State (i) promptly notifies the Supplier in writing of the claim and (ii) to the extent authorized by the Attorney General of the State, allows the Supplier to control the defense and any related settlement negotiations. If the Attorney General of the State does not authorize sole control of the defense and settlement negotiations to Supplier, Supplier shall be granted authorization to equally participate in any proceeding related to this section but

Supplier shall remain responsible to indemnify the State for all associated costs, damages and fees incurred by or assessed to the State.

- B.17.3.** If such a claim is made or appears likely to be made, the Supplier shall enable the State to legally continue to use, or modify for use, the portion of products at issue or replace such potential infringing products with at least a functional non-infringing equivalent.

**B.18. Ownership of Data**

- B.18.1.** Although EGID is subject to the Oklahoma Open Records Act, 51 O.S. § 24A.1, EGID maintains documents and information that are considered confidential by law, 74 O.S. § 1322. In connection with this Contract, the supplier will have access to information that is considered confidential, and the supplier warrants and represents that such confidential information shall not be sold, assigned, conveyed, provided, released, disseminated or otherwise disclosed by the supplier, its employees, officers, directors, subsidiaries, affiliates, agents, representatives, assigns, subcontractors, independent contractors, successors, or any other persons or entities without EGID's express written permission. The supplier shall instruct its agents, representatives, subcontractors and/or independent contractors that they shall not use or disclose such confidential information to any other person or entity without the express written permission of EGID, except as absolutely necessary for supplier to render services under this Contract or as required by law. The supplier warrants and represents that it has a tested and proven system in effect to protect all confidential information as defined herein.
- B.18.2.** EGID "Confidential Information" includes the records and resulting data generated from the confidential information of all EGID members, retirees, and beneficiaries in any plan administered by EGID and all other related information that is subject to protection from disclosure pursuant to Oklahoma or federal law, including, without limitation all privacy protections as provided in and in the "Privacy Rule" adopted pursuant to HIPAA.
- B.18.3.** The Supplier agrees that EGID possesses exclusive property rights to the records and data designated herein as confidential information on behalf of EGID members. The supplier shall establish, maintain, and enforce agreements with its officers, directors, employees, subcontractors, independent contractors, affiliates, subsidiaries, assigns, agents and representatives who have access to any confidential information to fulfill the supplier's duties and obligations in this Contract and to specifically prohibit any use, sale, assignment, conveyance, provision, release, disclosure or other dissemination of any confidential information, except as otherwise required by law or authorized by EGID.
- B.18.4.** The Supplier shall immediately report to EGID any and all unauthorized use, appropriation, sale, assignment, conveyance, provision, release, access, acquisition, disclosure or other dissemination of any confidential information of which it or its subsidiaries, affiliates, employees, officers, directors, assigns, agents, representatives, independent contractors, and subcontractors is aware or has knowledge or reasonably should have knowledge. The supplier shall also promptly furnish to EGID full details of the unauthorized use, appropriation, sale, assignment, conveyance, provision, release, access, acquisition, disclosure or other dissemination, or attempt thereof, and use its best efforts to assist EGID in investigating or preventing the reoccurrence of such event in the future. The supplier shall cooperate with EGID in connection with any litigation and investigation deemed necessary by EGID to protect any confidential information. The supplier further agrees to promptly prevent a reoccurrence of any unauthorized use, appropriation, sale, assignment, conveyance, provision, release, access, acquisition, disclosure or other dissemination of confidential information.
- B.18.5.** The Supplier acknowledges that any improper use, appropriation, sale, assignment, conveyance, provision, release, access, acquisition, disclosure or other dissemination of any confidential information to others may cause immediate and irreparable harm to EGID and/or HealthChoice members and may violate state or federal laws and regulations. If the supplier or its affiliates, subsidiaries, employees, officers, directors, assigns, agents, representatives, independent contractors, and subcontractors improperly use, appropriate, sell, assign, convey, provide, release, access, acquire, disclose or otherwise disseminate such confidential information to any person or entity in violation of the Contract, EGID will immediately be entitled to injunctive relief and/or any other rights or remedies available to EGID under this Contract, at equity or pursuant to applicable statutory, regulatory, and common law without a cure period.
- B.18.6.** During the term of this Contract, the Supplier agrees that EGID is granted access to all EGID Confidential Data in the possession of the supplier and upon EGID request the supplier shall deliver to EGID a copy of any specified EGID confidential information and data that the supplier prepared, developed and/or stored by the supplier as part of this contract.
- B.18.7.** Prior to the expiration, or upon the earlier termination of this Contract, the Supplier shall provide EGID all confidential information and data as defined herein within the supplier's possession in the form of hard copy and/or electronic storage media. This paragraph does not apply to the supplier's proprietary formats or systems that contain the confidential information or proprietary documents pertaining to the operation of the supplier's business. The supplier may retain copies of those records or documents which it considers necessary for proof of performance.
- B.18.8.** This entire Section shall survive any termination, renewal, extension or amendment of this Contract.

## **B.19. Contract Defined**

- B.19.1.** This solicitation together with the supplier's response, exhibits, written questions and clarifications, amendments or revisions signed by both parties and presented to OMES/CP and the purchase order, and any Addendum to the contract constitute the entire and final agreement between EGID and the ACTUARIAL CONSULTANT relating to the rights granted and the obligations assumed by the parties and is the Contract when OMES/CP awards the Contract to the successful ACTUARIAL CONSULTANT. This clause supplements section A.9. Any Addendum to the contract or revisions signed by both parties and presented to OMES/CP shall take precedence over other contract documents.
- B.19.2.** Any prior agreements, promises, negotiations, or representations, either oral or written, relating to the subject matter of this solicitation and the supplier's response thereto, not expressly set forth, are of no force or effect.

## **B.20. Hold Harmless**

The ACTUARIAL CONSULTANT shall be responsible for the work, direction, and compensation of ACTUARIAL CONSULTANT employees, agents and subcontractors. Neither EGID nor the State of Oklahoma shall be liable, directly or indirectly, for the work and direction of ACTUARIAL CONSULTANT employees, agents or subcontractors. The supplier agrees to indemnify and hold harmless EGID, its employees and agents, and the State of Oklahoma from damages, loss, or liability to persons or property arising from claims of any kind, including, but not limited to compensation by ACTUARIAL CONSULTANT employees, agents, and subcontractors of the supplier against the supplier; negligent or willful acts of the supplier, its employees or agents in performance of this Contract; acts, omissions or liabilities of the supplier acting in any capacity that relate to the Contract; and damages, costs, fines or penalties arising from HIPAA violations committed by ACTUARIAL CONSULTANT employees, agents or subcontractors. The State of Oklahoma does not waive compromise, concede, surrender, or relinquish any rights, privileges, immunities, or remedies that the State of Oklahoma and its employees possess under State or Federal law.

## **B.21. Designation of Personnel**

EGID shall designate personnel or professionals under contract with EGID to administer any of the terms or conditions of this contract referenced herein, and any and all duties or acts required of EGID.

## **B.22. Severability**

The terms and provisions of this contract shall be deemed to be severable one from the other, and any determination at law or in a court of equity that one term or provision is unenforceable, shall have no effect on the remaining terms and provisions of this contract, or any one of them, in accordance with the intent and purposes of the parties hereto.

## **B.23. Notice**

Any notice required to be given, pursuant to the terms and provisions of the contract, shall be in writing, and delivered either by hand delivery with written receipt, or delivered by the U. S. Postal Service, (USPS) postage prepaid, by certified mail, return receipt requested, to EGID at 3545 N.W. 58th, Suite 600, Oklahoma City, Oklahoma 73112, or the supplier at the address listed on the purchase order. The USPS notice shall be effective on the date indicated on the return receipt.

## **B.24. Application of Federal and State Laws**

This Contract is subject to all applicable Federal Regulations and Oklahoma State Statutes, EGID's Rules and Administrative Directives. Any provision of this contract which is not in conformity with existing or future legislation shall be considered amended to comply with such legislation.

## **B.25. Force Majeure**

Either party shall be temporarily excused from performance to the extent delayed as a result of unforeseen causes beyond its reasonable control including fire or other casualty, act of God, strike or labor dispute, war or other violence, or any law, order or requirement of any governmental agency or authority provided the party experiencing the force majeure event has prudently and promptly acted to take any and all steps within the party's control to ensure continued performance and to shorten duration of the event. In the event that a party's performance of its obligations is materially hindered as a result of a force majeure event, such party shall promptly notify the other party of its best reasonable assessment of the nature and duration of the force majeure event and steps it is taking, and plans taken to mitigate the effects of the force majeure event. The party shall use commercially reasonable best efforts to continue performance to the extent possible during such event and resume full performance as soon as reasonably practicable. Subject to the conditions set forth above, such non-performance shall not be deemed a default. However, a purchase order may be terminated if a vendor cannot cause delivery of products or services in a timely manner to meet the business needs of the EGID.

## **B.26. Assignments**

This contract shall not be assigned in whole or in part without written approval by OMES/CP and EGID.

## **B.27. Subcontractors**

- B.27.1.** In the event a proposal is jointly submitted by more than one vendor, one of the organizations must be designated as the ACTUARIAL CONSULTANT Prime Contractor. All other entities should be designated as subcontractors. The supplier shall certify that each subcontractor complies with the minimum requirements of this solicitation and all contract provisions. The supplier shall provide said certification for future subcontractors when a subcontractor is engaged to perform services for EGID on behalf of the contracted supplier.

- B.27.2.** The prime contractor shall be completely responsible for all contract services to be performed. Prime contractors must demonstrate that all aspects of system integration have been carefully and completely considered.
- B.27.3.** Additionally, suppliers utilizing subcontractors for this solicitation shall name the subcontractor, define the relationship, the services to be performed by the subcontractor, and clearly state the years of experience. The supplier shall document procedures implemented allowing the supplier to fully interface with its subcontractors. For example, the supplier shall demonstrate how its customer service system interface/integration and department interfaces with the system and department of its subcontractors. Failure to adequately demonstrate the ability to timely integrate the organizations shall result in the elimination of the proposal.
- B.27.4.** If the Supplier is permitted to utilize subcontractors in support of this Contract, the Supplier shall remain solely responsible for its obligations under the terms of this Contract and for its actions and omissions and those of its agents, employees and subcontractors. Any proposed subcontractor shall be identified by entity name and by employee name in the applicable proposal and shall include the nature of the services to be performed. Prior to a subcontractor being utilized by the Supplier in connection with provision of the products, the Supplier shall obtain written approval of the State of such subcontractor and each employee of such subcontractor proposed for use by the Supplier. Such approval is within the sole discretion of the State. As part of the approval request, the Supplier shall provide a copy of a written agreement executed by the Supplier and subcontractor setting forth that such potential subcontractor is bound by and agrees to perform the same covenants and be subject to the same conditions, and make identical certifications to the same facts and criteria, as the Supplier under the terms of all applicable Contract documents. Supplier agrees that maintaining such agreement with any subcontractor and obtaining prior approval by the State of any subcontractor and associated employees shall be a continuing obligation. The State further reserves the right to revoke approval of a subcontractor or an employee thereof in instances of poor performance, misconduct or for other similar reasons.
- B.27.5.** All payments for products shall be made directly to the Supplier. No payments shall be made to the Supplier for any services performed pursuant to this Contract by unapproved or disapproved employees of the Supplier or a subcontractor.

#### **B.28. Federal Exclusion List**

The supplier affirms and agrees that it complies with the federal statutes and regulations concerning persons who are listed on the Excluded Parties List System maintained by the General Services Administration, or excluded from receiving payments from federal government programs by the Department of Health and Human Services, Office of Inspector General.

#### **B.29. Fraud, Waste & Abuse Compliance Program**

The supplier must acknowledge EGID's Fraud, Waste & Abuse Compliance Program. The compliance program can be viewed at <https://www.ok.gov/sib/documents/EGIDCompliancePlan.pdf>. The supplier must include in its Fraud, Waste & Abuse training efforts at least one hour annually of training for applicable ACTUARIAL CONSULTANT employees.

#### **B.30. Failure to Enforce**

Failure by the State, as applicable, at any time to enforce a provision of, or exercise a right under, any Contract document shall not be construed as a waiver of any such provision. Such failure to enforce or exercise shall not affect the validity of any Contract document, or any part thereof, or the right of the State to enforce any provision of, or exercise any right under, a Contract document at any time in accordance with its terms. Likewise, a waiver of a breach of any provision in a Contract document shall not affect or waive a subsequent breach of the same provision or a breach of any other provision in a Contract document.

#### **B.31. Lawsuits and Litigation**

- B.31.1.** The Consultant must disclose any prior litigation, violations of administrative rules and hearings, threatened or impending, involving itself and the State of Oklahoma or any political subdivisions, and/or any state officer and/or any state employee acting in the capacity of a state employee, and any settlements, compromises (if confidential, a statement of that fact) or Judgments of Record resulting from the foregoing described litigation or administrative proceedings for the past five years or affirm there are none. A statement from the Consultant that no pending litigation will materially affect the ability to perform services will not suffice. EGID requires disclosure of (citation and brief summary) the lawsuits or any litigation between the Consultant and the State of Oklahoma.
- B.31.2.** The Consultant shall list and disclose contract cancellations or negligent causes of action that arose from work performed that is the same or similar to work identified in the Scope of Services in this RFP that was initiated by persons or entities other than the Consultant and resulted in a settlement with or judgment against the Consultant in any jurisdiction in the United States in an amount of One Hundred Thousand Dollars (\$100,000.00) or more within the previous five (5) years, or affirm there are none.

#### **B.32. Conflict of Interest**

- B.32.1.** Bidder must provide immediate disclosure of any contractual relationship or any other relevant contact with any State personnel or another Supplier involved in the development of a Bidder's response to this Solicitation. Any conflict of interest shall, at the sole discretion of the State, be grounds for rejection of the Bid or termination of project involvement.

**B.32.2.** In addition to any requirement of law or through a professional code of ethics or conduct, the Supplier and the Supplier's employees performing services for the State are required to disclose any outside activity or interest that conflicts or may conflict with the best interest of the State. Further, without prior written approval of the State, such employees shall not plan, prepare, or engage in any activity that conflicts or may conflict with the best interest of the State as long as the Supplier has an obligation under this Contract. Prompt disclosure is required under this section if the activity or interest is related, directly or indirectly, to any person or entity currently under contract with or seeking to do business with the State, its employees or any other third-party individual or entity awarded a contract with the State.

**B.33. Media Ownership (Disk Drive and/or Memory Chip Ownership)**

In accordance with the State of Oklahoma Information Security Policy, Procedures, Guidelines set forth online at <http://www.ok.gov/cio/documents/InfoSecPPG.pdf> ("Electronic Media Retention Requirements"), any disk drives and memory cards purchased with or included for use in leased or purchased equipment under this Contract remain the property of the State.

**B.34. Offshore Services**

No offshore services are provided for under this Contract. State data shall not be used or accessed internationally, for troubleshooting or any other use not specifically provided for herein without prior written permission, which may be withheld in the State's sole discretion, from the appropriate authorized representative of the State.

**B.35. Agency Policies**

The Supplier's employees and/or sub-contractors must adhere to the applicable State policies including, but not limited to acceptable use of Internet and electronic mail, facility and data security, press releases, and public relations. It is up to the Supplier to review and relay State policies covering the above to the consulting staff.

**B.36. Compliance with Technology Policies**

The Supplier agrees to adhere to the State of Oklahoma "Information Security Policy, Procedures, and Guidelines" available at: [www.ok.gov/OSF/documents/StateOfOklahomaInfoSecPPG\\_osf\\_12012008.pdf](http://www.ok.gov/OSF/documents/StateOfOklahomaInfoSecPPG_osf_12012008.pdf)

**B.37. Publicity**

The award of this Contract to Supplier is not in any way an endorsement by the State of Supplier or the products and shall not be so construed by Supplier in any advertising or publicity materials. Supplier agrees to submit to the State all advertising, sales promotion, and other publicity matters relating to this Contract wherein the State's name is mentioned or language used from which the connection of the State's name therewith may, in the State's judgment, be inferred or implied as an endorsement. Supplier further agrees not to publish or use such advertising, sales promotion, or publicity matter or release any informational pamphlets, notices, press releases, research reports, or similar public notices concerning this Contract without obtaining the prior written approval of the State.

**B.38. Non Tobacco – Smoke Free**

By order of the Governor's Executive Order 2012-01, effective August 06, 2012 the use of any tobacco product shall be prohibited on any and all properties owned, leased or contracted for use by the State of Oklahoma, including but not limited to all buildings, land and vehicles owned, leased or contracted for use by agencies or instrumentalities of the State of Oklahoma.

**B.39. Supplier Services**

The State of Oklahoma shall not guarantee any minimum or maximum amount of the Supplier services that may be required under this Contract.

**B.40. Notification of Award**

Notification will be made to the successful Supplier by issuance of a purchase order. Public information releases pertaining to this project shall not be made without prior written approval by EGID and then only in conjunction with EGID.

**C. SOLICITATION SPECIFICATIONS**

**C.1. Introduction**

**C.1.1.** EGID requests proposals from qualified Consultants to provide actuarial consulting services including, but not limited to, reserve calculations, rate adequacy and premium setting, annual valuation and experience reports, benefit and plan design consulting, legislative fiscal impacts, analysis, other post-employment benefit calculations and other special projects created pursuant to 74 O.S. (2011) § 1312 (1) and (2). This RFP defines the requirements used to determine a qualified Consultant and describes requested services.

**C.1.2. Identification of EGID**

**C.1.2.1.** EGID was established to provide benefits for state and education employees, employees of other state governmental entities and quasi-state governmental entities. The insurance plans offered by EGID are

known as the HealthChoice plans. Plan components are described in Section C.1.4. EGID makes decisions on all policy matters affecting the group insurance plans, including participant benefits, premium rates and the investment of premiums.

- C.1.2.2. Pursuant to legislative authority, EGID Rules set forth the eligibility, type of participation and benefit guidelines for all participating employers. A copy of the official agency Rules is on file with the Office of the Secretary of State beginning at 260:1-1-1, or the Rules may be found at the Site Map under the heading "About EGID" at OMES's website: [www.ok.gov/sib/documents/EGIDAdminRules.pdf](http://www.ok.gov/sib/documents/EGIDAdminRules.pdf)
- C.1.2.3. Claims are processed by the plan's current health, dental & life benefit TPA, DXC Technology, and Pharmacy Benefit Manager (PBM), CVS/Caremark. Beginning January 1, 2018 the plan's TPA will become Healthscope Benefits.

### C.1.3. Identification of Membership

C.1.3.1. EGID enrollment in its health and pharmacy plans as of June 30, 2017:

- C.1.3.1.1. 73,037 primary members in HealthChoice High Option
- C.1.3.1.2. 15,615 primary members in HealthChoice Basic Option
- C.1.3.1.3. 8,179 primary members in HealthChoice High Deductible Health Plan
- C.1.3.1.4. 31,152 primary members in HealthChoice S-Account
- C.1.3.1.5. 30,779 primary members in its Medicare Supplement plans
- C.1.3.1.6. In its dental plan, 94,008 primary members.
- C.1.3.2. Life Fund, EGID enrolled:
  - C.1.3.2.1. 74,150 primary active members in the basic life benefit plan,
  - C.1.3.2.2. 20,965 former primary members with life insurance coverage.
- C.1.3.3. The total volume of Life Insurance coverage in force as of June 30, 2017 is \$6,279,281,000.

### C.1.4. Identification of Self-Funded HealthChoice Plans

#### C.1.4.1. Medical Plans

- C.1.4.1.1. HealthChoice was established by, and operates pursuant to, the Oklahoma Employees Insurance and Benefits Act, 74 O.S. § 1301, et seq., hereinafter (Act). The Act was established for the benefit of state and education employees, employees of other state governmental entities and quasi-state governmental entities authorized by the Act to participate in the health, dental and life insurance plans offered by EGID. EGID makes decisions on all policy matters affecting the group insurance plans, including member benefits, premium rates and the investment of plan reserves. Pursuant to legislative authority, EGID Rules set forth the eligibility, type of participation and benefits guidelines for all participating employers. A copy of the official agency Rules is on file with the Office of the Secretary of State beginning at Oklahoma Administrative Code Title 260:1-1-1, or the Rules may be found at [www.ok.gov/sib/documents/EGIDAdminRules.pdf](http://www.ok.gov/sib/documents/EGIDAdminRules.pdf)
- C.1.4.1.2. Currently, HealthChoice offers the HealthChoice High, the HealthChoice High Alternative, the Basic, the Basic Alternative, the HealthChoice High Deductible Health Plan (HDHP) to its active members and its pre-Medicare members (herein commonly referred to as "commercial"). All of the plans for the commercial members have the same pharmacy benefit design. HealthChoice has elected to have separate out-of-pocket maximums for its medical benefits and its pharmacy benefits. The combined out-of-pocket maximums do not exceed the Affordable Care Act (ACA) allowed maximum. Go to <http://www.ok.gov/sib/documents/HealthHandbook.pdf> for information on the plan designs.
- C.1.4.1.3. For the HealthChoice HDHP plan, pharmacy benefits are available only after the combined health and pharmacy benefit deductible of \$1,750/individual or \$3,500/family has been met. Go to <https://www.ok.gov/sib/documents/HealthHandbook.pdf> for more information on this plan.
- C.1.4.1.4. For HealthChoice's Medicare members, there are two Part D plans, the HealthChoice SilverScript High Option and HealthChoice SilverScript Low Option, and the High and Low without Part D plans. The medical benefits are the same for all Medicare members, but the pharmacy benefit design differs based on the plan chosen. The HealthChoice SilverScript Low Option plan mirrors the standard Medicare Part D plan design mandated by Centers for Medicare and Medicaid Services (CMS). The Low with Part D also has categories for members that qualify for additional assistance through CMS via the Low Income Subsidy (LIS). The High Option with Part D plan offers members a plan design of flat copays regardless of which stage of the standard Part D benefit the member is in. Members who do not qualify for Medicare Part D benefits, but qualify for other Medicare benefits, such as Part A and/or Part D, are placed in the HealthChoice High and Low without Part D plans. The plan design for

these non-Medicare Part D plans mirrors that of the with HealthChoice Part D plans, but do not qualify for reimbursement from CMS. Go to <https://www.ok.gov/sib/documents/2017MedSuppHandbook.pdf> for more information on the HealthChoice Medicare plans.

- C.1.4.1.5. From Calendar Year 2006 through Calendar Year 2015 EGID was contracted directly with CMS as an Employer Direct Prescription Drug Plan (PDP). Since Calendar Year 2016 EGID has placed its members on an Employer Direct Waiver Plan (EGWP) utilizing EGID's Pharmacy Benefit Manager's (PBM) contract with CMS for EGID's members. As part of this EGWP setup with EGID's PBM, EGID receives reimbursement passed through to it from CMS in various forms, including LIS subsidies, Low Income Premium Sharing subsidies (LIPS), Coverage Gap Discount Program (CGDP) reimbursement, and Federal Reinsurance.

#### **C.1.4.2. Dental Plan**

- C.1.4.2.1. Dental benefits are based on eligible expenses less deductible and participant co-insurance. Participants in the dental plan can also obtain dental care services from network providers or from non-network providers. Go to <http://www.ok.gov/sib/documents/DentalHandbook.pdf> for more information on the dental plan.

#### **C.1.4.3. Life**

- C.1.4.3.1. Life benefits include basic coverage, supplemental coverage, and age-rated coverage.
- C.1.4.3.2. Go to <http://www.ok.gov/sib/documents/LifeHandbook.pdf> for information on life benefits.

### **C.1.5. Rate and Class Categories**

- C.1.5.1. EGID sets premium rates each year for each type of coverage. Premium rates adopted by EGID are intended to be adequate in the aggregate to fund the anticipated benefits, administrative expenses and necessary reserves. Currently, EGID adopts separate premium rates for active employees, former employees who are not Medicare-eligible (pre-Medicare), and former employees who are Medicare-eligible. The premium rates for active employees and pre-Medicare members are blended and have the same rate. For each benefits coverage category, there are separate rate classes for:

- C.1.5.1.1. Primary;
- C.1.5.1.2. Spouse;
- C.1.5.1.3. One child; and
- C.1.5.1.4. More than one child.

- C.1.5.2. EGID reserves the right to adopt new rate and class categories in response to changes in statutes or EGID policy.

## **C.2. Specific Data Requirements**

- C.2.1. **Encryption.** The Supplier shall use Pretty Good Privacy (PGP) as its standard encryption application and encrypted files shall be sent over secure File Transfer Protocol (FTP). EGID policy dictates that all files at rest must be encrypted.
  - C.2.1.1. Describe the Supplier's security and encryption standards and preferred method.
  - C.2.1.2. Describe how daily operational email is encrypted and routed between the Supplier and existing clients.
  - C.2.1.3. Describe in detail the Supplier's system capabilities to administer the limiting charge of the allowed amount for non-Network Medicare providers.
- C.2.2. **HIPAA Transactions.** The Supplier shall accept the HIPAA Transaction Standards for conducting business with and on behalf of EGID and all Business Associates.

## **C.3. Scope of Services**

### **C.3.1. Work Component One- EGID Self-Funded Health, Dental and Life Plans**

- C.3.1.1. **Monthly Services:** For the health, pharmacy and dental plan, the Consultant shall within four (4) working days after the data becomes available to the Consultant:
  - C.3.1.1.1. Review monthly claims data and evaluate actuarial assumptions.
  - C.3.1.1.2. Determine the preliminary monthly liability for unpaid claims and claims incurred but not reported.
  - C.3.1.1.3. Calculate for the reporting period reserve requirements using EGID's actuarial assumptions and plan experience for health, pharmacy and dental plan considering benefit revisions. The calculations shall be reported by benefit (health, pharmacy, dental), by plan (High Option, Basic, USA, HDHP), and by insured category (Active, pre-Medicare, Medicare). The calculations shall also be reported by type of

service such as inpatient, outpatient, other facility, and professional for only Actives and pre-Medicare combined. Additionally, based upon two (2) additional months of paid claim data, the Consultant shall determine the final monthly liability for unpaid claims and claims incurred but not reported.

C.3.1.1.4. Provide an estimated trend factor.

C.3.1.1.5. Provide documentation of reserve calculation and actuarial assumptions. Develop and use an approved form of written report to communicate to EGID the results of the financial analysis that documents the approach, findings and recommendations.

**C.3.1.2. Quarterly Services:** For the life fund, the Consultant shall within four (4) working days after the data is available to the Consultant:

C.3.1.2.1. Review quarterly claims data and evaluate actuarial assumptions.

C.3.1.2.2. Determine the quarterly liability for unpaid claims and claims incurred but not reported.

C.3.1.2.3. Calculate reserve requirements for the reporting period using actuarial assumptions and plan experience for the life plan considering benefit revisions.

C.3.1.2.4. Provide documentation of reserve calculation and actuarial assumptions.

C.3.1.2.5. Develop and use an approved form of written report to communicate to EGID the results of the financial analysis that documents the approach, findings and recommendations.

**C.3.1.3. Annual Health and Dental Fund Valuation Report**

C.3.1.3.1. Within six (6) business days of April 1st, the Consultant shall provide a Health and Dental Fund Valuation Report. The Report shall contain the final year-end liability for unpaid claims and claims incurred but not reported for the health, pharmacy, dental, and life plans, based upon claim runoff through March 31st.

C.3.1.3.2. The Consultant shall calculate Risk Based Capital based upon the National Association of Insurance Commissioners Managed Care Organizations Risk-Based Capital Formula. The Consultant shall review and evaluate EGID's asset risk factor for each category of assets.

C.3.1.3.3. The Consultant shall also calculate and report in the Valuation Report the projected premium deficiency in accordance with Governmental Accounting Standard Board Statement 30.

**C.3.1.4. Annual Life Fund Valuation Report**

C.3.1.4.1. Within six (6) business days of April 1st, the Consultant shall provide a Life Fund Valuation Report. The Report shall contain the final year-end liability for unpaid claims and claims incurred but not reported for the life fund, based upon claim runoff through March 31st.

C.3.1.4.2. The Consultant shall review and evaluate EGID's Risk Based Capital for the Life Fund.

C.3.1.4.3. The Consultant shall also calculate and report in the Valuation Report the projected premium deficiency in accordance with Governmental Accounting Standard Board Statement 30.

**C.3.1.5. Annual Budget:** The Consultant shall prepare by the 15th of April a monthly budget by type of service based upon monthly seasonality factors and the current rate adequacy, using claims runoff through March 31st and updated for the March 31st census.

**C.3.1.6. Trend and Experience Review:** The Consultant shall present at the May Board meeting a summary of the recent trends, cost drivers and possible effects on the upcoming rates.

**C.3.1.7. Annual Rate Adequacy**

C.3.1.7.1. It is statutorily required that EGID set premiums by the 3rd Friday in August for Actives and pre-Medicare members for the upcoming plan year and the fourth Friday in September for Medicare members. Although the Medicare rates are statutorily required to be set in September, due to the Center of Medicare and Medicaid (CMS) open enrollment requirements, the Medicare rates must be set in August. The Board meeting is typically held prior to the 3rd Friday in August. The date of this requirement may be impacted by future legislation.

C.3.1.7.2. The Consultant shall annually provide EGID with a Rate Adequacy Report. The first Rate Adequacy Report required by this RFP shall be for the plan year beginning January 1, 2016.

C.3.1.7.3. The Consultant shall prepare the Rate Adequacy exhibits while taking the following into consideration during the calculation of the rates:

C.3.1.7.3.1. Experience Report;

C.3.1.7.3.2. Plan design changes;

C.3.1.7.3.3. New and proposed legislation;

- C.3.1.7.3.4. Amortization and subsidization polices; and
- C.3.1.7.3.5. Input from members of EGID's Board, EGID's administrative staff, the Legislature, and or the Governor.
- C.3.1.8.** The Consultant shall confer with EGID's administrative staff to determine the assumptions to be used and preparing comments in writing as to the validity and appropriateness of those assumptions.
- C.3.1.9.** If requested, the Consultant shall attend a rate study planning meeting with members of EGID's Board, EGID's administrative staff, representatives of the Legislature and or the Governor.
- C.3.1.10.** The Consultant shall provide EGID's administrative staff the Rate Adequacy exhibits, detailed calculations and discussion of the findings prior to the required deadlines.
- C.3.1.11.** Preliminary Rate Adequacy exhibits shall be provided and presented at the request of EGID for committee meetings and/or constituency meetings by a mutually agreed upon date. The preliminary Medicare Rate Adequacy will include only an estimate of the CMS Part D subsidy since the actual amount is not available until late July/early August.
- C.3.1.12.** The Consultant shall revise the Rate Adequacy exhibits for different assumptions promulgated by members of EGID's Board and/or representatives of the Legislature and the Governor. All revised rate adequacy exhibits prepared at the request of the Legislature or the Governor shall contemporaneously be delivered to EGID's Administrator.
- C.3.1.13.** The Consultant shall present the final Rate Adequacy exhibits to EGID's Board Committee meetings and its Board meeting in August. The date of this requirement may be impacted by future legislation.
- C.3.1.14.** The Consultant shall provide a written final Rate Adequacy Report within thirty days prior to EGID's adoption of all the rates.
- C.3.1.15. General Services:** Upon request, the Consultant shall provide a report of the fiscal impact of:
  - C.3.1.15.1. Proposed Rules revisions;
  - C.3.1.15.2. Recommended plan design changes and the cost to benefit comparison of each change;
  - C.3.1.15.3. Enacted or proposed State or federally mandated benefits;
  - C.3.1.15.4. Entities joining or leaving HealthChoice and other major demographic changes; and
  - C.3.1.15.5. Plan design alternatives as requested by EGID, EGID's administrative staff, Employees Benefit Council (EBC), Governor's staff, Legislative staff, Oklahoma Public Employees Retirement System (OPERS), Teachers Retirement System (TRS) and other interested parties.
- C.3.1.16.** The Consultant must provide a written response to the fiscal impact of proposed legislation. The Oklahoma Legislature meets from February through May each year. Past experience has indicated an average of fifteen legislative bills requiring cost impact analysis. The requesting legislator usually requires a written response within three working days.
- C.3.1.17.** The Consultant must be available to attend EGID's monthly committee meetings, quarterly public Board meetings and be available to meet with members of EGID's Board and/or legislators at other times, as needed. It is anticipated that the Consultant will be requested to attend approximately four of the monthly meetings, two of the quarterly Board meetings, and one other meeting to brief legislators during the legislative session.
- C.3.1.18.** The Consultant must be available to attend other meetings with EGID's administrative staff, Governor's staff, Legislative staff, Oklahoma Public Employees Retirement System, Teachers Retirement System, and other interested parties, as needed.
- C.3.1.19.** The Consultant must, upon request, provide and discuss with EGID's administrative staff detailed actuarial spreadsheets, calculations, assumptions utilized and other detailed material sufficient to support the Claim Reserve Liabilities, Risk-Based Capital, Premium Deficiencies, the Experience Report, the Rate Adequacy Report, and the other reporting requirements of this RFP.
- C.3.1.20.** The Consultant must be available to respond to EGID's administrative staff's general requests for information. General requests for information are limited in scope and duration and do not constitute special projects.

### **C.3.2. Work Component Two – Special Projects**

The Consultant must be available to perform special projects relating only to the Health and Dental Fund and the Life Fund that are presently undefined, but which may be requested by EGID and/or the Legislature. Special projects shall be clearly defined and estimated costs shall be approved in writing by EGID's administrative staff prior to the commencement of the work. EGID typically funds Sixty Thousand (\$60,000) per calendar year for Special Projects.

### **C.3.3. Work Component Three - OPEB**

The Employees Group Insurance Division, administers group health and dental insurance coverage for state employees as well as many participating school districts, cities, counties and other quasi-governmental entities. EGID is not an OPEB trust. However, employers participating through EGID have a liability for other post-employment benefits because rates for retirees under age 65 are set at the same rate as for active employees, creating an implicit rate subsidy. The State of Oklahoma has no accumulated OPEB assets for this subsidy.

- C.3.3.1.** Prepare an OPEB actuarial valuation with disclosure information, specifically related to the implicit rate subsidy under GASB 75, to be used by the state of Oklahoma to accrue and report the employer liability for the fiscal year ending June 30, 2018. The measurement date may be June 30, 2017 or December 31, 2017.
- C.3.3.2.** Provide the employer liability to the State of Oklahoma no later than February 28, 2018
- C.3.3.3.** Assistance with GASB 75 transition to new OPEB accounting rules
- C.3.3.4.** The Consultant must be available to perform special projects relating only to the OPEB consulting that are presently undefined, but which may be requested by OMES. Special projects shall be clearly defined and estimated costs shall be approved in writing by EGID's administrative staff prior to the commencement of the work. EGID and/or OMES typically funds Sixty Thousand (\$60,000) per calendar year for Special Projects.

### **C.3.4. Work Component Four – Actuarial Services – Health and Dental Solicitation Process**

- C.3.4.1.** EGID solicits competitive proposals for health and dental insurance. In the past decade, the number of HMO's submitting proposals has ranged from two to five per year. The development of the solicitation requirements begins several weeks in advance of the proposal being released by EGID. The Actuarial Consultant will participate in the development of the specifications, including expected premium pricing for minimum plan specifications. This process will require Actuarial Consultant staff members to meet periodically with EGID's Request For Proposal (RFP) Team in Oklahoma City. Actuarial Consultant staff will need to be available for impromptu conference calls as required. Every effort will be made to provide as much advance notice for impromptu conference calls as possible; however, there will be times when EGID staff will need to converse with Actuarial Consultant staff without advance notice.
- C.3.4.2.** EGID may be required to develop excessive pricing criteria for the health or dental solicitations. Actuarial Consultant staff must work with EGID staff in developing various excessive pricing models and provide a pricing methodology to evaluate plans offered. This includes on-site meetings and conference call meetings as well. Actuarial Consultant staff will use data supplied by EGID among other information independently obtained or known by the consultant to assist EGID in assessing excessive pricing criteria within statutory guidelines.
- C.3.4.3.** Actuarial Consultant staff will participate in all levels of the solicitation process including, but not limited to:
  - C.3.4.3.1.** Mandatory pre-bid conferences with health and dental providers.
  - C.3.4.3.2.** Participating in a "best and final offer" contract negotiation in Oklahoma City, Oklahoma to evaluate pricing alternatives offered during the negotiation process;
  - C.3.4.3.3.** Reviewing all best and final offers received in response to the solicitation and reviewing the actuarial soundness of rates offered; and
  - C.3.4.3.4.** Review the RFP team's evaluations and provide written recommendations regarding the award of contracts.

## **C.4. Proposal Deliverables**

### **C.4.1. Prospective Vendors are to submit the following:**

- C.4.1.1.** Vendors are to provide a Consulting Overview detailing the following in the order listed:
  - C.4.1.1.1.** Discuss the Consultant's actuarial assumptions and approach to determining liabilities for policy and contract claim reserves.
  - C.4.1.1.2.** Briefly discuss the Consultant's experience in calculating Risk-Based Capital requirements.
  - C.4.1.1.3.** Provide a narrative of experience and capability in developing management and financial reports for clients summarizing plan utilization, financial trends, and monitoring capabilities. Describe the types of reports you can provide.
  - C.4.1.1.4.** Provide a detailed list of the types of studies that can be performed with your actuarial model.
  - C.4.1.1.5.** Describe the actuarial or benefits consulting services the Consultant offers outside of the services requested in this RFP.

- C.4.1.1.6. Describe any databases or resources that the Consultant may maintain of its client's information to help analyze regional or national data.
- C.4.1.1.7. Discuss the Consultants experience in the preparation of OPEB reports, specifically related to an implicit rate subsidy under GASB Statement No. 75 and related accounting rules.
- C.4.1.1.8. Experience: The Consultant shall designate the specific individuals to be assigned to EGID's account, office location, list the anticipated job duties and provide representations of the individuals' specific experience and clientele in the health, dental and life insurance industries, specifically designating any self-funded clients.
  - C.4.1.1.8.1. Do the individuals assigned to EGID's account have specific experience performing health & Dental Insurance Solicitation Consulting Services?
- C.4.1.1.9. Actuarial Credentials and Professional Designations and Organizations for the specific individuals to be assigned to EGID's account.
- C.4.1.1.10. Provide a detailed list of all clients for whom you provide Health & Dental Insurance Solicitation Consulting Services.
- C.4.1.2.** Vendors are to provide Price and Cost (see Section H)
- C.4.1.3.** Vendors are to provide three (3) recent client reference surveys (Attachment B) – one (1) for whom the Consultant provides fully insured Health & Dental Insurance Solicitation Consulting Services and two (2) for whom the Consultant provides Self-Funded Health and Dental Plan Consulting Services.
- C.4.1.4.** Do you want a statement in the response agreeing to Ownership of Data (see Section B.18)
- C.4.1.5.** Vendors are to provide written acknowledgement of EGID's Fraud, Waste & Abuse Compliance Program (see Section B.29)
- C.4.1.6.** Vendors are to provide specifics of its safeguarding program (See section B.15).
- C.4.1.7.** Vendors are to provide disclosure, if applicable (See Sections B.31 and B.32).
- C.4.1.8.** Vendors are to describe Encryption process (See Section C.2.1).

## **D. EVALUATION**

### **D.1. Evaluation and Award**

- D.1.1.** The Consultant shall comply with all requirements in this section. A Consultant's response to an EGID requirement that deviates from the stated requirements will be considered; however, EGID according to its sole unrestricted discretion will determine whether the deviation is or is not in the best interest of the Plan, and will score it accordingly. A response that does not strictly comply with the RFP shall be listed by the Consultant in the Statement of Compliance that is in this RFP.
- D.1.2.** EGID reserves the right, at its sole discretion, to request clarifications of technical proposals or to conduct discussions for the purpose of clarification with any or all bidders. The purpose of any such discussion shall be to ensure full understanding of the proposal. If clarifications are made because of such discussion, the bidder shall put such clarification in writing.
- D.1.3.** Best Value: This solicitation will be evaluated as best value in accordance with Title 74, §85. The best value criteria for this proposal is listed below and all proposals will be reviewed and awarded based on the following evaluation criteria:
  - D.1.3.1.** Consultant Overview
  - D.1.3.2.** Vendor Reference Surveys (Attachment B)
  - D.1.3.3.** Price and Cost (Section H)
- D.1.4.** Determination of Solicitation Responsiveness
 

A responsive Bid is a Bid that meets all the following Solicitation requirements:

  - D.1.4.1.** Responding Bidder Information Sheet complete Form 076
  - D.1.4.2.** Certification for Competitive Bid and Contract (Non-Collusion Certification) Form 004
  - D.1.4.3.** Submission of Proposal Deliverables
  - D.1.4.4.** Amendments, if issued, are acknowledged.

Meeting all requirements outlined above allows the offer to proceed in the evaluation process. Failure to meet all of the above may result in the proposal being disqualified from further evaluation.

Note: The following evaluation process is not presented in any sequence as any selection process may overlap the other in the evaluation.

**D.1.5. Evaluation of Bid**

The technical section of the Bid is evaluated based on the Solicitation specifications.

**D.1.6. Evaluation of Cost**

Cost comparisons are performed.

**D.2. Negotiation (in Addition to Section A.13)**

**D.2.1.** The State reserves the right to request demonstrations and clarifications from any or all responding bidders.

**D.2.2.** The State reserves the right to accept or reject any or all proposals or portions thereof.

**D.2.3.** The State reserves the right, at its sole discretion, to request clarifications of technical proposals or to conduct discussions for the purpose of clarification with any or all bidders. The purpose of any such discussion shall be to ensure full understanding of the proposal. If clarifications are made because of such discussion, the bidder shall put such clarification in writing.

**D.2.4.** OMES/CP and EGID reserve the right to consider historical information and facts, whether gained from the bidder's proposal question and answer conferences, or references in the evaluation process.

**D.2.5.** The Supplier is cautioned that it is the Supplier's sole responsibility to submit information pertinent to the evaluation and that EGID is under no obligation to solicit such information if it is not included with the Supplier's proposal. Failure to submit such information may cause an adverse impact on the evaluation of the Actuarial Proposal.

**E. INSTRUCTIONS TO BIDDER**

**E.1. Introduction**

Prospective Vendors are urged to read this solicitation carefully. Failure to do so will be at the Vendor's risk. Provisions, terms, and conditions may be stated or phrased differently than in previous solicitations. Irrespective of past interpretations, practices or customs, proposals will be evaluated and any resultant contract(s) will be administered in strict accordance with the plain meaning of the contents hereof. The Vendor is cautioned that the requirements of this solicitation can be altered only by written amendment approved by the state and that verbal communications from whatever source are of no effect. In no event shall the Vendor's failure to read and understand any term or condition in this solicitation constitute grounds for a claim after contract award.

**E.2. Additional Requirements:**

The Supplier is to state in its proposal exactly how it will comply, provide detailed information and affirm its understanding of the requirement and its agreement to comply with that requirement for the duration of the contract.

**E.2.1. Conflict.**

**E.2.1.1.** The Supplier shall disclose any apparent or potential conflict of interest or affirm that it has none. The Supplier shall have no interest, direct or indirect, that could be perceived to conflict in any manner or degree with the performance of services required under this contract. The Supplier shall not engage in any conduct that violates or induces others to violate provisions in the Oklahoma Statutes regarding the conduct of public employees. See, The Anti-Kickback Act of 1974 at 74 O.S. (2001), § 3401, et seq., and the Conflict of Interest provision in the Oklahoma Central Purchasing Act at 74 O. S. (2001), § 85.3.

**E.2.2. Lawsuits and Litigation.**

**E.2.2.1.** The Supplier shall list and disclose contract cancellations or negligent causes of action that arose from work performed that is the same or similar to work identified in the Solicitation Specifications in this solicitation that was initiated by persons or entities other than the Supplier and resulted in a settlement with or judgment against the Supplier in any jurisdiction in the United States in an amount of One Hundred Thousand Dollars (\$100,000) or more within the previous five (5) years, or affirm there are none.

**E.2.2.2.** The Supplier shall disclose any data security breaches and specifically any HIPAA security breaches that were reported to any federal or state authority by the Supplier within the previous three (3) years.

**E.2.2.3.** The Supplier shall disclose if it has any past or pending investigation, legal actions, administrative actions, or matter subject to arbitration brought involving actuarial services, including any key management or executive staff, over the past three years on matters relating to payments from governmental entities, both federal and state, for healthcare and/or prescription drug services. The disclosure should include an explanation as well as the current status and or disposition.

### **E.3. Proposal Process**

**E.3.1.** The Supplier shall submit all items requested in Proposed Deliverables (see C.4).

#### **E.3.2. Proposal Format**

Proposals should be prepared in the format described below. Failure to comply with the specified format may lead to a Supplier's proposal being declared non-responsive.

**E.3.2.1.** EGID is especially concerned that the format of the proposal sequentially responds to the requested services and other questions that are to be addressed within the solicitation.

**E.3.2.1.1.** The Supplier should restate the service, requirement, or question and then state its response.

**E.3.2.1.2.** The Supplier should assign consecutive page numbers in its response.

**E.3.2.2.** Appendices should be similarly sequential. Any other information thought to be relevant, but not applicable to the prescribed format, should be provided as appendices to the proposal.

**E.3.3.** Bidders are to submit two (2) electronic copies of their completed response, to include scanned images of the required completed and signed forms. Electronic copy can be in Word, Excel, or PDF format; but, is to be an unprotected document provided on a USB drive. Faxed or emailed responses will not be accepted. Hard copies of the solicitation are not needed. This requirement overrides A.2.4 of the General Provisions.

**E.3.4.** Suppliers are to complete and return all forms with their solicitation response.

**E.3.5.** Suppliers are to submit pricing on Attachment A – Pricing Request Form.

### **E.4. Proposals Are Subject to Oklahoma Open Records Act**

**E.4.1.** To the extent permitted by the Oklahoma Open Records Act, 51 O. S. (2001) § 24A.1-27, all proposals will not be disclosed, except for purposes of evaluation, prior to approval by OMES/CP of the resulting contract. All material submitted becomes the property of the State of Oklahoma. Proposals will not be considered confidential after a contract is awarded except as designated as confidential by the State Purchasing Director as stated in section A.7.

**E.4.2.** Submitted proposals may be reviewed and evaluated by any person designated by OMES/CP or EGID, other than one associated with a competing bidder. OMES/CP and EGID reserves the right to use any and all ideas presented in any response to the solicitation. Selection or rejection of a proposal does not affect this right.

### **E.5. Information from One Supplier Concerning Another Is Prohibited.**

Suppliers are advised that OMES/CP and EGID are not interested in, nor will it consider, allegations of lack of qualification or of impropriety made or initiated by any Supplier concerning another Supplier at any point during the competitive bid process. Inclusion of such information in the solicitation response or communication of such information to any state officials, state staff or its contractors after proposal submission shall be grounds for disqualification. This clause in no way limits the right to file a protest or appeal under the laws or rules governing the State of Oklahoma.

### **E.6. Revisions to the Solicitation and/or Responses**

**E.6.1.** OMES/CP and EGID may at any time hereafter supplement the solicitation, the proposal and the resulting contract for purposes of enumerating, defining, and clarifying services, duties and functions, but not to add new services, duties or functions. Any changes made to the solicitation, bid, and resulting contract will be done by Amendment or Addendum

**E.6.2.** During the evaluation period, the bidders may be requested to present supplemental information clarifying its proposal. This supplemental information will be requested by OMES/CP and the information must be submitted in writing to OMES/CP and will be included as a formal part of the Supplier's proposal.

### **E.7. Restrictions on Communication with EGID Staff**

From the issue date of this solicitation until an actuary is selected, Supplier are not allowed to discuss this solicitation with any Oklahoma Employees Insurance Benefits Board member, EGID employee or any Consultant to EGID unless the discussion is part of the OMES/CP negotiation process. This restriction shall not prohibit discussions needed by the current actuary to perform its job. Any violation of this restriction shall result in disqualification.

## **F. CHECKLIST**

### **F.1. Vendor Response Checklist**

Listed below is a checklist of items that are to be completed and returned with the proposal. This is not an all-inclusive list and it is the vendor's responsibility to ensure that they submit all required/requested documentation:

**F.1.1.** OMES Form CP-076 – Responding Bidder Information

- F.1.2.** OMES Form CP-004 – Certification for Competitive Bid and/or Contract (Non-Collusion Certification)
- F.1.3.** Signed Amendment(s), if any
- F.1.4.** Proposal Deliverables (See Section C.4, Section G.2 and Section H)
- F.1.5.** Proof of Liability and Worker's Compensation Insurance
- F.1.6.** Vendor Payee Form (Attachment F), if applicable. The Vendor Payee form is provided for the responding Supplier that is a new, non-registered payee. OMES Vendor Management requires the information in the attached form before payments can be made to the supplier.
- F.1.7.** Two (2) electronic copies of bid response (See Section E.2.1.)

## **G. OTHER**

### **G.1. Questions:**

All questions regarding this solicitation must be submitted in writing and are to be emailed no later than Thursday, **November 9, 2017 at 3:00 p.m.** CDT. Questions are to be emailed to [dana.brittenham@omes.ok.gov](mailto:dana.brittenham@omes.ok.gov). Questions received after this date will not be answered. If any questions are received, an amendment to this solicitation will be posted on our website after this deadline listing all questions received and their answers. Any communication regarding this solicitation must be sent to the Contracting Officer listed above. Failure to do so, (contacting the agency directly) may result in your proposal being deemed as non-responsive. Please be sure to reference the solicitation number when emailing questions.

### **G.2. Required Attachments to Solicitation**

- G.2.1.** Attachment A – Pricing Request Form
- G.2.2.** Attachment B – Reference Survey
- G.2.3.** Attachment C – Business Associate Agreement: The ACTUARIAL CONSULTANT, as a "Business Associate," agrees to execute the 'Business Associate Agreement' upon award of the contract between Oklahoma Management and Enterprise Services Employees Group Insurance Division, hereafter known as "EGID", and the ACTUARIAL CONSULTANT as defined by the Health Insurance Portability and Accountability Act of 1996 (HIPAA) statutes and regulations.
- G.2.4.** Attachment D - Statement of Compliance: The supplier shall complete the Statement of Compliance.
- G.2.5.** Attachment E - Security Certification and Accreditation Assessment: The Supplier shall complete the Security Certification and Accreditation Assessment for External Systems
- G.2.6.** Attachment F - Vendor Payee Form. The Vendor Payee form is provided for the responding Supplier that is a new, non-registered payee. OMES Vendor Management requires the information in the attached form before payments can be made to the supplier.

## **H. PRICE AND COST**

- H.1.1.** Contractor will complete the attached Pricing Request Form (Attachment A). The quoted fee shall be offered as a maximum annual fee, billable at an hourly rate for each level of expertise of personnel providing the services. Work components one, three and four must be quoted separately. All expenses shall be included in the hourly rate. Hourly rates will be provided for Actuarial Analysis and Consultation per year. In order to evaluate the proposal, please provide the following for each of the personnel that will be assigned to EGID's account with a different billing rate:
  - H.1.1.1.** Staff member assigned to EGID's account;
  - H.1.1.2.** Staff position (i.e., Partner, Principal, Senior Actuary, etc.);
  - H.1.1.3.** Estimated hours;
  - H.1.1.4.** Rate per hour (ranges are not acceptable);
  - H.1.1.5.** Total cost for each staff position, and
  - H.1.1.6.** Total cost.
- H.1.2.** Bidders guarantee unit prices to be correct.
- H.1.3.** In accordance with 74 O.S. §85.40, all travel expenses to be incurred by Supplier in performance of the Contract shall be included in the total Bid price/contract amount.
- H.1.4.** EGID cannot reimburse the Consultant for any type of expenses. ALL ANTICIPATED EXPENSES MUST BE INCLUDED IN THE HOURLY RATE.
- H.1.5.** All costs incurred by the Bidders for Bid preparation and participation in this competitive procurement shall be the sole responsibility of the Bidder. The State of Oklahoma shall not reimburse any Bidder for any such costs.

**H.1.6.** The Consultant must offer and guarantee the offer for the initial term of this contract and each of the four (4) one-year (1-year) possible renewal years.

See Excel Attachment with Solicitation Posting

<https://www.ok.gov/dcs/solicit/app/admin/solicitations.php>

**Attachment "A" Pricing**

**Work Component One - EGID Self-Funded Health, Dental & Life Plans**

<u>Staff Member Assigned to EGID Account</u>	<u>Staff Position (i.e., Partner , Principal, Sr. Actuary, Etc.)</u>	<u>Estimated Hours</u>	<u>Rate Per Hour (Ranges are Not Acceptable)</u>	<u>Total Cost Per Staff Position</u>
--	--	------------------------	--	--

Component Total

\_\_\_\_\_  
=====

**Work Component Three - OPEB**

<u>Staff Member Assigned to EGID Account</u>	<u>Staff Position (i.e., Partner , Principal, Sr. Actuary, Etc.)</u>	<u>Estimated Hours</u>	<u>Rate Per Hour (Ranges are Not Acceptable)</u>	<u>Total Cost Per Staff Position</u>
--	--	------------------------	--	--

Component Total

\_\_\_\_\_  
=====

**Work Component Four - Actuarial Services - Health And Denmtal Solicitation Process**

<u>Staff Member Assigned to EGID Account</u>	<u>Staff Position (i.e., Partner , Principal, Sr. Actuary, Etc.)</u>	<u>Estimated Hours</u>	<u>Rate Per Hour (Ranges are Not Acceptable)</u>	<u>Total Cost Per Staff Position</u>
--	--	------------------------	--	--

Component Total

\_\_\_\_\_  
=====

Attachment "B" – Reference Survey

Reference Name:

Reference Phone No:

Reference Email:

Solicitation

Health, Dental & Life Actuarial Consulting RFP

Reference Questions

1. Please describe your firm's operations. I.E. Self-Insured Health and Dental Insurance entity covering 60,000 members or Fully Insured Employer, etc.

2. Did the Health & Dental Actuarial Consultant's services performed include any of the following:

Reserve Calculations?

Rate adequacy and premium setting?

Annual valuation and experience reports?

Benefit and plan design consulting?

Fiscal impacts of proposed legislation

Other Post-Employment benefit calculations?

Other significant projects? Please specifically list.



## Attachment C – Standard Business Associate Agreement

### **BUSINESS ASSOCIATE AGREEMENT BETWEEN THE OFFICE OF MANAGEMENT AND ENTERPRISE SERVICES EMPLOYEES GROUP INSURANCE DIVISION (COVERED ENTITY) AND [REDACTED] (BUSINESS ASSOCIATE)**

#### **Definitions**

Catch-all definitions:

The following terms used in this Agreement shall have the same meaning as those terms in the HIPAA Rules: Breach, Data Aggregation, Designated Record Set, Disclosure, Health Care Operations, Individual, Minimum Necessary, Notice of Privacy Practices, Protected Health Information, Required By Law, Secretary, Security Incident, Subcontractor, Unsecured Protected Health Information, and Use.

Specific definitions:

(a) Business Associate. “Business Associate” shall generally have the same meaning as the term “business associate” at 45 CFR 160.103, and in reference to the party to this Agreement, shall mean [REDACTED].

(b) Covered Entity. “Covered Entity” shall generally have the same meaning as the term “covered entity” at 45 CFR 160.103, and in reference to the party to this Agreement, shall mean the Oklahoma **Office of Management and Enterprise Services Employees Group Insurance Division**.

(c) HIPAA Rules. “HIPAA Rules” shall mean the Privacy, Security, Breach Notification, and Enforcement Rules at 45 CFR Part 160 and Part 164.

#### **Obligations and Activities of Business Associate**

Business Associate agrees to:

(a) Not use or disclose protected health information other than as permitted or required by this Agreement or as required by law;

(b) Use appropriate safeguards, and comply with Subpart C of 45 CFR Part 164 with respect to electronic protected health information, to prevent use or disclosure of protected health information other than as provided for by this Agreement;

(c) Report to Covered Entity any use or disclosure of protected health information not provided for by this Agreement of which it becomes aware, including breaches of unsecured protected health information as required at 45 CFR 164.410, and any security incident of which it becomes aware, provided however that Business Associate shall not be required to report any routine unsuccessful attempts to access, modify or destroy electronic data, or to interfere with an electronic data system, such as “pings” or other broadcast attacks on a firewall, port scans, routine unsuccessful log-on attempts, or denial of service attacks; breaches involving 100 or more affected individuals shall be reported within ten (10) days of discovery, and breaches involving less than 100 affected individuals shall be reported within thirty (30) days of discovery; Business Associate shall provide Covered Entity with information regarding the nature and extent of the improper use or disclosure and any additional information Covered Entity may reasonably request;

## **Attachment C – Standard Business Associate Agreement**

(d) Mitigate, to the extent practicable, any harmful effect that is known to Business Associate of a use or disclosure of Protected Health Information by Business Associate in violation of the requirements of this Agreement;

(e) In accordance with 45 CFR 164.502(e)(1)(ii) and 164.308(b)(2), if applicable, ensure that any subcontractors that create, receive, maintain, or transmit protected health information on behalf of the Business Associate agree to the same restrictions, conditions, and requirements that apply to the Business Associate with respect to such information;

(f) In accordance with 45 CFR 164.514(d)(3), only request, use and disclose the minimum amount of protected health information necessary to accomplish the purpose of the request, use or disclosure;

(g) Make available protected health information in a designated record set to the individual or the individual's designee as necessary to satisfy Covered Entity's obligations under 45 CFR 164.524;

(h) Provide access, at the request of Covered Entity and during normal business hours, to Protected Health Information in a Designated Record Set to Covered Entity or, as directed by Covered Entity, to an Individual in order to meet the requirements under 45 CFR §164.524, provided that Covered Entity delivers to Business Associate a written notice at least five (5) business days in advance of requesting such access. This provision does not apply if Business Associate and its employees, subcontractors and agents have no Protected Health Information in a Designated Record Set of Covered Entity;

(i) Make any amendment(s) to Protected Health Information in a Designated Record Set that the Covered Entity directs or agrees to pursuant to 45 CFR §164.526, at the request of Covered Entity or an Individual. This provision does not apply if Business Associate and its employees, subcontractors and agents have no Protected Health Information from a Designated Record Set of Covered Entity;

(j) Maintain and make available the information required to provide an accounting of disclosures to the individual as necessary to satisfy Covered Entity's obligations under 45 CFR 164.528;

(k) Unless otherwise protected or prohibited from discovery or disclosure by law, Business Associate agrees to make internal practices, books, and records, including policies and procedures, relating to the use or disclosure of Protected Health Information received from, or created or received by Business Associate on behalf of, Covered Entity, available to the Covered Entity or to the Secretary for purposes of the Secretary determining Covered Entity's compliance with the Privacy Rule or Security Rule. Business Associate shall have a reasonable time within which to comply with requests for such access and in no case shall access be required in less than five (5) business days after Business Associate's receipt of such request, unless otherwise designated by the Secretary;

(l) To the extent the Business Associate is to carry out one or more of Covered Entity's obligation(s) under Subpart E of 45 CFR Part 164, comply with the requirements of Subpart E that apply to the Covered Entity in the performance of such obligation(s); and

(m) Make its internal practices, books, and records available to the Secretary for purposes of determining compliance with the HIPAA Rules.

### **Permitted Uses and Disclosures by Business Associate**

(a) Except as otherwise limited by this Agreement, Business Associate may make any uses and disclosures of Protected Health Information necessary to perform its services to Covered Entity and otherwise meet its obligations under this Agreement, if such use or disclosure would not violate the

## **Attachment C – Standard Business Associate Agreement**

Privacy Rule if done by Covered Entity. All other uses or disclosures by Business Associate not authorized by this Agreement or by specific instruction of Covered Entity are prohibited.

(b) Business Associate may use or disclose protected health information as required by law.

(c) Business Associate agrees to make uses and disclosures and requests for protected health information consistent with the minimum necessary policies and procedures of the HIPAA Rules.

(d) Business Associate may not use or disclose protected health information in a manner that would violate Subpart E of 45 CFR Part 164 if done by Covered Entity.

(e) Business Associate may disclose protected health information for the proper management and administration of Business Associate or to carry out the legal responsibilities of the Business Associate, provided the disclosures are required by law, or Business Associate obtains reasonable assurances from the person to whom the information is disclosed that the information will remain confidential and used or further disclosed only as required by law or for the purposes for which it was disclosed to the person, and the person notifies Business Associate of any instances of which it is aware in which the confidentiality of the information has been breached.

(f) Business Associate may provide data aggregation services relating to the health care operations of the Covered Entity.

### **Provisions for Covered Entity to Inform Business Associate of Privacy Practices and Restrictions**

(a) Covered Entity shall notify Business Associate of any limitation(s) in the notice of privacy practices of Covered Entity under 45 CFR 164.520, to the extent that such limitation may affect Business Associate's use or disclosure of protected health information.

(b) Covered Entity shall notify Business Associate of any changes in, or revocation of, the permission by an individual to use or disclose his or her protected health information, to the extent that such changes may affect Business Associate's use or disclosure of protected health information.

(c) Covered Entity shall notify Business Associate of any restriction on the use or disclosure of protected health information that Covered Entity has agreed to or is required to abide by under 45 CFR 164.522, to the extent that such restriction may affect Business Associate's use or disclosure of protected health information.

### **Indemnification**

Business Associate will indemnify, defend and hold harmless Covered Entity and its respective employees, directors, officers, subcontractors, agents and affiliates from and against all claims, actions, damages, losses, liabilities, fines, penalties, costs or expenses (including without limitation reasonable attorneys' fees) suffered by Covered Entity arising from or in connection with any breach of this Agreement, or any negligent or wrongful acts or omissions in connection with this Agreement, by Business Associate or by its employees, directors, officers, subcontractors, or agents. Notwithstanding the foregoing, the Business Associate shall not be responsible or liable for following Covered Entity's instructions with regard to the protected health and/or confidential information or from and to the extent of any breach of contract or negligent actions or omissions by the Covered Entity. No person or entity is to be considered a third-party beneficiary under the agreement, nor shall any third party have any rights as a result of the agreement.

## Attachment C – Standard Business Associate Agreement

### Term and Termination

(a) Term. This agreement shall be effective upon execution by both parties and will continue until terminated by either party for any reason with a written notice of 30 days, or on the date Covered Entity terminates for cause as authorized in paragraph (b) of this Section, whichever is sooner.

(b) Termination for Cause. Upon Covered Entity's knowledge of a material breach by Business Associate, Covered Entity shall give Business Associate written notice of such breach and provide reasonable opportunity for Business Associate to cure the breach or end the violation. Covered Entity may terminate this Agreement, and Business Associate agrees to such termination, if Business Associate has breached a material term of this Agreement and does not cure the breach or cure is not possible.

(c) Obligations of Business Associate Upon Termination.

Upon termination of this Agreement for any reason, at the option of Covered Entity, Business Associate shall do one or more of the following: 1) return all protected health information to Covered Entity, 2) transmit the protected health information to another business associate of the Covered Entity, and/or, 3) destroy all protected health information received from Covered Entity, or created, maintained, or received by Business Associate on behalf of Covered Entity. Business Associate and its subcontractors shall retain no copies of the protected health information.

### Miscellaneous

(a) Assignment. The Parties will not sublicense or assign this Agreement or any right or interest hereunder without prior written consent, and any attempted sublicense or assignment without such consent will be void. Subject to the foregoing restriction, this Agreement will bind and benefit the parties and their respective successors and assigns.

(b) Governing law; Severability. Except as preempted by federal law, this Agreement will be interpreted, construed and enforced in all respects in accordance with the laws of the State of Oklahoma, without giving effect to its principles of conflict of laws. If any provision of this Agreement is determined to be invalid to any extent or in any context, such provision will be enforced to the extent and in the contexts in which it is valid, and the remaining provisions are severable and will not be affected by any such determination of invalidity.

(c) Entire Agreement. This Agreement sets forth the entire agreement, and supersedes any and all prior agreements, of the Parties with respect to the subject matter hereof. No amendment of this Agreement will be valid unless set forth in a writing signed by both Parties. No waiver will be binding unless signed by the party to be bound.

(d) Regulatory References. A reference in this Agreement to a section in the HIPAA Rules means the section as in effect or as amended.

(e) Amendment. The Parties agree to take such action as is necessary to amend this Agreement from time to time as is necessary for compliance with the requirements of the HIPAA Rules and any other applicable law.

**Attachment C – Standard Business Associate Agreement**

(f) Interpretation. Any ambiguity in this Agreement shall be interpreted to permit compliance with the HIPAA Rules.

(g) No Third-Party Beneficiaries. Nothing express or implied in the PBM Agreement or in this Business Associate Agreement is intended to confer, nor shall anything herein confer, upon any person other than the parties and the respective successors or assigns of the parties, any rights, remedies, obligations or liabilities whatsoever.

(h) Notices. Any notices pertaining to this Agreement shall be given in writing and shall be deemed duly given when personally delivered to a Party or a Party's authorized representative as listed below or sent by means of a reputable overnight carrier, or sent by means of certified mail, return receipt requested, postage prepaid. A notice sent by certified mail shall be deemed given on the date of receipt or refusal of receipt. All notices shall be addressed to the appropriate Party as follows:

If to Covered Entity:

First Point of Contact:

Title: OMES Privacy Officer/HealthChoice Chief Compliance Officer  
Name: Paul King  
Address: 3545 N.W.58<sup>th</sup> Street, Suite 110  
Oklahoma City, OK 73112  
Telephone: 405-717-8880  
Fax: 405-717-8609  
Email: Paul.King@omes.ok.gov

Second Point of Contact:

Title: HealthChoice Deputy Compliance Officer  
Name: Lori Baer  
Address: 3545 N.W.58<sup>th</sup> Street, Suite 110  
Oklahoma City, OK 73112  
Telephone: 405-717-8809  
Fax: 405-717-8609  
Email: Lori.Baer@omes.ok.gov

Website URL <https://www.ok.gov/sib>

If to Business Associate:

First Point of Contact:

Title:

Name:

Address:

Telephone:

Fax:

Email:

**Attachment C – Standard Business Associate Agreement**

Second Point of Contact:

Title: \_\_\_\_\_  
Name: \_\_\_\_\_  
Address: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
Telephone: \_\_\_\_\_  
Fax: \_\_\_\_\_  
Email: \_\_\_\_\_  
  
Website URL \_\_\_\_\_

**Agreed and Accepted**

COVERED ENTITY - The Office of Management  
and Enterprise Services Employees Group  
Insurance Division

BUSINESS ASSOCIATE - \_\_\_\_\_

By: \_\_\_\_\_

By: \_\_\_\_\_

Printed Name: Frank Wilson

Printed Name: \_\_\_\_\_

Title: Administrator

Title: \_\_\_\_\_

Date Signed: \_\_\_\_\_

Date Signed: \_\_\_\_\_

**ATTACHMENT D**  
**Statement of Compliance**

Certain conditions may preclude the Supplier's strict compliance with a term specified in this solicitation. The supplier may describe its method of compliance to accomplish the requirements of the specific term and EGID reserves its unrestricted discretion to determine, whether an alternative method offered by the supplier is acceptable to EGID.

Any alternative method or exceptions to terms, conditions or other requirements in any part of the solicitation must be clearly described in both the appropriate section of the solicitation and listed as an attachment to the Statement of Compliance and shall be made a part of this solicitation. Otherwise, EGID shall consider that all items offered are in strict compliance with the solicitation and the supplier shall be responsible for compliance. EGID shall specify at the time of the awarding of the contract what, if any, optional, alternative methods are accepted.

Notwithstanding anything to the contrary, EGID maintains the unrestricted discretion to make any decision as to suitability, competency, ability to perform, conflicts of interest or the appearance thereof, responsiveness of the supplier's proposal, acceptability of such proposal, or other decisions concerning qualifications.,

Each supplier shall be required to submit a response to this solicitation as it is written. Any supplier who wishes to propose exceptions or alternatives to any term, condition, or requirement of this solicitation must specify the exception and/or alternative and submit a response for each deviation. If a Statement of Compliance is not returned to EGID with the supplier's original proposal, the response may be excluded from further consideration. If a Statement of Compliance is submitted with deviations, EGID will consider such exceptions and/or alternatives in the evaluation process or such exception and/or alternative may constitute grounds for rejection of the proposal.

The solicitation submitted to EGID is in strict compliance with this solicitation, and if selected as a supplier, the supplier will be responsible for meeting all requirements of this solicitation.

The solicitation submitted to EGID contains deviations from the specifications of this solicitation. The deviations are attached.

Name: \_\_\_\_\_ Company: \_\_\_\_\_

Signature: \_\_\_\_\_ Address: \_\_\_\_\_

Title: \_\_\_\_\_

Phone: \_\_\_\_\_ Fax: \_\_\_\_\_

See Excel Attachment with Solicitation Posting

<https://www.ok.gov/dcs/solicit/app/admin/solicitations.php>



## Attachment F - Vendor/Payee Form

**Agency:** OMES Vendor Management requires the following information for all new non-registered vendors (payees) before payments may be processed. Information is used to establish the payee in the State's PeopleSoft vendor file for payment and procurement activities.

**DO NOT use this form for:**

- > **Garnishment Payees:** Use [OMES Form GarnVendor](#)
- > **State Employees:** Use [OMES FORM Employee Vendor Request](#)
- > **Vendors pending contract award** to a solicitation released by the division of Central Purchasing or another Oklahoma state agency MUST first register online with the state unless exempt per statute. For additional information, please refer to [Central Purchasing Vendor Registration](#).

**AGENCY SECTION** (To be completed by state agency representative):

State agency should email completed and signed form to [vendor.form@omes.ok.gov](mailto:vendor.form@omes.ok.gov) or fax to 405-522-3663.

**VENDOR/PAYEE SECTION** (To be completed by vendor/payee)

*Please print legibly or type this information. Form must be completed and signed by authorized individual. Email or fax to requesting state agency.*

<b>Agency Name</b>		<b>Contact Name</b>	
<b>Phone #</b>		<b>Fax #</b>	<b>Email</b>
<b>Agency Request To</b> – Please select all applicable request types			
<input type="checkbox"/> Add New Vendor	<input type="checkbox"/> Update Existing Vendor	PeopleSoft 10-digit Vendor ID	_____
<input type="checkbox"/> Add New Address	<input type="checkbox"/> Change Address/Location	PeopleSoft Address #	_____ PeopleSoft Location # _____
<input type="checkbox"/> Change Vendor Tax ID	<input type="checkbox"/> Change Vendor Name	<input type="checkbox"/> Add Alternate Payee Name	PeopleSoft Location # _____
<input type="checkbox"/> Other	Explain _____		
<b>Vendor 1099 Reportable Status</b>	<b>Attention Paying Agency:</b> Please check the <b>Add</b> box on the left if payments to this vendor/payee are represented by Account Codes listed on page 3 of this form. If the vendor is incorrectly showing as 1099 Reportable, check the <b>Remove</b> box. The PeopleSoft system requires specific details regarding the type of transaction. Please check the box that applies to this vendor:		
<input type="checkbox"/> <b>Add:</b>	<input type="checkbox"/> 1 - Rents	<input type="checkbox"/> 2 - Royalties	<input type="checkbox"/> 3 – Other Income
<input type="checkbox"/> <b>Remove:</b>	<input type="checkbox"/> 6 - Medical & Health Care	<input type="checkbox"/> 7 - Non-Employee Compensation	<input type="checkbox"/> 10 - Crop Insurance Proceeds
	<input type="checkbox"/> 14 - Gross Proceeds to an Attorney		

**VENDOR/PAYEE SECTION** (To be completed by vendor/payee)

*Please print legibly or type this information. Form must be completed and signed by authorized individual. Email or fax to requesting state agency.*

<b>Payee Information:</b> Please provide the requested information for the payee receiving funds from the Oklahoma state agency. All information should match U.S. Internal Revenue Service filing records for the business, individual or government entity receiving payment.			
<b>Name</b>		<b>Contact Name</b>	
Payee Legal Name for Business, Individual or Government Entity as filed with IRS		<b>Contact Title</b>	
<b>DBA Name</b>		<b>Phone #</b>	
Doing Business As "DBA", or Disregarded Entity Name if different than Legal Name		<b>Fax #</b>	
<b>Tax Identification Number (TIN) and Type:</b>		<input type="checkbox"/> Federal Employer ID (FEIN) <input type="checkbox"/> Social Security Number (SSN)	
<b>Business Address</b> -- Please provide primary business address as filed with the U.S. Internal Revenue Service			
<b>Address</b>		<b>City</b>	
<b>State</b>	<b>Zip+4</b>	<b>Remittance Email</b>	
<b>Optional Addresses</b> – Please select address type as applicable			
Type:	<input type="checkbox"/> Remitting	<input type="checkbox"/> Ordering	<input type="checkbox"/> Pricing
	<input type="checkbox"/> Returning	<input type="checkbox"/> Mailing	<input type="checkbox"/> Other:
<b>Address</b>		<b>City</b>	
<b>State</b>	<b>Zip+4</b>	<b>Remittance Email</b>	
<b>Financial Registration:</b> Please provide contact information for the Authorized Individual who can provide financial information used for ACH Electronic Funds Transfer payment processes. An email will be sent providing instructions for accessing the State of Oklahoma online registration system.			
<b>Name</b>		<b>Title</b>	<b>Email</b>

W-9 SUPPLEMENTAL INFORMATION – ALL VENDORS OR PAYEES

The information below is requested under U.S. Tax Laws. Failure to provide this information may prevent you from being able to do business with the state, or may result in the state having to deduct backup withholding amounts from future payments.

U.S. Taxpayer Identification Number (TIN)

Federal Employer Identification Number (FEIN) \_\_\_\_\_ If none, but applied for, date applied \_\_\_\_\_

U.S. Social Security Number (SSN) \_\_\_\_\_ If none, but applied for, date applied \_\_\_\_\_

Entity Filing Classification:

Domestic (U.S.) Sole Proprietor or Individual  Domestic (U.S.) Partnership  Domestic (U.S.) Corporation Type: \_\_\_\_\_

Limited Liability Company Type: \_\_\_\_\_

LLC Disregarded Entity:  YES  NO **Must be verified by LLC’s tax division. If applicable, parent name/tax id is required.**

Domestic (U.S.) Other Explain: \_\_\_\_\_

Foreign (Non-U.S.) Sole Proprietor or Individual\*  Foreign (Non-U.S.) Partnership\*  Foreign (Non-U.S.) Type: \_\_\_\_\_

Foreign (Non-U.S.) Other\* Explain: \_\_\_\_\_

FOREIGN VENDOR INSTRUCTIONS: \* ADDITIONAL DOCUMENTATION IS REQUIRED.

Please submit the proper U.S. Internal Revenue Service (IRS) Form W-8, Certificate of Foreign Status. Select form below matching the payee’s entity or individual description. Please refer to IRS for additional instructions (<http://www.irs.gov/pub/irs-pdf/fw8.pdf>).

- **Form W-8BEN:** Certificate of Foreign Status of Beneficial Owner for United States Tax Withholding and Reporting (Individuals). <http://www.irs.gov/pub/irs-pdf/fw8ben.pdf>
- **Form W-8BEN-E:** Certificate of Status of Beneficial Owner for United States Tax Withholding and Reporting (Entities). <http://www.irs.gov/pub/irs-pdf/fw8bene.pdf>
- **Form W-8ECI:** Certificate of Foreign Person’s Claim That Income is Effectively Connected With the Conduct of a Trade or Business in the United States. <http://www.irs.gov/pub/irs-pdf/fw8eci.pdf>
- **Form W-8EXP:** Certificate of Foreign Government or Other Foreign Organization for United States Tax Withholding and Reporting. <http://www.irs.gov/pub/irs-pdf/fw8exp.pdf>
- **Form W-8IMY:** Certificate of Foreign Intermediary, Foreign Flow-Through Entity, or Certain U.S. Branches for United States Tax Withholding and Reporting. <http://www.irs.gov/pub/irs-pdf/fw8imy.pdf>

This may exempt you from backup withholding. Form W-8 does not exempt you from the 30% (or lower percentage by treaty) non-resident withholding taxes. To claim this exemption, you must file IRS Form 8233 with us. For more information, refer to IRS Publication 519.

SIGNATURE - AND SUBSTITUTE IRS FORM W-9 CERTIFICATION

Under penalties of perjury, I certify that:

1. The number shown on this form is my correct taxpayer identification number (or I am waiting for a number to be issued to me), and
2. I am not subject to backup withholding because: (a) I am exempt from backup withholding, or (b) I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding as a result of a failure to report all interest or dividends, or (c) the IRS has notified me that I am no longer subject to backup withholding, and
3. I am a U.S. citizen or other U.S. person (defined below), and
4. The FATCA code(s) entered on this form (if any) indicating that I am exempt from FATCA reporting is correct.

Certification instructions: You must cross out item 2 above if you have been notified by the IRS that you are currently subject to backup withholding because you have failed to report all interest and dividends on your tax return. For real estate transactions, item 2 does not apply. For mortgage interest paid, acquisition or abandonment of secured property, cancellation of debt, contributions to an individual retirement account (IRA), and generally, payments other than interest and dividends, you are not required to sign the certification, but you must provide your correct TIN.

\_\_\_\_\_  
Signature of Vendor Representative or Individual Payee

\_\_\_\_\_  
Date

\_\_\_\_\_  
Title of individual signing form for company

\_\_\_\_\_  
Vendor/Payee (Must be the same as Payee Name from page 1)

**Account Codes for 1099 Reporting - By Category (TO BE COMPLETED BY AGENCY REPRESENTATIVE)**

<input type="checkbox"/> <b>1 - RENTS</b> 532110 Rent of Office Space 532120 Rent of Land 532130 Rent of Other Building Space 532140 Rent of Equipment and Machinery 532150 Rent of Telecommunications Equip 532160 Rent of Electronic Data Processing Equipment 532170 Rent of Electronic Data Processing Software 532190 Other Rents	<input type="checkbox"/> <b>1- RENTS (continued)</b> 532141 Rent of Motor Vehicles 532142 Lease of Motor Vehicles  <input type="checkbox"/> <b>2 – ROYALTIES</b> 553170 Royalties	<input type="checkbox"/> <b>3 – OTHER INCOME</b> 552120 Incentive Awards – Monetary & Material 552160 Incentive Payments – Oklahoma Horse Breeders & Owners 552170 Incentive Payments – Oklahoma Film Enhancement Rebate 553165 Current/Former Employee Reportable Court Ordered or Legal Settlements 553220 Other IRS Reportable Income
<input type="checkbox"/> <b>6 - MEDICAL &amp; HEALTH CARE PAYMENTS</b> 515530 Veterinary Services 515700 Offices of Physicians (except Mental Health Specialists) 515710 Offices of Physicians, Mental Health Specialists 515720 Offices of Dentists 515730 Offices of Chiropractors 515740 Offices of Optometrists 515750 Offices of Mental Health Practitioners (except Physicians) 515760 Offices of Physical, Occupational & Speech Therapists, & Audiologists  515770 Offices of Podiatrists 515780 Offices of all other Miscellaneous Health Practitioners 515790 Family Planning Centers 515800 Outpatient Mental Health & Substance Abuse Centers 515810 Other Outpatient Care Centers 515820 Medical and Diagnostic Laboratories	515830 Home Health Care Services 515840 Ambulance Services 515850 All other Ambulatory Health Care Services 515860 General Medical & Surgical Hospitals 515870 Psychiatric & Substance Abuse Hospitals 515880 Specialty Hospitals (except Psychiatric & Substance Abuse) 515890 Nursing Care Facilities 515900 Residential Services for People with Developmental Disabilities 515910 Residential Mental Health & Substance Abuse Facilities 515920 Community Care Facilities for the Elderly 515930 Other Residential Care Facilities 537210 Laboratory Services & Supplies 551230 Medical Services to Indigents (from agencies other than DHS) 551240 Hospital Services to Indigents (from agencies other than DHS) 551250 Other Health Services to Indigents (from agencies other than DHS)	
<input type="checkbox"/> <b>7 - NON-EMPLOYEE COMPENSATION</b> 515010 Office of Lawyers 515020 Offices of Notaries 515030 Other Legal Services 515060 Accounting, Tax Preparation, Bookkeeping & Payroll Services 515210 Payments for Contract Mentor Services 515220 Architectural Services 515230 Landscape Architectural Services 515240 Engineering Services 515250 Drafting Services 515260 Building Inspection Services 515270 Geophysical Surveying & Mapping Services 515280 Surveying and Mapping (except geophysical) Services 515290 Testing Laboratories 515300 Interior Design Services 515310 Industrial Design Services 515320 Graphic Design Services 515330 Other Specialized Design Services 515350 Custom Computer Programming Services 515360 Computer Systems Design Services 515370 Computer Facilities Management Services 515380 Other Computer Related Services 515400 Administrative Management & General Management Consulting Services  515410 Human Resources & Executive Search Consulting Services 515420 Marketing Consulting Services 515430 Process, Physical Distribution, & Logistics Consulting Services 515440 Other Management Consulting Services 515450 Environmental Consulting Services 515460 Other Scientific & Technical Consulting Services 515470 Research & Development in the Physical, Engineering, & Life Sciences  515480 Research & Development in the Social Sciences & Humanities 515490 Advertising and Related Services 515500 Marketing Research & Public Opinion Polling 515510 Photographic Services 515520 Translation & Interpretation Services 515540 All other Professional, Scientific and Technical Services 515550 Management of Companies & Enterprises 515560 Office Administrative Services 515570 Employment Placement Services 515580 Business Support Services 515590 Document Preparation Services	515600 Telephone Call Centers 515610 Business Service Centers 515620 Collection Agencies 515630 Credit Bureaus 515640 Other Business Support Services 515650 Investigation & Security Services 515660 Educational Services 515940 Individual & Family Services 515950 Community Food, Housing & Emergency & Other Relief Services 515960 Vocational Rehabilitation Services 515970 Child Day Care Services 515980 Arts, Entertainment and Recreation 515990 Other Services (except Public Administration) 517110 Moving Expense – Employee Transfer 531150 Printing and Binding Contract 531160 Advertising 531170 Informational Services 531190 Exhibitions, Shows and Special Events 531220 Burial Charges 531330 Jury and Witness Fees 531500 Moving Expenses – General 533100 Maintenance & Repair – Other Items 533110 Maintenance & Repair of Buildings & Grounds (outside vendors) 533120 Maintenance & Repair – Equipment (outside vendors) 533130 Maintenance & Repair of Telephone Equipment (outside vendors) 533140 Maintenance & Repair of Data Processing Equipment (outside vendors) 533150 Maintenance & Repair of Data Processing Software (outside vendors) 533190 Maintenance & Repair – Employee Uniforms 545110 Purchase of Land Improvements 545210 CIP (Construction in Progress) – Land Improvements 546210 Buildings and Other Structures – Construction and Renovation 546220 Major Maintenance and Repair of Equipment 547110 Highway and Bridge Construction Expense – Contractual 547120 Maintenance and Repairs to Highways and Bridges 547210 Major Maintenance and Renovation – Bridges 552100 Stipends – Other 552120 Teacher Stipends (“Incentive” payments) 552130 Oklahoma Police Corps Stipends 553160 Non-Employee Reportable Court Ordered or Legal Settlements 554190 Voter Registration Services 561140 Pollution Remediation	
<input type="checkbox"/> <b>14 - GROSS PROCEEDS TO AN ATTORNEY</b> 553180 Settlements – Paid To/Thru Attorney		